1. **MEETING CALLED TO ORDER**

2. **INVOCATION**

3. **PLEDGE OF ALLEGIANCE**

4. **PUBLIC COMMENT**

5. **APPROVAL OF AGENDA**

6. **CONSENT AGENDA**
   A. Approval of City Council Meeting Minutes Dated January 15, 2019 – (Pages 3 - 16)
   B. Approval of City Council Meeting Minutes Dated February 19, 2019 – (Pages 17 - 30)
   C. Approval of City Council Retreat Minutes Dated March 7, 2019 – (Pages 31 - 41)
   D. Approval of City Council Retreat Minutes Dated March 8, 2019 – (Pages 42 - 44)
   E. Approval of City Council Meeting Minutes Dated April 16, 2019 – (Pages 45 - 52)

7. **SPECIAL AGENDA**

8. **CASES FOR PUBLIC HEARING: to be held jointly with the Planning Board.**
   A. Public Hearing on Carr Creek Area D Sewer Extension
      • Consider Adoption of Resolution Directing that the Project be Undertaken - Carr Creek Area D Sewer Extension – (Pages 53 – 54)
   B. Public Hearing on the Closing of an Unopened Portion of Railroad Street from East Chisholm Street Southeast 135 Feet
      • Consider Adoption of Resolution Ordering the Closing of an Unopened Portion of Railroad Street from East Chisholm Street Southeast 135 Feet – (Pages 55 – 57)
9. DECISIONS ON PUBLIC HEARINGS:

10. REGULAR AGENDA

11. NEW BUSINESS (Items for discussion and action will only be taken if necessary. Otherwise, these items will be placed on the next agenda for approval.)
   A. Consider Resolution Authorizing the Advertisement of an Electronic Auction to Sell Certain Personal Property of the City of Sanford – (Pages 58 - 61)
   
   B. Consider Entering into an Engineering Services Agreement: Big Buffalo Water Reclamation Facility Flood Rehabilitation – (Pages 62 – 105)
   
   C. Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2018-2019 – Contribution to Big Buffalo Water Reclamation Facility Flood Rehabilitation Project – (Pages 106 – 107)
   
   D. Consider Capital Project Ordinance – Big Buffalo Water Reclamation Facility Flood Rehabilitation Project – (Page 108)
   
   E. Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2018-2019 – Sewer Petition Engineering for Carr Creek and Carthage Street – (Pages 109 – 110)
   
   F. Consider Resolution Fixing Date of Public Hearing for the Annexation of Schoolhouse Sanford, LLC Properties – (Pages 111 - 112)
   
   G. Presentation of Proposed Budget for Fiscal Year 2019-2020 - (Page 113)

12. OTHER BUSINESS
    Closed Session – (Page 114)

13. ADJOURNMENT
MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, January 15, 2019, at 6 p.m., in Council Chambers. The following people were present:

Mayor T. Chet Mann
Council Member Byron Buckels
Council Member Charles Taylor
Council Member James Williams
City Attorney Susan Patterson
City Clerk Bonnie Davis
Mayor Pro Tem Rebecca Wyhof Salmon
Council Member Jimmy Haire
Council Member Norman Charles Post, III
Management Analyst Holly Marosites
Deputy City Clerk Vicki Cannady

Absent:
Council Member Sam Gaskins

CALL TO ORDER
Mayor Mann called the meeting to order. Council Member Williams delivered the invocation.

PUBLIC COMMENT
No citizens signed up to speak for Public Comment.

APPROVAL OF AGENDA
Mayor Mann requested that a closed session be added as Item 8-B-1. Mayor Pro Tem Salmon made a motion to approve the agenda as amended. Seconded by Council Member Buckels, the motion was unanimously approved.

CONSENT AGENDA
Approval of City Council Work Session Minutes Dated December 11, 2018 – (Book 95)
Approval of City Council Meeting Minutes Dated December 18, 2018 – (Book 95)
Approval Ordinance Establishing a Stop Sign at the Newly Developed Intersection of Scarlet Lane at Archer Lane – (Exhibit A)

Mayor Pro Tem Salmon made a motion to approve the consent agenda. Seconded by Council Member Buckels, the motion carried unanimously.

SPECIAL AGENDA
There were no items on the special agenda.

CASES FOR PUBLIC HEARING
Frazier Drive Sewer Extension Petition (for Council consideration only; not for consideration by Planning Board) – (Exhibit B)

City Engineer Paul Weeks explained that this petition was undertaken under the Council approved program through which 75 percent of the mainline cost is covered by the City. The homeowners pay the remaining 25 percent, the cost to run the line from the tap to the home and to decommission their septic tank. Original engineering estimates anticipated a cost of $1,270 but when
the three bids were opened on August 28, the apparent low bid was $1,918; it was later negotiated down to $1,725. Since this cost exceeded the original estimate by more than ten percent, homeowners were notified to determine how they wanted to proceed. This public hearing was advertised in The Sanford Herald; phone calls were made to those whose numbers were registered with the water billing department; door hangers were placed; and an electronic message board advertised the public hearing.

Mayor Mann opened the public hearing.

Jim Shook (of 421 Frazier Drive) stated that he had been in contact with Mr. Weeks for more than a year about this project which initially received support from more than 50 percent of the homeowners, with more than 50 percent of them requesting the tap. He stated his support of the project would increase tax values, make homes more marketable, and offer health benefits and commented that since the last meeting at City Hall, work has been done on three septic tank systems in the neighborhood; he is also having problems with his system.

Neil Darroch stated that he had lived at 510 Frazier Drive for 52 years and he questioned why grant funds can’t cover the cost of the sewer line. Many residents are retirees who live on fixed incomes and don’t want an additional expense.

Reid Craig (of 602 Frazier Drive) expressed frustration that the original estimate was $1,270 and now it is $1,700, with additional costs to hookup and monthly fees. He stated that as a retiree, he can’t afford those expenses and that when these properties were annexed years ago, the City promised sewer lines would be extended at no cost to the homeowners.

Christopher Britt stated that he was born and raised on Frazier Drive and his parents still live there. He questioned how repairs to driveways and yards damaged by the project construction would be handled (see response by Public Works Director Victor Czar below).

Tim Knowles (of 505 Greensboro Avenue, Sanford), questioned how City residents can be charged for a service provided to most homeowners with no discount; he understood that funds from coal ash treatment were to subsidize these projects (see response by Public Works Director Victor Czar below).

Jim Shook (who spoke earlier) stated that letters from the Public Works Department explained that homeowners’ costs for their 25 percent can be financed through the City for ten years at a cost of approximately $16 monthly. He also stated that no promises were made to him in the 26 years he had lived on Frazier Drive.

Anita Bowland (daughter of Neil Darroch, who spoke earlier) stated that there are costs in addition to the assessment and her father and other residents cannot afford them.

Kathy Persons stated that she has lived at 606 Frazier Drive for about 24 years. If homeowners pay the $1,725 and estimated $3,000 associated charges, their home value and property taxes will increase while neighborhood home values are decreasing.
Katherine Britt stated that she has lived on Frazier for 53 years and her husband has been disabled since 1979. She expressed frustration with street maintenance and City services, requesting that tax funds be used to help them rather than on sidewalks and benches in the Jonesboro area.

Mr. Weeks stated that his staff has contacted 13 of the 31 homeowners who originally supported the project to determine whether they wanted to proceed with the higher cost: one requested that his name be removed from the petition but the remaining homeowners still support the project. Since staff has not received responses from all homeowners who originally approved the petition, this public hearing was scheduled. Council Member Taylor requested clarification on how the project was quoted and more information on the costs, which Mr. Weeks agreed to provide to him (since he did not have it with him at the time).

Public Works Director Victor Czar explained that about two years ago, Council decided to use funds from coal ash leachate treatment to provide sewer service to City homeowners. Under this program, the City pays 75% of the cost and waives the $1,250 tap fee if the tap is made during construction. Prior to this program, homeowners were responsible for the entire cost and the tap fee. Regarding the tap, homeowners who tap into the system will be billed for sewer service once connected. Costs can be financed through the City at an interest rate of five percent, compared to the eight percent interest rate offered prior to the program. Mr. Czar stated that Council recognized the need to provide sewer service to City residents by providing a discount through coal ash leachate treatment funds. He also confirmed that driveway and yard repairs associated with the project would be included in the costs and properties would be returned to pre-construction condition.

Council Member Buckels questioned what approval rate is being sought for the project to proceed. Mr. Weeks explained that they would ideally like to hear from the other 18 homeowners. He also explained that a decision is needed soon since the project was bid in August. The contractor has held his bid since he understands the process, but at some point may not hold it any longer. Mr. Czar explained that our policy requires that when bid costs are more than ten percent higher than the original estimate, a second public hearing is held.

Mayor Pro Tem Salmon stated that this program is voluntary and Council does not want to force homeowners into the program which is an opportunity for homeowners to take advantage of the subsidy. She explained that she is not comfortable with proceeding until the 50 percent threshold is reached. She noted that she has heard concerns from Frazier Drive residents for years about failing systems. Mayor Mann agreed that he had heard about problems with septic tanks on Frazier Drive for years, which is one of the reasons it was selected for the subsidy program. Mrs. Salmon suggested staff determine how long the contractor is willing to hold the bid so that a time frame can be set for receiving responses from the remaining homeowners.

Mayor Mann closed the public hearing.

Consider Award of Bid for Frazier Drive Sewer Extension Project

Mayor Pro Tem Salmon made a motion to table awarding the bid for the Frazier Drive Sewer Extension Project until such time as additional information is received from homeowners. The motion was seconded by Council Member Taylor and carried unanimously.

Application by Harrington Properties of NC, LLC – to rezone one vacant 2.7 + acre tract of land off of Golf Course Road from R-20, Residential Single-Family to R-6-C, Residential Mixed Conditional
Zoning District for the purpose of developing a 10 lot residential single-family home subdivision with an additional lot dedicated for open space. The subject property is identified as Tax Parcel 9644-71-3681-00 as depicted on Lee County Tax Map 9644.04 (held jointly with the Planning Board) – (Exhibit C)

Zoning Administrator Amy McNeill reviewed information shown on the attached Exhibit C, explaining that this application is the first step in the proposed development of a new residential single-family home subdivision on a 2.7± acre tract of land off Golf Course Road to be served by public water, public sewer and a public street. The proposal is a conditional zoning district created for the purpose of allowing a property owner to place additional conditions upon an existing, equivalent conventional, general use zoning district. She reviewed design standards for the Residential-Mixed Use Conditional Zoning (R-6-C), which is what the applicant is proposing at this time, along with specific conditions for this subdivision as shown on the attached exhibit. The PlanSanLee Land Use Plan identifies the future land use place type for this tract as “suburban neighborhood”. A public informational meeting was held on November 29 which was attended by Planning staff, the developer, the project engineer, and four adjoining property owners. The major topics were tree removal, sanitary sewer extension, erosion control, traffic, and the condition of Golf Course Road.

Ms. McNeill informed Council that staff recommends that Council support this rezoning request. In making this recommendation, staff finds that the rezoning proposal from Residential Single-Family (R-20) to Residential-Mixed Conditional Zoning District (R-6-C) appears to be in keeping with the land uses described in the PlanSanLee land use plan. The inclusion of detached single-family dwellings and undeveloped open or green space is consistent with the “suburban neighborhood” land use plan for this parcel. The conceptual home designs proposed are similar to architectural styles found along McNeill Road. The proposed development would be created with a new public street with sidewalks, establishing its own “sense of place”, while maintaining vehicle connectivity to Hawkins Road by way of Golf Course Road. The request appears to be reasonable and in the public interest based upon the availability of public utilities. She noted that information presented at this public hearing should also be considered regarding a final decision on the requested zoning map amendment.

Mayor Mann opened the public hearing.

Jeremy Thomas, with J. Thomas Engineering of Sanford, project engineer representing the property owner and developer, Brandon Harrington, stated that he was available to answer any questions about the project.

Michael Talbot (of 2212 Hawkins Avenue) stated that he has discussed grading and drainage concerns with the landowner/developer. While he doesn’t have a concern with the development moving forward, he requested that the City designate a staff member to oversee development sites since Lee County uses state standards for erosion control. Mayor Pro Tem Salmon questioned how drainage in the area near the development would be impacted. Mr. Thomas explained that the natural topography currently drains onto the adjacent Mullins property (in the Fairway Woods Subdivision) and they will attempt to improve the drainage situation by analyzing the flow and designing a ditch capable of carrying that flow to go down the lot line between the “Mullins and White properties” at Fairway Woods and get it to the drainage system for Bridgeport Circle.

Carol White (of 509 Fairway Drive) stated that she owns the property referred to by Mr. Thomas for constructing the ditch. She stated that she does not oppose construction but informed
Council that they have had drainage issues since they bought the property in 2011. She requested that the developer not contribute any additional drainage to their back yard.

Mayor Mann closed the public hearing.

Closed Session
Council Member Haire made a motion to go into closed session in accordance with N.C.G.S. 143-318.11(a)(3), to consult with an attorney-employee retained by the public body in order to preserve the attorney-client privilege. The motion was seconded by Mayor Pro Tem Salmon and carried unanimously.

Return to Regular Session
Council returned from closed session and Mayor Mann re-convened the meeting.

Application by Terry Slate to extend Corporate Limits of the City of Sanford to Pinnacle Partners (for Council consideration only; not for consideration by Planning Board) – (Exhibit D)

Senior Long-Range Planner David Montgomery clarified that this item is the first step in a two-step process. This first step is a public hearing for Council consideration, to extend the corporate limits of the City and the second step, if the ordinance for annexation is approved, will be a second public hearing to consider rezoning of the property from Residential-Restricted to Conditional zoning. If the property is annexed, a zoning classification must be assigned within 60 days. He reviewed the “Annexation Report for the City of Sanford and Pinnacle Partners, LLC – January 15, 2019” (included in the Exhibit D) which details the authority, procedure, notice, continuousness, consistency with the PlanSanLee Future Land Use Plan, rural fire protection district, provision of City services, estimated costs incurred by the City, revenue and rezoning of the annexed area.

Mayor Mann opened the public hearing.

Mike Riselli, a design consultant with Boller Engineering (4130 Park Lake Avenue, Raleigh), stated that he represents Terry Slate, the applicant, who would like to develop this property under the City’s design guidelines and ordinances and served with public utilities. He stated that any development on this tract would provide an increased tax base for the City; increase revenues generated during development and home sales; increase building permits, associated inspection fees, and property taxes. It represents a significant opportunity for growth of the City, the local economy and customers for local businesses. Any construction activities during development would meet City guidelines and would be subject to building permit rules. Approved erosion control plans will be necessary and building and site inspectors will have access to the site to enforce all applicable construction ordinances. In anticipation of annexation and development, the design team has gone through great effort to develop a proposal that will be presented during the public hearing on the rezoning. They have had discussions with planning staff, collaborated with home builders, reviewed City design guidelines and ordinances, and conducted planning and engineering design. A community meeting was held on December 6, at which time they heard from nearby residents who reviewed their design proposal. Mr. Riselli stated that changes were made to the proposal and respectfully reminded Council that this hearing is for annexation and not about specific development standards.

Terry Slate, representing Pinnacle Partners, stated that they purchased this property about 15 years ago with the intent to develop it when market conditions warranted. He stated that shortly after
he purchased the property, the City came to him with a proposal to extend the sewer main along Purgatory Creek and asked him to contribute to that sewer line and that was in keeping with his long-range plans of developing the property. Pinnacle Partners paid $658,000, with the idea being that the line would service this property, along with City water, and allow for higher density. In conjunction with the sewer line, they were provided easements along the sewer line across adjacent properties to provide sewer service to the property. He encouraged Council to approve the request.

Brenda Blue (of 800-D McKenzie Park Drive, Sanford), stated that she was also speaking on behalf of her mother who lives nearby and expressed concerns about the following in connection with the request for annexation and development (see letter included in Exhibit E): dog park regulations; trash pickup; proximity between homes; noise; changing the character of the area; effects on existing residents; flooding; cleaning up damage; and increased property taxes.

Scott Osborne (of 2508 Valley Road, Sanford) stated that he owns almost 14 acres acquired in 1988 and about 864 feet of his boundary (the most of any adjoining landowner) adjoins the subject property, with 11 to 12 house sites and a spur road proposed for construction. He stated that the proposed development severely violates and deviates from our current and future land use plans in Lee County and provided reasons why the property should not be annexed due to the incompatibility with past and present land use. He expressed concerns regarding increased traffic; loss of farm and timber land; loss of open space, quality of future growth; land use compatibility; residents’ value of a natural environment; value for small town feel and rural character of the community; and increased water runoff (see letter - Exhibit F).

Eddie Winstead, a local attorney speaking on behalf of Greg Stone and other residents along Forestwood Park, spoke in opposition to the application for annexation. He noted that while this hearing is about annexation and not zoning, they are inextricably intertwined since one wouldn’t be heard without the other. He explained that the subject property is currently zoned “RR” and that it is open countryside, compatible with surrounding large tracts for development of houses on approximately 1.5 to 2 acres and it serves as a buffer between rural, industrial and residential areas. He suggested that the annexation petition pre-supposes the use of this property and noted that it is considered contiguous annexation solely by its proximity to a parcel across Highway 421 that is within City limits: other than that, it abuts no other property located within the City limits. It is significantly different in development style than other nearby residential areas, with lots in the adjoining Wildwood subdivision averaging about an acre. He questioned why a high-density development would be located in an area away from the City and suggested that it should be located in an area of the City with easy access to services, as “infill” development. He added that the state’s annexation statutes are designed to foster organized and reasonable growth, and suggested that the subject property is an outlier, totally distinctive from anything else in the community. He also noted that the annexation statutes state that even if the proposal meets all the criteria required for contiguous annexation, the bottom line is that Council “may” – not “shall” – annex: it is in Council’s discretion. He agreed that we want growth but questioned whether this is the type of growth we want at this time and suggested that when Council considers the reason for the annexation request, the character of property that exists now, the total change in character that this request portends and the fact that the long-term land use plan has other use types for this property, they should deny the request for annexation.

Jared Rivard (of 3201 Wildforest Road, Sanford) stated that he, along with many of his neighbors, oppose the proposed project and annexation, due to concerns about the neighborhood...
character; the proposed high-density development; availability of public resources such as law enforcement and school funding; community management; and environmental factors such as flooding and erosion (as shown on letter included in the attached Exhibit D).

Gregory Davis stated that he is no longer a Sanford resident but owns property at 240 Forestwood Park, where his parents have lived since 1976. He expressed concern about their quality of life; traffic; noise; increased population; water problems; and nearby residents’ access to public services. If the annexation is approved, he requested that nearby residents have the opportunity to access the additional services provided by the City even if it is not annexed or to annex them as well, if necessary.

Jamie Kelly (of 937 Valley Road, Sanford) stated his opposition to this proposed annexation in its current form. He suggested that the City and County should strive to retain our culture and identity and stated that he would rather have businesses come to Sanford than serve as a bedroom community for others. He has 300 acres across the street from this property and wants it to conform to the rules so it doesn’t look and feel out of place. He encouraged Council to make a wise choice and balance tax revenue with the community’s future.

Dean Wilkinson (of 1312 Longleaf Lane) questioned whether the City is prepared to provide up to 1,300 people (based on Lee County’s average household side of 3.49 people) with schools, fire and police protection.

Ben Lucas (of 1310 Palmetto Path), who owns several lots in Wildwood, expressed concerns based on a traffic study provided at an earlier meeting, that showed that all of the traffic will flow out to Highway 421 on a road that would not exist until Phase 4 of the project, with no traffic flowing onto Valley Road (a two-lane road). If the project stalls before that point, the road may not be constructed.

Emily Lucas (1302 Palmetto Path) expressed strong opposition to the project, stating that she moved to the Wildwood subdivision in 1983, away from a home on Horner Boulevard because her family wanted to be in a quiet, rural community.

Council Member Taylor thanked everyone for the phone calls and open dialogue, stating that he saw both sides of the issue. While he is a staunch believer in landowner rights, he also believes in being a good neighbor. He acknowledged that things change and had this issue been presented eleven years ago, it may have been different since much less building was taking place. He explained that the Joint Planning Commission (on which the Mayor serves and he is Chair) was tasked with updating the 2020 Land Use Plan but since the future PlanSanLee Land Use Plan has not been adopted, it simply cannot be enforced. He stated that the current land use plan has been a good one but is dated, and weight must be given to whether current provisions have been met. He pointed out that it is possible that this annexation could be approved, but the rezoning request could be denied. He stressed that there is no proposal to annex the Wildwood Subdivision and noted that Mr. Slate purchased this property 15 years ago and has invested more than $2.3 million.

Mr. Taylor asked Mr. Slate if he had a back-up plan in case the annexation is approved but the rezoning is not and Mr. Slate replied that he did not. He confirmed that he has received interest in the property with the plan currently before Council for consideration and suggested that Sanford is on the radar from a growth and building standpoint right now.
Community Development Director Marshall Downey clarified for Mr. Slate that if the property was annexed and the conditional use rezoning does not pass, we have up to 60 days, as indicated by statute, to assign zoning. At that point, staff would provide him options for some type of general use zoning. We would likely look at something that might be compatible, depending on whether his interest was to have something similar to surrounding properties in terms of that density, such as R-20, but we would provide options for different types of residential zoning districts.

Mr. Downey also explained that if the annexation does not pass, there would be no further discussion; the public hearing on the rezoning would not be held if the property is not annexed.

Mr. Taylor noted that the opportunity does certainly exist, if Mr. Slate pursues the county option, he could potentially have a septic system with one-acre lots. Mr. Downey replied yes. It would go before the County Planning Board and a recommendation would be made to the County Commissioners.

Mr. Downey added that staff has worked with Mr. Slate for the last nine months to a year. Staff had some concerns and to Mr. Slate’s credit, he worked with staff by bring in a landscape architect, added some amenities, added some design features and somewhat incorporated some of the elements that staff was looking for; however, there are some areas within that design, which is reflected in staff’s report, that staff was not entirely satisfied, in terms of what they would like done.

Council Member Williams made the motion to annex the property. Mayor Mann stated that the public hearing was still open.

Ben Lucas (who spoke earlier) stated that he purchases stock and noted that the applicant, as a real estate investor, should have a plan similar to what an investor would have when the value is reduced.

Faye Baker (a resident of Valley Road, Sanford) expressed concern about the proposed development possibly having a dog park behind her property, since there would likely be a large number of dogs.

With no other citizens requesting to speak, Mayor Mann closed the public hearing.

- Consider Ordinance to Extend Corporate Limits of the City of Sanford to Pinnacle Partners – (Exhibit G)
  Council Member Williams made a motion to extend the corporate limits of the City of Sanford to Pinnacle Partners. The motion was seconded by Council Member Taylor.

Mayor Pro Tem Salmon thanked everyone for their engagement on this issue and suggested it was about two different visions and aspirations for where we are going. She acknowledged the annexation and re-zoning are two separate issues but suggested they are linked. She did not feel comfortable with the rezoning being requested.

Council Member Buckels concurred with Mayor Pro Tem Salmon’s comments concerning growth. He stated that he is in favor of growth and housing but there is a difference between density
and crowding and a difference between growth and smart growth. He commended Mr. Slate for the work he did and his attempts to match the vision for the City.

Mayor Mann called for a vote on the motion to approve the ordinance extending the corporate limits of the City of Sanford to Pinnacle Partners. Council Members Taylor and Williams voted in favor while Mayor Pro Tem Salmon, and Council Members Haire, Post and Buckels voted against it; therefore, the motion failed.

Recess
Mayor Mann called for a brief recess at approximately 9:05 p.m. and the meeting reconvened at approximately 9:10 p.m.

*The Planning Board retired to the West End Conference Room.*

Application by Terry Slate – to rezone three vacant tracts of land totaling 168 + acres with frontage/access off of Boone Trail Road/US Hwy 421, Forestwood Park Road (SR 1384), and Valley Road (SR 1325) from RR, Residential Restricted to Stone Brook Conditional Mixed Use-PUD Conditional Zoning District to allow the development of a 390-lot residential subdivision with a future townhome area and a future mixed use area. The subject property is identified as Tax Parcels 9634-14-7642-00, 9634-04-4681-00, and 9624-96-0209-00 as depicted on Lee County Tax Maps 9634.03, 9634.01, 9624.02, and 9624.04 (Exhibit H)

Since this item was contingent upon the subject property being annexed into the corporate City limits in the preceding item and the annexation was not approved, Council Member Taylor made a motion to remove this item from the agenda; seconded by Council Member Buckels, the motion carried unanimously.

**DECISIONS ON PUBLIC HEARING**

There were no decisions on public hearings.

**REGULAR AGENDA**

Consider Financial Statement Audit for June 30, 2018 – (Exhibit I)

Financial Services Director Beth Kelly introduced Keith Joyce, Partner with Joyce and Company, CPA who summarized the City’s audit (Exhibit I) for Fiscal Year ending June 30, 2018. He informed Council that the City had a clean, unmodified opinion, which means the financial statements are fairly stated and there were no problems; no management letter or findings of any kind. Mr. Joyce stated that the City is in very good financial health. He referenced a governance letter (Exhibit J) addressed to the mayor and council, which was placed at each council member’s seat.

Consider Presentation of Popular Annual Financial Report – (Exhibit K)

Beth Kelly presented Council with a Popular Annual Financial Report (PAFR). This report started with an idea from the Citizens Academy. She thanked Cindy O’Quinn for the preparation of the financial data and Kelly Miller for the preparation of the PAFR. Mrs. Kelly reviewed the information in the document and noted that she will make this information available on the website and also give copies of the PAFR to SAGA and other entities.
Consider Community Development Project Ordinance Amendment – (Exhibit L)

Community Development Manager Karen Kennedy explained that in the past, the City often gets loan proceeds when a home may sell that had a lien on it. Those funds accumulate and sit in an account, which can only be used with the Federal guidelines that are in place when the City receives the grant money. These funds can be used for cost overruns on projects. This ordinance amendment transfers $5,000 from the rehabilitation line item into the expenditure line item for cost overruns.

Council Member Taylor made the motion to approve the Community Development Project Ordinance Amendment. Seconded by Council Member Buckels, the motion carried unanimously.

Consider Grant Project Ordinance Amendment – North Carolina Housing Finance Agency 2017 Urgent Repair Program (URP 1731) – (Exhibit M)

Community Development Manager Karen Kennedy explained that when the City receives grant funds for urgent repair, we have to place them in an interest-bearing account and often at the end of a project, we receive interest accumulated during the project. These funds can be used to help with cost overruns with housing rehab. This amendment allocates $975 from interest income to the project.

Council Member Buckels made the motion to approve the Grant Project Ordinance Amendment. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2018-2019 – (Transmission Water Main and Wastewater Treatment Plant Repairs) – (Exhibit N)

Financial Services Director Beth Kelly explained that this item amends the budget by transferring $100,000 from contingency and appropriating $275,000 in Retained Earnings for a total of $375,000 to be used for repair of two 18-inch sewer force mains (Skunk Creek and Water Reclamation Plant) and two 24-inch transmission water main repairs (Poplar Springs Church Road and Lick Creek Road). It also appropriates $557,136 of retained earnings to the Water Reclamation Department for repairs at the plant related to hurricane damage and an alternate disposal method for sludge removal due to excessive rain.

Council Member Buckels made the motion to approve the ordinance. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2018-2019 (Central Carolina Enterprise Park Water and Sewer Project) – (Exhibit O)

City Engineer Paul Weeks explained that the next three items are related. He referred to Exhibit O, a map displaying the Central Carolina Enterprise Park; it is an extension of the Industrial Park between Womack Road and Colon Road, on the old Clyde Rhyne Road. There are about 17 tracts in that area and for consideration tonight is an award of bid to extend sewer to tracts 1, 14 and 17. The tracts are outlined in red. When staff opened bids on December 8, 2018, there were four bidders and the apparent low bidder was North American Pipeline Management, Inc. Staff bid the project as a base bid and alternate bid. The alternate bid was a deeper gravity sewer so the Spec building could be served and staff’s intent was to go with the alternate bid. The numbers received on the base bid came in higher than funds available, so staff had to choose a contractor as our apparent low bidder. Our specifications say we will negotiate with the base bidder, but in this case, we waived that as an informality in negotiating with the apparent low bidder and the alternate bidder for two reasons. One reason is we have in our specifications to waive informalities and also in the
specifications it says it is in the best interest of the City. In this case, the alternate bidder was $60,000 less, so we felt we were well within our means to waive it as informality. Staff entered into negotiations with North American Pipeline Management, which is based out of Georgia. Staff checked references (they have worked in Gastonia and Winston-Salem) and the references came back good. At the conclusion of negotiations, we arrived at a price of $269,270.

Financial Services Director Beth Kelly explained that this ordinance amends the operating budget to transfer $210,204 to the Central Carolina/Triassic Park Water and Sewer Project No. U1601. Council Member Buckels made the motion to approve the ordinance amending the budget. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

Consider Capital Project Ordinance Amendment – Industrial Park Water and Sewer Improvements Project No. U1601 – (Exhibit P)

Financial Services Director Beth Kelly explained that the amendment appropriates the $210,204 to the capital project that is already set up. Council Member Haire made the motion to approve the Capital Project Ordinance Amendment. Seconded by Council Member Buckels, the motion carried unanimously.

Consider Award of Bid for Central Carolina Enterprise Park Sewer Extension Project – (Exhibit Q)

Council Member Buckels made the motion to approve the award of bid to North American Pipeline Management, Inc., for the Central Carolina Enterprise Park Sewer Extension Project in the amount of $269,270. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2018-2019 (Americans with Disabilities Act Compliance Assessment) – (Exhibit R)

Financial Services Director Beth Kelly stated that the ordinance appropriates $12,500 from Fund Balance and $12,500 of Retained Earnings to the Risk Management Department for ADA Compliance consulting fees discussed at the prior workshop. Council Member Taylor made the motion to approve the ordinance. Seconded by Council Member Post, the motion carried unanimously.

NEW BUSINESS
Consider 2019 Taxicab Operator’s License Renewal - (Exhibit S)

Detective Sergeant Eric Pate explained that D.A.Y. Taxi Service, owned and operated by Juana Maria Guillen, has submitted an application for renewal of its taxicab operators’ license for 2019. She has requested to operate one vehicle and it has passed inspection. A criminal background check has been completed and no violations were found to prevent her from being issued a license to operate a taxicab within the City limits.

Council Member Buckels made a motion to approve the renewal. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

Request from the Raleigh Exec Airport Authority to Access Funds from the Airport Reserve Fund for Capital Project Improvements at the Airport - (Exhibit T)

City Manager Hal Hegwer explained that the airport was allocated $4 million from General Assembly in order to construct a new terminal building. When the bids came in, the Airport Authority could not do everything it wanted, so the upstairs portion of the terminal building will not be finished; however, in order to lease the building, the airport needs an elevator. The airport
authority is asking for $118,000 to install an elevator and $100,000 (ten percent match from Authority) to take advantage of a Department of Transportation grant in the amount of $1 million, which will be used for the parking lot and access road. The total being requested is $218,000 coming out of the Airport Reserve Account.

Council Member Post made a motion to approve. Seconded by Council Member Haire, the motion carried unanimously.

Resolution Authorizing the Sale of 110 Alcott Street (PIN 9642-97-2671) – (Exhibit U)

City Attorney Susan Patterson explained that the City and County received an offer from Outreach Mission to purchase 110 Alcott Street for $400. This is a vacant lot which adjoins their property, to be used as additional property at the current men’s shelter location. The City and County own the property jointly due to a tax foreclosure; because Lee County collects taxes for the City, they propose to sell it through the offer, advertisement and upset bid process. In order for them to sell it on our behalf, the City needs to deed its interest to Lee County so they could execute a deed to the purchaser. The County will consider this offer at its February meeting. The tax value of the property is $8,000. The City and County incurred tax foreclosure costs of $1,560.79.

Council Member Taylor questioned whether the Outreach Mission would be responsible for closing costs, which Attorney Patterson confirmed they would be. He questioned whether other non-profits had paid closing costs when purchasing property from the City and County and whether we could extend the same courtesy in this situation. Attorney Patterson agreed to research this issue. Mr. Taylor stated he would include in his motion authority for Attorney Patterson to research this and waive fees if that had been the case in other situations, “subject to confirmation”. Byron Buckels seconded the motion.

Council Member Taylor made a motion to transfer 110 Alcott Street to Lee County and authorize City Attorney Patterson to research whether closing costs had been waived for non-profits and if so, to waive closing costs on this transfer for Outreach Mission. The motion was seconded by Council Member Buckels.

Attorney Patterson noted that since the County will be handling the sale, the only charge in transferring the property from the City to the County would be recording fees. City Manager Hal Hegwer suggested that if the intent is to convey the property to Outreach Mission for expanding homelessness operations, perhaps a process other than the advertisement and upset bid process should be used. Ms. Patterson explained that there are only certain methods by which property can be conveyed. We have in the past taken some steps towards non-profits that deal with low- and moderate-income housing and we likely went through this process when transferring property to them but she will research this issue. Mr. Hegwer stated that if our goal is to convey it to a non-profit that will use it to expand the work of the Outreach Mission, he was not sure if this is the method needed. She suggested we include a contingency on the transfer of the property; she stated that private sale is a method that is not allowed for transfer of property in most circumstances. We would be giving it to Lee County. Lee County would go through a process to make sure that they receive whatever fair market value is necessary. We entertained this type of offer from the non-profits dealing with low- and moderate-income housing because they serve a public purpose. So for entities carrying out a public purpose, there’s a different statute that allows you to transfer property but she felt that Lee County would then consider whether, if there is an upset bid, whether to honor it or not. They can at any time reject any and all bids, so we could make it a point in our transfer to them that we are
interested in this being used for low- and moderate-income housing. Council Member Taylor amended his motion, that the lot be conveyed to Lee County with the intent that it go to the non-profit (Outreach Mission) for low- or moderate-income housing or non-profit use to address homelessness. Council Member Buckels seconded the amended motion and it carried unanimously.

Resolution Authorizing the Sale of 304 Oakwood Avenue (PIN 9642-98-3679) – (Exhibit V)

City Attorney Susan Patterson explained that this issue is similar to the item just discussed, where the City and County have received an offer from Outreach Mission to purchase 304 Oakwood Avenue for $400. It is a vacant lot to be used for a potential homeless shelter. The City and County own the property jointly due to a tax foreclosure and propose to transfer it to the County.

Council Member Taylor made the motion that the lot be conveyed to Lee County with the intent that it go to the non-profit (Outreach Mission) for low-or-moderate income housing or non-profit use to address homelessness. Council Member Buckels seconded the motion and it carried unanimously.

Consider Discussion of One NC Fund Grant – Dowa Thermotec North Carolina, Inc.

SAGA Economic Development Director Bob Joyce explained that One NC is a discretionary grant program administered by the Department of Commerce that assists with the state’s rapid response for competitive job creation projects. Dowa Thermotech, our recent new industry announcement at the Central Carolina Enterprise Park (CCEP), applied for and received a One NC Grant in the amount of $200,000. Awards are allocated through local governments as part of a challenge grant and by statute a One NC Grant requires a local match from a Tier 2 match, such as Lee County, of $1 for every $2 provided by the grant. The match can be provided by cash, fee waiver, in-kind services, infrastructure improvements, property donation or other assets. The tax grant incentive that the City previously approved for Dowa Thermotech is more than sufficient as the match for this grant. SAGA is not requesting any funds; they are requesting Council to authorize at the appropriate time, receipt of grant and pass through that payment to Dowa after they meet the requirements of the grant.

Mayor Mann noted that this matter will come back to Council. Mr. Joyce added that Dowa will sign all the appropriate documents and return them to SAGA. Mr. Hegwer stated that he wanted Council to be clear on the matter before the document came back for signature. No action was taken.

Revised Preliminary Plat Labeled “Nottingham Subdivision, Phase V” for a new 49-lot phase of an existing residential subdivision located off of Crusaders Drive within the City of Sanford’s corporate City limits that is proposed to be served by public water, sewer and streets. This phase was originally approved in June of 2018; however, the discovery of more rock on site than initially anticipated once grading was started caused the developer to redesign the site to better accommodate the existing conditions and to avoid adding significant costs to the project. Both the original design and the revised design are provided for your reference.

Community Development Director Marshall Downey explained that this is a revision to Phase 5 of Nottingham Subdivision. The plat was brought and approved by Council in June for the 49 lots; however, after approval, the developer submitted construction drawings and started work on the property and ran into significant design issues due to rock. This revised design is a result of issues with rock. He referred to the original design and the new design for Council’s review. It is the same
Consider Approval of the Preliminary Plat (Exhibit W)
Mayor Pro Tem Salmon made the motion to approve the revised preliminary plat. Seconded by Council Member Post, the motion carried unanimously.

OTHER BUSINESS
Mr. Taylor wished everyone a Happy New Year. He thanked staff for their work, especially on the annexation and zoning issues. It is a difficult process and when UDO changes are made, it needs to be holistic. Mayor Mann added that the changes that are made will be so that developers will have a clear understanding on the desires and wishes of Council.

Mr. Taylor stated that two companies plan to make a presentation at Council’s workshop on Tuesday, January 22, 2019 for playground equipment. Once the company is chosen, there will be a six to ten week window to have something in place, so if there is a delay on the splashpad, there will be a playground.

Mayor Mann announced there will not be a Council meeting on February 5 and a retreat is being planned for the last few days of February.

CLOSED SESSION
Attorney Patterson read a motion to go into closed session pursuant to NCGS 143-318.11(a)(4) to discuss matters relating to the location or expansion of industries or other businesses in the area to be served by the public body. So moved by Council Member Buckels, and seconded by Council Member Post, the motion carried unanimously.

RETURN TO REGULAR SESSION and ADJOURNMENT
Council Member Post made the motion to adjourn the meeting; seconded by Council Member Buckels, the motion carried unanimously.

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

Respectfully Submitted,

T. CHET MANN, MAYOR

ATTEST:

Bonnie Davis, City Clerk
The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, February 19, 2019, at 6 p.m., in Council Chambers. The following people were present:

Mayor T. Chet Mann
Council Member Byron Buckels
Council Member James Williams
Council Member Charles Taylor
City Attorney Susan Patterson
City Clerk Bonnie Davis
City Manager Hal Hegwer

Mayor Pro Tem Rebecca Wyhof Salmon
Council Member Jimmy Haire
Council Member Norman Charles Post, III
Council Member Sam Gaskins
Management Analyst Holly Marosites

Absent:
Deputy City Clerk Vicki Cannady

CALL TO ORDER
Mayor Mann called the meeting to order. Council Member Williams delivered the invocation.

PUBLIC COMMENT
No citizens signed up to speak for Public Comment.

APPROVAL OF AGENDA
Mayor Mann noted that Council has documents at their seats that are more visible due to some problems with scanning and there are two Boards and Commission applications to serve on the Sanford Tourism Development Authority (TD) that were received late. It is up to Council if they would like to appoint someone to the Authority or they can wait. If Council appoints a member to the Authority the agenda would need to be amended.

Council Member Gaskins made the motion to approve the agenda with the amendment to appoint a member to the TDA Under New Business Item 11H. Seconded by Council Member Williams, the motion carried unanimously.

CONSENT AGENDA
Approval of City Council Work Session Minutes dated January 22, 2019.

Approval of Ordinance Establishing 15-Minute Parking on the South Side of Wicker Street of the City of Sanford – (Exhibit A)

Approval of Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2018-2019 (Sanford/Lee County Regional Airport Sewer Extension Project) – (Exhibit B)

Approval of Grant Project Ordinance Amendment – Sanford/Lee County Regional Airport Sewer Extension Project No. S1801 – (Exhibit C)
Approval of Recommendation to Award Bid on Sanford/Lee County Regional Airport Sewer Extension
Project No. S1801 – (Exhibit D)

Council Member Gaskins made a motion to approve the consent agenda. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

SPECIAL AGENDA
Presentation by S3 Housing Connect Representatives – (Exhibit E)

Mayor Mann praised the S3 Housing Connect members for pulling our community together to address the homelessness issue in Sanford. Community Development Manager Karen Kennedy noted S3 Housing Connect has been actively engaged with representation from non-profits, churches, staff, and community. S3 Housing Connect will report to Council annually on its progress and status of the committee.

Jeffrey Rawlings, with Johnston-Lee-Harnett Community Action, and Terry Allebaugh, with the NC Coalition to End Homelessness, who have worked with staff during the past year, gave an update on the progress in the past year as noted in Exhibit E. Mayor Mann applauded Mr. Rawlings, Mr. Allebaugh, staff and the committee for making this an incredible success. Representative John Sauls was able to give Sanford an appropriation in the amount of $57,000 to be used towards the homelessness initiative.

Management Analyst Holly Marosites introduced Ravon Walker, an intern working with the City. Mr. Walker graduated from East Carolina University and is currently pursuing his MPA degree from N.C. State. Mayor Mann added that Mr. Walker has maintained a 4.0 GPA, while working ten hours with the City and 20 hours somewhere else.

CASES FOR PUBLIC HEARING
Application by Adam Valenti - to rezone one vacant tract of land totaling 0.24 ± acres with frontage on Dalrymple Street from Residential-Mixed (R-6) to General Commercial (C-2). The subject property is identified as Tax Parcel 9652-52-8200-00 as depicted on Lee County Tax Map 9652.19 and as illustrated as a 0.24-acre tract of land on a survey recorded at Plat Cabinet 10, Slide 18-C of the Lee County Register of Deeds Office – (Exhibit F)

Planner I Thomas Mierisch explained that Adam Valenti has submitted a rezoning application to rezone a .24 acre tract of land from Residential-Mixed (R-6) to General Commercial (C-2) located in the northeastern corner of the Dalrymple Street/E. Main Street intersection in the Jonesboro area. The intent is to recombine all three lots into one new 1.45 acre lot to allow for the development of a restaurant that would be served by public water, public sanitary sewer and public streets. Adam Valenti currently owns/operates Valenti’s Italian Restaurant in Vass, N.C. He provided the surrounding zonings as listed in Exhibit F and the permitted uses allowed within each zoning category.

Staff recommends that the Boards support this request. In making this recommendation, staff finds that the rezoning proposal from Residential Single-Family to General Commercial appears to be in keeping with the land uses described in the Plan SanLee Land Use Plan. The request appears to be reasonable and in the public interest based upon the location of the site adjoining an existing shopping center and along a city-maintained roadway with existing public utilities.
Mayor Mann opened the public hearing. Council Member Haire stated that he felt like this would give civic clubs a place to meet in Jonesboro.

With no one else requesting to speak, the public hearing was closed.

Application by Esplanade Communities of Florida, LLC - to rezone two vacant tracts of land totaling 29.04 acres with frontage/access off of Fire Tower Road (SR 1152) from Residential Mixed (R-12) to Residential-Mixed (R-6) Conditional Zoning District to allow the development of an 87-lot residential single-family home subdivision. The subject property is identified as Tax Parcels 9641-55-0952-00 and 9641-45-5299-00 as depicted on Lee County Tax Maps 9641.01 and 9641-02. The subject property is currently within the City of Sanford’s Extraterritorial Jurisdiction (ETJ); therefore, the City may rezone it, but in order to develop the site in the manner proposed, the property owner must request to annex the property into the corporate City limits prior to final plat approval. (Exhibit G)

Zoning Administrator Amy McNeill explained that staff received a rezoning application from Mr. Mark Lyczkowski, representing Esplanade Communities of Florida, LLC, and that this is the first step in the proposed development of a new 87-lot residential single-family home subdivision located off of Fire Tower Road. The plan is to develop a subdivision that would be served by public water, public sanitary sewer and public streets. Fire Tower Road is located between Tramway Road and Carthage Street, with the site being approximately 240ft north of the Fire Tower Road/Tramway Road intersection. The site is comprised of two vacant tracts of land that total 29.04 ± acres.

Ms. McNeill advised of the following surrounding land uses: South of the site are R-12 zoned lots ranging in size from 0.44 of an acre to 1.2 acres that front Tramway Road and, with the exception of one vacant lot, are developed with single-family homes. North of the site are R-12 zoned lots ranging in size from 0.77 of an acre to 3.5 acres that front/access Fire Tower Road and are developed with single-family homes or vacant lots and one R-20 zoned lot that is one acre in size and developed with a single-family home. East of the site is Brookhaven, a 56-lot subdivision zoned R-12 and developed with 42 single-family homes served by public NCDOT maintained streets, public City water, and private septic systems. West of the site, opposite Fire Tower Road, is a 231-acre agricultural tract of land zoned RA, an 8.12-acre tract of land developed with an old abandoned store building, and a 1.0-acre tract of land developed with a single-family home.

Esplanade Communities’ proposal is a conditional zoning district created for the purpose of allowing a property owner to place additional conditions upon an existing, equivalent conventional, general use zoning district. Ms. McNeill informed Council of the surrounding land uses and the permitted uses within the existing and proposed zoning districts.

The following design standards are applicable for the proposed Residential-Mixed (R-6-C) Conditional Zoning District: The minimum lot width is 60ft, with a minimum lot size of 6,000sf, and a max building height of 40 ft. The minimum lot size within this subdivision is 6,000 sf. (Lots 21, 22, 50, 51, 52, and 77), the average lot size is 7,855 sf, and the largest lot size is 15,406 sf (Lot 81). There are 7.27 acres or 25% of the site is included as open space. The minimum building setbacks: Front: 20 feet; Rear: 20 feet and Side(s): 5 feet.
Specific conditions for this subdivision include the following:

- Land usage will be restricted to not more than 87 single-family lots and common areas as illustrated on the conceptual site plan/subdivision plat.
- The community will have a Homeowner’s Association (HOA).
- The community will have concrete valley curb along all public streets.
- The community will have 4-foot sidewalks on both sides of all public streets.
- All homes within the community will be served by City public water.
- All homes within the community will be served by private internal sewer lines/force main that will connect to a private lift station (owned/operated/maintained by the HOA), which will connect to City public sewer lines that are being extended by the developer to serve this subdivision.
- The HOA will own & maintain all open space parcels/areas.
- The community will have a designated playground area.
- The community will have a designated dog park.
- Cluster mailboxes will be located within the open space area upon approval by the USPS and owned/maintained by the HOA.
- All homes within the community will have concrete drives
- Architectural features and style of the homes will be similar to the architectural elevations included in the rezoning application packet.
- The single-family homes within this community will range in size from 1,350sf to 3,500sf.
- The single-family homes within this community will have exteriors with vinyl siding with some brick or stone accents.

The subject property appears to have access to public water via an 8-inch public water main located in the right-of-way of North Ridge Drive; however, it does not currently have access to public sewer and the developer is proposing that all homes within the community will be served by private internal sewer lines/force main that will connect to a private lift station (owned/operated/maintained by the HOA), which will connect to City public sewer lines that are being extended by the developer to serve this subdivision. As a general rule, any/all new development must comply with the rules and regulations of the Sanford Public Works Department regarding the extension of and/or connection to public City maintained utilities.

The subject property has approximately 650 ft of frontage on Fire Tower Road, which is a NCDOT maintained roadway with a 60 ft right-of-way. The 2007 Lee County Comprehensive Transportation Plan Highway Map illustrates Fire Tower Road as an existing minor thoroughfare, with no recommendations. Draft STIP is recommending removal of the Tramway Road widening project. There is a 2012 traffic count of 3,500 vehicle per day along Fire Tower Road in front of Lots 2 and 3.

Per the applicant, a Traffic Impact Analysis (TIA) that recommends a turn lane be constructed at the subdivision entrance off of Fire Tower Road has been submitted to NCDOT for review/approval. If a turn lane is required by NCDOT, it must be illustrated on the subdivision construction drawings reviewed/approved by the TRC prior to the development of the site in the manner proposed.
The Plan SanLee Land Use plan identifies the future land use place type for this tract of land as “Suburban Neighborhood,” which has the following characteristics:

- Residential areas on the outskirts of a core urbanized area;
- Facilitates large scale development of single-family residential;
- Walkable, with a high degree of transportation connectivity between neighborhoods and surrounding network thoroughfares;
- A local example is the Westlake Valley neighborhood in Sanford.

A public informational meeting was held on January 31, with a total of eleven people in attendance, including Planning staff, the applicant, the project designer, one of the property owners, and seven adjoining property owners/area residents. The major topics of conversation were as follows:

- Traffic, in general – there are existing traffic problems in the area due to the high volume of traffic associated with Southern Lee High School and SanLee Middle School, especially with regard to entering and exiting Tramway Road during the morning drop-off and afternoon pick-up times for the schools, and concern was expressed that the additional traffic generated by this subdivision might exacerbate the problem.
- Traffic, in Brookhaven Subdivision – there is concern that a proposed street connection to North Ridge Drive will create additional vehicular and pedestrian traffic through Brookhaven that may disrupt the quiet neighborhood and invite crime into the neighborhood.
- Brookhaven Subdivision – residents expressed frustration over the lack of amenities within the existing adjoining Brookhaven Subdivision, specifically that there are narrow streets, no sidewalks, and no street lights and expressed concern that a roadway connection to this neighborhood may encourage more people to enter the neighborhood – which will make the lack of existing amenities more problematic for the residents.
- Brookhaven Subdivision – residents would like to have access to public sanitary sewer if the cost is not unreasonable.
- Buffer – the adjoining property owners would like as much of a buffer as possible between their properties and the proposed subdivision, preferably a buffer area containing landscaping and/or fencing.

Staff recommends that the Boards support the request to rezone this site from Residential Mixed (R-12) to Residential-Mixed (R-6-C) Conditional Zoning District as the subdivision design incorporates many of the components included within the Plan SanLee “Suburban Neighborhood” place type, such as detached single-family dwellings, a connection to an existing stub street (North Ridge Drive) on an adjoining lot, interconnected curvilinear streets, valley curb, public streets, public water, public wastewater (via a private lift station connection to public City sewer), and sidewalks on both sides of all public streets. The density of three dwelling units per acre exceeds the recommended 4-7 dwelling units per acre, but 25 percent of the site being dedicated as common open space appears to accommodate the needs of the collective residents within the subdivision and offsets the higher density.

Staff makes this recommendation subject to the following suggestions/recommendations:

- To promote connectivity, staff suggests extending North Ridge Drive through Lots 50 and 51 to create a stub street that extends to the perimeter property line and strongly encourages extending the sidewalk along the proposed main entrance road into the subdivision (Road A) out onto/parallel to Fire Tower Road to the perimeter of the subdivision property, both north and south of the entrance drive.
• To encourage diversity of housing styles, staff strongly encourages limiting the number of the same style of house that can be built consecutively along each street within this subdivision.

• To encourage architectural interest, staff suggest that a carriage-style garage door be incorporated in the design of the homes and that additional exterior elements be added to the facades in an attempt to avoid an abundance of horizontal vinyl siding creating a monotonous visual effect.

Please note that the information presented at the public hearing should also be considered regarding a final decision on the requested zoning map amendment.

Mayor Mann opened the public hearing.

Audrey Smith, residing at 3408 North Ridge Drive, spoke against the rezoning. She walks her dogs at night and the lighting is minimal in that area. Her major concern is that this neighborhood has absorbed the traffic from Southern Lee and SanLee Schools. It takes five to ten minutes to pull out safely from Brookhaven Drive. North Ridge Drive and Brookhaven are not wide enough for two lanes of traffic. She expressed concern over the additional traffic in the Brookhaven Subdivision.

Mark Lyczkowski, residing at 3018 Carri ngton Lane and representing the Esplanade Communities, spoke in favor of the project. Mr. Lyczkowski noted that he could not solve the problems Brookhaven Subdivision has inside its development; however, the proposed subdivision will have 87 lots and he is proposing two ways in and two ways out of the subdivision. He felt it would help the Brookhaven residents because they can drive through this proposed subdivision to a stoplight at Fire Tower Road and that stoplight will help them out to Highway 78. He felt this was the whole and purpose of stubbing out roads. The proposed subdivision will have street lights and sidewalks. A traffic impact analysis was performed by The Timmons Group and it was submitted to the Department of Transportation (DOT). The DOT has required them to upgrade Fire Tower Road to support the on and off movements into the subdivision. They looked at the signalization of the traffic light at Highway 78 and the DOT felt no improvements were needed. They did an analysis of the timing of the day of the school traffic, and it came back that no upgrade was needed.

Mr. Lyczkowski stated that they are trying to bring some first-time home buyers to Sanford as the price range of the homes will be between $200,000 - $235,000. They are proposing open space and sidewalks along Fire Tower Road. The current ordinance requires sidewalk on one side of the street; however, they are going to have sidewalks on both sides of the street; they will make the entire subdivision a model subdivision. There will be street trees also.

Nadella Wilson, residing at 2816 Brookhaven Drive, spoke against the rezoning. She stated that the Department of Transportation does not take care of the streets. The streets are too narrow. They are broken, and need paving; no maintenance has been done. She expressed concern about the increased traffic in the neighborhood with the streets already in disrepair.

Charles Chalmers, residing at 2812 Brookhaven Drive, spoke against the petition. They drive their cars in water and mud. He said he applied for city sewer four to five years ago and has never received it; they need city sewer. His main concern is there are a lot of senior citizens who live in Brookhaven and the roads are in poor condition, along with limited lighting.
Al Godwin, residing in Brookhaven Subdivision, said he was not against the development. He expressed concern that Brookhaven has not been maintained by the government. The proposed development will be in the City and Brookhaven is in the County. Brookhaven needs wider streets, better lighting and there needs to be speed limit signs, etc.

Mark Lyczkowski noted that they will install some carriage garage doors to give the neighborhood character and not build the same house side by side. He is willing to talk with the Department of Transportation regarding the streets in the Brookhaven Subdivision, on behalf of the residents. It is up to the Department of Transportation.

Council Member Taylor suggested staff speaking with the residents in Brookhaven regarding voluntary annexation. Amy McNeill stated that staff would be glad to meet with the residents and see what the overall problems are and how they would be best addressed.

Mayor Pro Tem Salmon expressed concern regarding the method by which the sewer is set up and asked if there are any other neighborhoods in the City that have HOAs covering the sewer repair. Ms. McNeill stated that there is not another subdivision in the City limits that she is aware of that has this type of sewer; however, lines that are HOA maintained within the subdivision will go to a lift station in the subdivision. The lines are owned and operated by the HOA and are connected to public sewer. All the legalities will have to be worked out with the developer. If this is the HOA’s system, something will have to be in place to make sure the HOA pays for repair, etc. Legal documents will have to be in place to make sure the lines are maintained.

Mr. Lyczkowski stated that he met with City Engineer Paul Weeks and Public Works Director Vic Czar. There are some pockets of land that are good growth area, but from a gravity standpoint, you cannot get sewer to them. He has proposed a private sewer lift station maintained by the HOAs. He talked with corporate and he will get with the City Attorney to work out the legalities. They will fund the HOAs from a developer’s standpoint as they will put in a certain amount of what is required towards a loan to the HOA and over time, the HOA will pay the developer back and an insurance policy will be taken out for the lift station. There will be an account set up and it would be funded initially and an insurance policy would be taken out for the unforeseeables for the City’s protection. Mrs. Salmon felt this would need to be in place before she voted on it.

Mr. Weeks stated that each home will have their own sewer bill, which is part of their water. If someone does not pay the sewer bill, the City’s recourse is to shut off their water. It does not affect anybody else. If we charge the HOA for sewer and the HOA did not pay the sewer bill, going in and shutting off everybody’s water would be a nuclear option. Mr. Weeks said the private lift station concept is different but not unheard of. Ryder Downs has a private lift station and private sewer. The Marketplace (commercial) at Tramway also has a private lift station and private sewer.

Mr. Lyczkowski noted that he would have his corporate attorney to meet with City Attorney Patterson and City Engineer Paul Weeks to work out the issues to make sure it is satisfactory to the City.

Jim Chandler with The Timmons Group addressed questions regarding water runoff. All state and federal permits will be acquired and the project will be closely monitored by the State. The pump station is designed to state standards and there will be a back-up generator, SCADA, red lights, etc.
There is an intensive inspection program the HOA is going to have to implement. He will talk with Mr. Lyczkowski to make sure it is in the homeowner’s budget and address the covenants more.

Mr. Gaskins stated the benefits of annexation to the residents of the Brookhaven Subdivision.

Robert Wilson, residing at 2816 Brookhaven Drive, asked if the development is allowed, would the residents of Brookhaven be in the City limits and would it affect their taxes. He expressed concern over the additional traffic it would incur.

Community Development Director Downey explained that being annexed is a voluntary process. Under state law, you cannot annex part of a subdivision, the entire subdivision would have to be annexed.

Council Member Buckels thanked the residents of Brookhaven Subdivision for sharing their concerns. He noted that we have to have smart growth.

Patrick Kelly, residing at 1525 Fire Tower Road, said his farm is about a quarter of a mile down the street from this subdivision. They are concerned about the traffic and buffer. With the two schools being located nearby, the School Board (of which he is a member) can look into the number of buses going in the subdivision. The sidewalk leading to the schools on Fire Tower Road would be an asset, as some children walk to school.

Mayor Mann added that we can put this item on the next workshop for discussion regarding the Brookhaven residents’ concerns. Mr. Taylor stated that it would be good for staff to reach out to the Community Watch Group at Brookhaven to have dialogue regarding annexation before we place it on a workshop.

Mayor Mann closed the public hearing. Mayor Mann recessed the meeting at 7:45 P.M. and was reconvened at 8:00 P.M.

The Planning Board retired to the West End Conference Room

Public Hearing on Municipal Service District Expenditures

Financial Services Beth Kelly explained that the public hearing is held for the MSD expenditures as listed on Exhibit H.

- Consider Approval of Expenditures (Exhibit H)

Mayor Pro Tem Salmon made the motion to approve the expenditures. Seconded by Council Member Gaskins, the motion carried unanimously.

DECISION ON PUBLIC HEARING

Application by Harrington Properties of NC, LLC – to rezone one vacant 2.7 + acre tract of land off of Golf Course Road from R-20, Residential Single-Family to R-6-C, Residential Mixed Conditional Zoning District for the purpose of developing a 10-lot residential single-family home subdivision with an additional lot dedicated for open space. The subject property is identified as Tax Parcel 9644-71-3681-00 as depicted on Lee County Tax Map 9644.04 – (Exhibit I)
Community Development Director Marshall Downey explained that Planning Board found that the rezoning proposal from Residential (R-20) to Residential-Mixed Conditional Zoning District (R-6-C) is consistent with the adopted comprehensive Plan SanLee because the design includes detached single-family dwellings and undeveloped open/greenspace which is consistent with the “suburban neighborhood” land use plan type for this parcel and it incorporates a new public street with sidewalks, establishing its own “sense of place,” while maintaining vehicle connectivity to Hawkins Run by way of Golf Course Road. The request appears to be reasonable and in the public interest based upon the availability of public utilities and that the conceptual home designs proposed are similar to architectural styles found in the area along McNeill Road.

- **Vote to Approve a Statement on Long-Range Plan Consistency as it Relates to this Rezoning Request**
  Mayor Pro Tem Salmon stated that the proposed design includes detached single-family dwellings and undeveloped open/greenspace, which is consistent with the “suburban neighborhood” land use designation for this parcel and it incorporates a new public street with sidewalks, establishing its own “sense of place” while maintaining vehicle connectivity to Hawkins Avenue by way of Golf Course Road; therefore, made the motion that the request is consistent with the adopted long-range plan. Seconded by Council Member Gaskins, the motion carried unanimously.

- **Consider Vote to Approve or Deny the Rezoning Request - Consider Adoption of Ordinance Amending the Official Zoning Map of the City of Sanford, North Carolina – (Exhibit J)**
  Council Member Gaskins made the motion that the proposed zoning map amendment is reasonable and in the public interest because it is consistent with the adopted land use plan, the availability of public utilities and that the conceptual home designs proposed are similar to architectural styles found in the area along McNeill Road; therefore, made the motion to approve the request to rezone one vacant 2.7 acre tract of land off of Golf Course Road from Residential Single-family (R-20) to Residential-Mixed Conditional Zoning District (R-6-C) for the purpose of developing a 10-lot residential single-family home subdivision with an additional lot dedicated for open space. Seconded by Council Member Post, the motion carried unanimously.

**REGULAR AGENDA**
Consider a Preliminary Plat Labeled “Golf Course Road Subdivision” – for the purpose of developing a 10-lot residential single-family home subdivision with an additional lot dedicated for open space. – (Exhibit K)

  Community Development Director Marshall Downey explained staff does not bring these preliminary plats to public hearing; they go directly to the Planning Board as a technical review and this is the final step that needs Council’s approval. Council just approved the rezoning and the plat is before Council for adoption.

  Council Member Gaskins made the motion to approve the preliminary plat. Seconded by Council Member Post, the motion carried unanimously.

Consider Recommendation to Award a Contract for 2019 Street Resurfacing and Rehabilitation (Exhibit L)

  City Manager Hal Hegwer advised that considerable discussion has been held regarding resurfacing and the project was bid November 1, 2018. The low bidder was Riley Paving in the amount of $459,939.21. Staff recommends awarding the bid to Riley Paving.
Council Member Buckels expressed concern about the method by which the roads were selected to be resurfaced. He has spoken with the manager about the issue many times. The City placed a vehicle tax of $30 per vehicle last year and the funds are to be used for resurfacing. Mr. Buckels felt that in selecting the streets, it has been somewhat subjective. He felt that we need to take a closer look at how we arrive at choosing the streets. Mr. Buckels asked when was the last survey performed on the streets. Mr. Hegwer replied in 2017. Mr. Buckels asked if this survey was used to choose the streets that have been selected tonight. Mr. Hegwer replied yes. The Pavement Condition Index (PCI) gives you a general synopsis of the condition of the streets. With the PCI, these streets are graded (from block to block) and given a grade from 0 – 100 and that is the paving condition index. Mr. Buckels asked when we get the PCI, how do we determine at that point which streets are going to be paved.

Mr. Czar replied that there is an engineering model that has been developed by Kercher Engineering that takes into account the amount of money you have, the tools you have to repair your streets and the condition of your street system. Then it provides a list of streets it suggests you pave so that your street system deteriorates as slow as possible. In essence, they try to give you the list of the best “bang for your buck.”

Mr. Buckels said that he is receiving a lot of questions regarding Woodland Avenue. He looked at the condition of Woodland and it is one of the worst streets that the City maintains. He wanted the public to know why Woodland Avenue (from Horner Boulevard to Rose Street) is not being paved. Mr. Buckels referred to Exhibit M the short list of streets selected by the survey with the project cost, etc. and Exhibit N, which is part of the 1300 block survey based on the PCI, starting with the lowest PCI rating. He questioned the streets chosen to be paved according to the PCI survey. He did not feel we were maximizing the best use of the benefit of where most of the cars travel. He did not agree with the list of streets proposed to be paved/resurfaced.

Mr. Czar stated that there is an algorithm that tells you the best way to spend the money you have so that the overall street system maintains the highest rating you can have – that is what the algorithm does. It does not go to the worst PCI. It has to do with the amount of funding you have, what the different street conditions are and the tools you have in your toolbox. It tries to do the best it can with that information. This is how the algorithm thinks you can spend the money. The only street not based on the algorithm is Currie Drive. The algorithm tries to catch the streets before they get bad enough to cost you more.

Mayor Mann added that it would take one-half of our budgeted amount to pave Woodland Avenue. Council members and staff discussed the issue at length.

Council Member Gaskins made the motion to award the bid to Riley Paving. Seconded by Mayor Pro Tem Salmon, the motion carried in favor with a six to one vote, with Council Member Buckels casting the dissenting vote.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2018-2019 (State Code Enforcement) – (Exhibit O)

Financial Services Director Beth Kelly explained that this amendment transfers $75,000 to the Code Enforcement Department for the State Code Enforcement Contract, which was discussed at Council’s workshop.
Council Member Buckels made the motion to approve the ordinance. Seconded by Council Member Gaskins, the motion carried unanimously.

NEW BUSINESS *(Items for discussion and action will only be taken if necessary. Otherwise, these items will be placed on the next agenda for approval.)*

Consider Banking Contract Extension – (Exhibit P)

Financial Services Director Beth Kelly explained that First Citizens Bank (FCB) was awarded the City’s banking services bid in 2013 providing the lowest cost of four financial institutions by more than $20,000. FCB has agreed to extend our contract through 2020 at the same rates we are currently paying. No terms of the contract or services provided will change; therefore, staff recommends the extension of the contract to First Citizens Bank.

Mayor Pro Tem Salmon made the motion to approve the banking contract extension to First Citizens Bank. Seconded by Council Member Gaskins, the motion carried unanimously.

Consider Audit Contract Extension – (Exhibit Q)

Financial Services Director Beth Kelly explained that the City awarded its audit contract to Joyce and Company in 2015, based on their professional qualifications and lower cost. The contract covered fiscal years 2015 through 2018. Staff is seeking a two-year extension of their audit services contract with Joyce and Company. (See Exhibit Q for details).

Council Member Buckels made the motion to approve the audit contract extension. Seconded by Council Member Gaskins, the motion carried unanimously.

Presentation of Quarterly Financial Report – (Exhibit R)

Financial Services Director Beth Kelly summarized the City’s Quarterly Financial Report as listed on Exhibit R.

Consider Resolution Declaring the Intention of the City Council to Consider the Closing of an Unopened Portion of Cone Street from Intersection of Fry Street Eastward 150 feet - (Exhibit S)

City Attorney Susan Patterson stated that the resolution declares the intention of closing an unopened portion of Cone Street from intersection of Fry Street Eastward 150 feet. It is just a small portion of that road and if Council approves the resolution, there will be a public hearing on the matter. This property would revert to the adjoining property owners. Council Member Gaskins made the motion to approve the resolution. Seconded by Council Member Post, the motion carried unanimously.

Consider Recommendation to Award a Contract for 2019 Sewer Rehabilitation – (Exhibit T)

City Engineer Paul Weeks explained that staff received three bids on December 4, 2018 for the 2019 Sewer Rehabilitation. The low bidder is IPR Southeast in the amount of $457,545. Staff has performed a background check and references note that they are well equipped to deal with the project scope. Staff recommends awarding the 2019 sewer rehabilitation project to IPR Southeast in the amount of $457,545.

Council Member Gaskins made the motion to award the contract to IPR Southeast. Seconded by Council Member Williams, the motion carried unanimously.
Consider Preliminary Assessment Resolution – Carthage Street Sewer Extension – (Exhibit U)

City Engineer Paul Weeks explained that this is the thirteenth project before Council which is part of the program where the City pays 75 percent of the main line cost and if the homeowner gets the tap at the same time of construction, the tap is free. The cost to the homeowner is the 25 percent remaining cost, the cost to reroute their house plumbing, and the cost to decommission their septic tank. This petition involves 9 parcels which were annexed in December 1976. The estimated cost is $159,344. This project is based on front frontage instead of per lot. Four out of seven property owners have signed the petition which is 57 percent and based on front frontage, about 71 percent. This resolution sets the public hearing for this project on March 19, 2019, at 6 P.M.

Council Member Gaskins made the motion to approve the resolution. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

Consider Renewal of Deer Urban Archery Season – (Exhibit V)

Management Analyst Holly Marosites explained that this is the renewal form for the Deer Urban Archery Season. The Urban Archery Season is from January 11 – February 16, 2020. This past year, five deer were harvested.

Mayor Pro Tem Salmon stated that during the recess, a citizen who lives on Carthage Street, Jane LaRue, has 45 acres of land and she has had several occasions where people have been hunting on her property without her permission. People need to understand that you cannot hunt on other people’s property without permission. Citizens need to call law enforcement when someone is hunting on their land without permission.

Council Member Taylor made the motion to approve the renewal of the Deer Urban Archery Season. Seconded by Council Member Buckels, the motion carried unanimously.

Consider Appointment of Chairman to Sanford Tourism Development Authority (TDA) (Resignation of Chairman - term expires June 30, 2019) and Appointment to the American with Disabilities Act Compliance Committee - (term expires June 30, 2020) – (Exhibit W)

Council Member Gaskins nominated Kevin Brown to fill the chairman position on the TDA. Council Member Taylor made the motion to close the nominations and appoint Kevin Brown as chairman by acclamation. Mayor Pro Tem Salmon seconded the motion and it carried unanimously.

Mayor Mann stated that we have received two applications for the vacancy incurred by the resignation of Steve Brewer. Council may or may not want to take action since the two applications have just been received. Council Member Gaskins nominated Tim Emmert to fill the vacancy of the business/tourism position and the term expires June 30, 2019. Mayor Pro Tem Salmon made the motion to close the nominations and appoint Tim Emmert by acclamation. Seconded by Council Member Buckels, the motion carried unanimously.

Council Member Taylor nominated Andy Norman to serve on the American with Disabilities Act Compliance Committee. Council Member Williams made the motion to close the nominations and appoint Andy Norman by acclamation (term expires June 30, 2020). Seconded by Council Member Gaskins, the motion carried unanimously.
Consider Resolution to Support the NC Carolina Core – Triangle Area Rural Planning Organization – (Exhibit X)

Council Member Gaskins explained that we now have a NC Carolina Core, a new branding initiative of the Central Carolina Megasite Corridor by the Piedmont Triad Partnership. It is a marketing initiative to market U. S. Highway 421, from the Triad down to Fayetteville connecting I-85 and I-95. From an economic development standpoint, this is good because we can say we have a four-lane highway from Sanford to Greensboro, especially with foreign investors, we have a major highway that is going to become an interstate. Converting Highway 421 to an interstate will be desirable and it would have the sign that says “Future Interstate Corridor.” This resolution shows our support for having Highway 421 to become an interstate. The NC Carolina Core would brand market Highway 421 corridor as a vision for Central North Carolina to include signage along the corridor. It could be fifteen to twenty years before anything like this would be completed. Mr. Gaskins will forward a copy of this resolution along with the next two to our delegation. He will be meeting with Congressional representatives in Washington next month and he would love to have copies in hand when talking with our Congressional representatives. It would help Central North Carolina and the Piedmont to attract industries to the four megasites.

Council Member Post made the motion to approve the resolution. Seconded by Council Member Gaskins, the motion carried unanimously.

Consider Resolution to Support Future Interstate Upgrade for Highway 421 – Triangle Area Rural Planning Organization – (Exhibit Y)

Council Member Gaskins explained this resolution in support of the Interstate Upgrade for Highway 421 as stated in the above resolution and Exhibit Y. Council Member Post made the motion to approve the resolution. Seconded by Council Member Gaskins, the motion carried unanimously.

Consider Resolution in Support of Eliminating the Local Match Requirements for Bicycle and Pedestrian Projects – Triangle Area Rural Planning Organization – (Exhibit Z)

Council Member Gaskins explained that locally, the City has been required to allocate a 20 percent match for bicycle and pedestrian projects. It is difficult for small communities to come up with a 20 percent match for these types of programs; therefore, this resolution is in support of eliminating the local match.

Mayor Pro Tem Salmon made the motion to approve the resolution. Seconded by Council Member Gaskins, the motion carried unanimously.

OTHER BUSINESS

Mayor Mann added that he will be attending the Legislative Town Hall meeting tomorrow and meeting with our delegates; he plans to discuss aid in road funding/construction.

ADJOURNMENT

Council Member Buckels made the motion to adjourn the meeting; seconded by Mayor Pro Tem Salmon, the motion carried unanimously.
ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

Respectfully Submitted,

____________________________________
T. CHET MANN, MAYOR

ATTEST:

_______________________________
Bonnie Davis, City Clerk
MINUTES OF RETREAT OF THE  
CITY COUNCIL OF THE CITY OF SANFORD  
SANFORD, NORTH CAROLINA  

The City Council held a retreat at the Mid Pines Inn and Golf Club, located at 1010 Midland Road, Southern Pines, North Carolina, on Thursday, March 7, 2019, beginning at 9:00 A.M., in the Julius Boros Boardroom. The following people were present:

Mayor T. Chet Mann  
Council Member Byron Buckels  
Council Member Sam Gaskins  
Council Member Charles Taylor  
City Manager Hal Hegwer  
Management Analyst Holly Marosites  
Deputy City Clerk Vicki Canady  

Mayor Pro Tem Rebecca Wyhof Salmon  
Council Member Jimmy Haire  
Council Member Norman Charles Post III  
Council Member James Williams  
City Attorney Susan Patterson  
City Clerk Bonnie Davis

Mayor Mann welcomed everyone and called the meeting to order. He explained that the theme of the retreat is “Growth and Survival.”

Opening Remarks and Introduction  
City Manager Hal Hegwer stated that two of our state representatives, Senator Jim Burgin and Representative John Sauls, would join Council later in the meeting to discuss some of the challenges the City is facing and how they can help us move forward.

Financial Overview (Exhibit A)  
Financial Services Director Beth Kelly reviewed the City’s tax rate and sanitation fees going back to 1993. She discussed revenue sources and noted that ad valorem property taxes generate 51 percent of our revenue. She reviewed the County’s and City’s share of sales tax revenue and noted the significant decrease in FY 13-14, the year the method was changed from per capita to ad valorem. She pointed out that the County’s revenue increased 142 percent since FY 09-10, while the City’s increased 22 percent during that same period. She noted that state-shared revenue for sales taxes from electricity, natural gas, telecommunications, beer and wine, are flat. The City’s current and historic fund balances were reviewed, and she reminded Council that the adjusted fund balance on June 30, 2018 (after required restrictions and re-appropriations were considered) was $9,056,458, or 31.24 percent of net expenditures, which is above the 30 percent self-imposed city policy. General Fund expenditures and annual debt service payments were also reviewed and Mrs. Kelly noted that debt service payments do not include installment purchase issuances. She explained that in light of this year’s property tax revaluation, it is too early in the budget process to say whether the tax rate would be revenue neutral and City Manager Hegwer confirmed that detailed revaluation information won’t be received until mid-April.

Mrs. Kelly reviewed a projected budget for FY 19-20 with an estimated shortage of about $766,000 but noted that this does not account for any growth from ad valorem property taxes nor the cost of repairs needed to the Hill Avenue Bridge. She also reviewed Municipal Service District rates and the city’s utility rates, noting there has been no increase since FY 16. Mr. Gaskins stated that he will be in Washington D.C. next week and requested that any potential needs for infrastructure be submitted to him before his trip so that he may pass those requests along. He explained that the National League of Cities has recommended that infrastructure needs should be the highest priority item discussed with our representatives.
A brief recess was taken at 10:10 and the meeting was reconvened at 10:30 a.m.

**Strategies for Growth/Closed Session**

Council Member Buckels made a motion to go into closed session pursuant to N.C.G.S. 143.318(11)(a)(4), to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, and (5) to instruct the public body’s staff or negotiating agent concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange or lease. The motion was seconded by Council Member Gaskins and carried unanimously.

**Return to Regular Session and Recess**

A lunch break was taken at 11:45 a.m. and the meeting was reconvened at 1:00 p.m.

**Capital Improvement Plan (Exhibits B and C)**

Financial Services Director Beth Kelly explained that information requested by Council Member Taylor is shown on the attached Exhibit B, detailing capital outlays approved by Council for the previous ten years, departmental requests and amounts approved in each budget. She reviewed the Capital Improvement Plan for the General Fund and noted that the Utility Fund is not included since the feasibility study is not yet complete. She reminded everyone that vehicles for the police department were purchased last year and that vehicles, equipment and rolling stock are included in the operating budget (not in the Capital Improvement Plan), along with infrastructure items costing less than $50,000. The plan typically provides a five-year perspective and is used to coordinate financing, scheduling and planning of capital infrastructure needs. When discussing debt issuance with ratings agencies, the agencies want to review plans for how these purchases will be made and financed.

Council Member Taylor suggested that many of the requests from department heads for capital improvements are rejected by the City Manager and Council is unaware of them until they become an issue. He asked the City Manager for the rationale behind some of those rejections and Mr. Hegwer explained that requests must fit within the budget for any given year and requests are prioritized based mostly on mandates and issues of legal, health, and safety. He cited an example of how the fire department’s request for bay doors was handled, noting that a great deal of analysis was done on that request (safety, whether the costs of heating, cooling, and other expenses would be reduced). Mr. Taylor requested information on departmental requests to illustrate which items have been requested for several years. Mrs. Kelly noted that this information is already included within the preliminary budget draft, as well as amounts recommended by the Manager. Mr. Hegwer noted that even though some requests are not ultimately approved, he wants the departments to share information on items they need and suggests that they include requests so that there is a record. He confirmed that there are repercussions in deferring purchases over long periods (in maintenance expenses) and requested Council’s assistance in prioritizing capital needs and requests since choices will be tougher. Mr. Hegwer noted that certain projects – such as the Hill Avenue Bridge – are given priority because of safety concerns and not because of choice, which means that funds will not be available for other items. Mrs. Kelly explained that several factors are considered on vehicles and rolling stock, including mileage, man hours, salvage value, and maintenance costs. Mr. Hegwer noted that we have a vehicle replacement schedule that includes these factors and many pieces of equipment (leaf and limb vehicles, knucklebooms) are on a ten-year cycle but budgetary pressures in some years, such as this year, restrict that schedule. He and Mrs. Kelly confirmed that renovations are still needed at City Hall.
but funds are simply not available at this time. Since the Hill Avenue Bridge is a public safety issue, that project is the only one currently included in the upcoming fiscal year’s budget planning. The Greenway Bonds are currently included in the 20-21 FY. She reminded Council that the bond referendum was approved in September 2013 and we have seven years from that date to issue the bonds but we can request a three-year extension from the LGC, which would allow us to issue that debt through September 2023. That could be moved out a year or two but Mrs. Kelly pointed out that this project will carry an annual debt payment of about $500,000, so we must have revenue to offset it. Planning year 21-22 includes the Temple Theatre parking lot, the Depot project (which may be funded through private donations or a public/private partnership); vehicles and upgrades to the Service Center (since there are maintenance issues at that building); land acquisition and design work for Fire Station No. 4, which will also require substantial and ongoing operating costs (estimated at $1-$1.5 million annually) once it becomes operational. The Little Buffalo Greenway and Carthage Street Greenway projects are included in FY 23-24, as well as the City Hall/Police Department remodel of City Hall, which would also require a substantial debt service payment. The Enterprise Park Sidewalk project has been pushed out to FY 24-25 since it will depend on how the property is sold and what is needed by the businesses that ultimately locate to the park.

Mr. Hegwer explained that repairing and painting the Hill Avenue Bridge is the one issue that is imperative going into next year’s budget and other projects must be delayed. Mr. Taylor expressed concern about delaying the purchase of property for the fire station since prices continue to increase in the area being considered. He suggested that we purchase property and if the station is ultimately built elsewhere, we could sell it, which Mr. Hegwer confirmed could be considered but Mrs. Kelly noted that the debt payment on a land purchase wasn’t included in next year’s budget planning. Mayor Mann suggested we consider acquiring an option to purchase property in anticipation of a fourth fire station and noted that property near the area being considered for the multi-sports park (near the Broadway Road/Highway 421 intersection) could be considered. Contracting with Carolina Trace was discussed but Mr. Hegwer stated that the facility may be too small to accommodate additional staff and that the primary expense is not in the building but ongoing personnel and operating costs, and is located in the southernmost portion of the county.

Mr. Kelly reviewed future debt service obligations that peak around 2026 based on current projections. Regarding current DOT projects, she reminded Council that the County is funding the $199,000 needed for the Carthage Street roundabout (rather than contributing to the Moncure Sewer Extension project). She reviewed other upcoming DOT projects, noting that figures are estimates only and dates are subject to change due to weather and bids. Community Development Director Marshall Downey confirmed that the Wicker Street sidewalk project (from the Wicker/Carthage Street roundabout to West Lee Middle School) is separate from the bond project. Council Member Haire questioned what could be done to encourage business owners to improve appearance along Wicker Street. Mr. Downey explained that repair shops often receive zoning approval for minor repair work (oil changes, tune ups, etc.) but cars often accumulate around those shops and become eyesores. The code could be strengthened to require screens and fencing, but since they can be unattractive, he suggested outside storage be prohibited and violations be addressed through code enforcement. He also noted that we have zoning districts in place (light industrial, highway commercial) that allow and encourage those types of businesses. He reminded Council that we have become more aggressive about code enforcement and outsourced some of the nuisance abatement cases. Code Enforcement does have the ability to enforce commercial maintenance health and safety issues and staff is available for this; however, staffing is inadequate to address zoning land use issues consistently. While most business owners are cooperative when addressing violations, it is time-consuming and often
reoccurring. The Zoning Administrator has very little time to address code violations because permits and processing are consuming so much manpower and resources are limited. Mr. Downey explained that code enforcement is most successful when fines are enforced or action is taken on violations and there is follow-up.

Mrs. Kelly explained that we have only an early estimate on the Carthage Street roundabout and anticipate an agreement from DOT around July, after which the project will be opened for bids and prices presented for Council approval. She also noted that the price does not include the cost to run underground power and the last estimate from engineering was about $2.4 million to run it from Fire Tower Road to Wicker Street. Mr. Gaskins suggested we reduce the scope and extend it only from Fields Drive to Wicker Street. Mr. Hegwer stated that we hoped to incorporate underground utilities from the Wicker Street sidewalk (from Carthage to Horner) with the bond project to tie into the downtown revitalization. There was discussion about how to prioritize underground utilities based on limited funds, by starting from the inside and working outward. Mr. Hegwer noted that there will very likely be additional expenses for relocating utilities in connection with several DOT projects and Mrs. Kelly reminded Council that we cannot borrow funds on projects unless we own property securing the project. Mr. Hegwer added that we can relocate utilities prior to DOT construction but it is risky since DOT may revise their plans.

Regarding capital requests for the upcoming budget year, Mrs. Kelly explained that she received some figures last week and they are incorporated into the information presented but departmental budget information has not yet been submitted. She noted that the ladder truck will likely be requested next year and since the last estimate was $1.5 million, it will have to be delayed. Mr. Hegwer explained that he will prioritize funding items that are critical, such as the Hill Avenue bridge, until we have a revenue model that works for us. He acknowledged that neither Council nor citizens want to raise property taxes to fund projects and suggested that the proposal to extend the area for voluntary annexation may help. Our legislative representatives provided the ability to implement the vehicle tax and they can also help with the voluntary annexation extension, since they agree that we should not be heavily dependent on property tax as a revenue source when alternatives are available to fund needed projects, especially those related to infrastructure. Most of these projects can be delayed but the bridge must be addressed. DOT is responsible for inspecting bridges every two years and they make recommendations. We have been fortunate that local companies (such as Sanford Contractors) have done repair work on the bridge at prices that are quite reasonable. He explained that there are options for closing the bridge and re-routing traffic and he has also approached DOT about a solution for maintenance responsibility since they will consider trades on street maintenance. While we are responsible for maintenance and have done quite a bit of work on that bridge over time (expansion joints, end caps, painting, etc.), federal funds would likely be available if it needs to be replaced but that might require a match.

Mrs. Kelly reviewed an updated version of the General Fund forecast for the upcoming fiscal year and explained that about 1.5 percent is included for property tax growth but sales taxes are flat and no increase is included. She stressed that these numbers are only estimates based on the current fiscal year. A 2.5 percent increase is included in the personnel line and the $199,000 DOT expense for the Carthage Street project is included in the revenue line since those funds are coming from the county. She noted the anticipated shortage increases from about $504,000 in FY 19-20 to more than $1.2 million in FY 20-21 but revenue increases will hopefully reduce that. Any increases in revenue should, according to Mrs. Kelly, be earmarked for capital purchases since some projects cannot be financed. Mr. Hegwer reminded Council that the economy is going very well now just as it was about
ten years ago (when we had about $10 million and could fund all capital needs) before the economy slowed, so he suggested we should prepare now for a slowdown in the economy. Mrs. Kelly reminded Council that we are paying four pennies on the tax rate for interest and we anticipate receiving approximately $100,000 next year in interest income. Mr. Taylor questioned whether we could consider a bond for transportation, roads or public safety needs and Mrs. Kelly replied that even though we just issued the sidewalk and streetscape bonds in 2015 (for 20 years), we pay cash for many expenses and have very little outstanding debt in the General Fund. Mr. Hegwer agreed that we have very little debt: none before the General Obligation bond other than that tied to water and sewer, which is practically unheard of. Mrs. Kelly confirmed that she confers with financial advisors on CIP and rolling stock purchases to determine how best to collateralize and combine issuances to reduce costs. She also noted that future projects at the Moncure Megasite will generate revenue for the General Fund.

**Proposed UDO (Exhibit D)**

Jason Epley with Benchmark Consulting led discussion on the Unified Development Ordinance (“UDO”) and how we can facilitate residential development that aligns with the recently adopted Land Use Plan that is responsive to current market demands, provides the most benefit to the community and provide services most efficiently. He reminded everyone that the land use vision is to foster sustainable growth and direct development toward existing high-quality development while protecting the unique character, quality of life and natural resources in Sanford and Lee County. He reviewed policies, themes and recommendations from the plan that encourage higher density land use for the city. Community Development Director Marshall Downey added that developers say the primary request they receive from perspective homeowners is more walkable communities. Mayor Mann, who works in the mortgage industry, stated that the National Association of Realtors show that 49 percent of all new homes purchases in the country were made by millennials (the largest population segment), and the largest age group for household formation is 29 to 30 year-olds.

Mr. Epley highlighted characteristics of urban and suburban neighborhoods and how each will guide preservation and redevelopment of existing neighborhoods and form the basis of regulations for new residential neighborhoods within the city. Mr. Downey noted that from a policy standpoint, we now have the Land Use Plan in place but there is a disconnect because we don’t have zoning rules for enforcement. Challenges were discussed, including the fact that this gap requires much more staff time since staff has to use conditional zoning to achieve what the UDO would provide. He predicted that there will be increased market demand in the next few years in Sanford for residential housing, particularly entry-level housing (generally about $200-$250,000 according to many tract-style builders compared to $300,000 and up in the Triangle area) and he anticipates the challenge will be having standards in place to ensure quality development and sustainable neighborhoods. We will have to balance pressure from larger tract-type builders for housing in their target price point range with standards for what we want to see in Sanford. He should have standards in place to guide developers on neighborhood elements and amenities. The market will control the price point while the UDO will guide creation of quality neighborhoods and provide opportunities for housing choices.

Mr. Epley highlighted physical design and layout elements of how great neighborhoods are created and also reviewed active (recreational) and passive open spaces. Mr. Downey explained that we cannot dictate how homes are designed – that is dictated by the market – but we can encourage certain elements and/or require some type of diversity between houses in subdivisions through regulations rather than negotiations (as done currently with conditional zoning). He also noted that the current UDO includes the opportunity for developers to offer a fee in lieu of creating open space
in their project which would allow using those funds toward public parks, but we have never taken advantage of this. Mr. Epley shared examples of how pocket neighborhoods, both single-family and multi-family, can be developed as high-density infill while meeting higher standards and visions. Mr. Downey suggested that these concepts could be incorporated into revitalizing East Sanford through public/private partnerships. Staff is working on preliminary plans to add onto existing subdivisions to create higher-density products. Mr. Epley discussed some of the difficulties when transitioning from established neighborhoods to higher-density patterns but reminded everyone that the goal is to create a more connected community that would reduce traffic, road maintenance, and provide services more efficiently. Mr. Downey added that staff typically does not see resistance if there is an existing opportunity to connect to another street but there is resistance when connecting to undeveloped property. He encouraged Council to think long-term and plan for the future. Staff needs a formal policy now for development standards to prevent problems in the future, such as those being experienced by communities that grew without standards. They have problems with emergency services and traffic congestion on major roads and there is no easy fix. When tearing new neighborhoods to well-established ones, it is often helpful to include emergency, fire and police personnel and have clear communication early in the process, with lots of outreach and neighborhood meetings to share positive aspects of connecting. Strategies to help improve residential development patterns and tailor them to Sanford were also reviewed.

Mr. Downey encouraged Council to revise the UDO so that it can be used to implement standards that can be passed along to developers for the urban development we want to see. His department could request funds in next year’s budget to hire a company like Benchmark to examine and incorporate some of these design techniques as an immediate next step. This recommendation was included as one of the strategies in the Land Use Plan rather than a wholesale revision, since it appears that updating residential development is the most immediate need due to market pressure; commercial development should be the next step. Proactive zoning would help encourage lower density development on larger lots in rural areas and match “place types” (zoning districts) as described in the Land Use Plan. Mr. Epley also stressed the importance of having policies in place for utility extensions and working with the county to maintain and reinforce low density residential development patterns in the county and higher density in the city. Mr. Downey suggested we use the Joint Planning Commission as a guiding agent and use the consultant to research various options for streetscapes, open spaces, and to investigate how other communities have successfully handled these issues to determine what we want to see before presenting it to Council.

Council Member Buckels questioned how affordable housing can be incorporated into zoning updates. Mr. Downey explained that truly affordable low-income housing cannot be achieved without some type of tax credits or subsidy. We have had success with developers working with housing tax credit projects for apartments and could possibly incentivize development to attract this type of project; however, he cautioned that some communities previously tried to do this through force and were struck down. Mr. Epley suggested we might be able to do some trade-offs by encouraging higher-density affordable housing and offsetting costs for those projects. Some cities used a program to renovate historic homes for firefighters and teachers to draw them to areas being revitalized and provide work force housing, thereby accomplishing several goals. Other communities used programs through which a designated percentage was set aside for low- and moderate-income but there are legal boundaries to consider.

Mr. Hegwer noted that he has heard concern that new UDO requirements for amenities (such as sidewalks and open space) will reduce the number of affordable housing options and questioned
whether this is a valid concern or just a misconception. Mr. Downey replied that the cost of higher standards for amenities will be offset by reduced per-unit costs. Mr. Epley reminded Council that revitalizing neighborhoods in the core part of the city and new development would improve conditions throughout those neighborhoods and also open new opportunities for affordable housing. He encouraged Council to view the City as a whole when considering how to attract residents to new and existing areas by putting quality standards in place to incentivize and help revitalize existing neighborhoods, so that development spills over into the core of the city and not only on the fringes and new areas. Mr. Downey noted that one of the advantages of using an outside consultant is to avoid “group-think” mentality and gain a different perspective on what will fit best Sanford since there are many options. He stressed that one of the key points is to make sure that existing development elements and features are incorporated to ensure there is a connected transition. Many large developments offer several price points and options for consumers to move from one style to another within the same neighborhood.

Mr. Downey summarized that there is a balance to be found between implementing standards and allowing continued development. Conditional zoning works but it is frustrating to developers and staff when working without clear rules and standards during planning and review. Mr. Hegwer commented that the goal is to include funding for a consultant in next year’s budget and encouraging the county to contribute.

A brief recess was taken at 3:45 p.m. and the meeting was reconvened at 4:00 p.m.

Mr. Hegwer commented on the success of public/private partnerships such as CCEP and the S3 Residential Housing Task Force. He encouraged Council to continue seeking opportunities for partnerships since there are many in the community willing to help, as they have with S3. Prior Councils have been interested in seeking “All American City” designation and S3 aligns very well with criteria for humanitarian and social aspects. He also reported that we have reached out to ascertain if there is interest in rehabilitating any of the houses currently slated for demolition.

Mayor Mann informed Council that one of the CCCC trustees suggested offering office space in the Civic Center to the TDA at a nominal rate. While this may not be a long-term solution, there will be additional discussion between the Chamber, DSI and TDA about where a welcome center should be located and who will operate it. It appears that the currently proposed legislation will be an extension of our Memorandum of Understanding until the TDA is well established.

Council Member Haire commented on a newspaper article from 2015 about municipalities having to pay to dispose recyclables and suggested that many problems can be tied to larger bins that allowed consumers to dispose of items without having to break them down. He noted that we are experiencing these difficulties now.

Mr. Taylor reported that signage is still a big issue. There is still confusion about temporary signs and problems with LED signs that are extremely bright.

Council Member Williams commented that the wayfinding signs are very attractive.

Regarding the King Roofing demolition, Mr. Hegwer explained that the project has been posted on the “govdeals” website and there is at least one bid to dismantle the building and clean the lot. Mayor Mann suggested that the site could provide additional parking space in the future.
Regarding the Kendale Shopping Center, Mr. Downey explained that he recently met with design professionals in connection with the proposed school project. His department is actively pursuing code action on the breezeway at the far end of the center which will likely be removed. Mr. Hegwer stated that the developer has maintained contact with him and is still interested in potential development on the property.

Regarding opportunity zones, Mr. Downey explained that SAGA recently hosted an informational workshop session attended by investors, developers, financial advisors, and a wide cross section of community members. Tax and finance professionals provided an overview of potential advantages to the community and investors, and how we could attract this investment. He shared information on our local opportunity zone – East Sanford and along Hawkins Avenue up to the Highway 421 Bypass – and how investors could partner with the City. He reminded Council that the UNC School of Government’s Development Finance Initiative is working on a comprehensive market analysis of East Sanford that will help identify sites that could realistically provide opportunities. We could then work independently or with DFI to solicit investors and developers on a project, as the town of Fuquay-Varina did recently. Combining tax incentives with other market factors and infrastructure already in place will make this zone attractive to investors. There is also potential for retail property and affordable housing in these areas.

Regarding the timeline for the splashpad and Kiwanis Family Park project, Mr. Hegwer explained that the contractor is running near schedule, even with the large amount of recent rainfall. They encountered some issues with bad soil in the parking areas that will increase costs but the contractor offered a credit for removing a contract item for a waterline out front. He also noted that there are ongoing discussions about fundraising efforts and staff is researching how other areas have accomplished this.

Regarding questions from Mr. Buckels about a glazed product for windows on boarded houses, Mr. Downey explained that there has been a shift in philosophy on how blighted areas are seen. There is a technology for a glazing product that can be used as opposed to replacing windows or boarding them with plywood sheathing. A clear plexiglass type product may help prevent some of the negative connotations of boarded windows since they look more like traditional windows. He noted that Code Enforcement Supervisor Barbara McMillan, who came from a more urban area, has had experience with this product and shares the philosophy of avoiding plywood if possible, with the knowledge that replacing windows is quite expensive and they may be damaged since they are an “attractive nuisance” at unoccupied buildings.

A brief recess was taken at 4:50 p.m. and the meeting was reconvened at 5:10 p.m.

Meeting with Legislative Delegation
Mayor Mann extended thanks to Senator Jim Burgin and Representative John Sauls for attending the retreat and for their efforts on behalf of the City. He shared that the theme of the meeting is “Adapting to Change- Striving to Achieve Sustainable Revenue.”

Management Analyst Holly Marosites thanked Representative Sauls for helping to secure funding for several ongoing projects. He helped pass the occupancy tax, through which the Tourism Development Authority was created. The TDA collected nearly $175,000 in the first partial year and is budgeted to collect about $200,000 this fiscal year; these funds will be used to promote Sanford and Lee County. State funding of $57,000 was also provided through assistance from Representative
Sauls and those funds were used for an HVAC system and generator at the Bread of Life shelter; bedbug treatment and metal bunk beds at the Outreach Missions shelter; and for operational costs at both organizations. He also helped secure $40,000 for the arts initiative, which also received $50,000 from the City and more than $100,000 from private fundraising efforts. Ms. Marosites also thanked him for his help in securing a $4 million grant from the state to construct a new terminal building at the airport that will draw additional visitors to the airport. She explained that a new master plan is underway and sewer service is being extended to the airport that will allow for additional growth.

Ms. Marosites also thanked Senator Bergin for attending and stated that we look forward to working with both of them on annexation issues and smart growth.

Ms. Marosites reviewed some of the challenges facing the City, including revenues that are stretched too thin (as with other municipalities throughout the state). We are highly reliant on property tax revenue which means that the burden is falling property owners, so we would benefit from flexibility and diversification of revenue sources. Financial Services Director Beth Kelly noted that property tax revenue represents about 52 percent of the City’s General Fund revenue. Ms. Marosites reviewed sales tax revenues and noted that some of our current revenue challenges are related to the 2013 shift in the sales tax distribution method by Lee County, from the per capita method to the ad valorem method which resulted in stagnant revenue: Lee County saw a 142 percent ($8.7 million) increase over ten years while the City saw a 22 percent (just over $1 million) in that same time frame.

Mayor Mann noted that while we are having great success as a community, the collection levy method punishes us for growth, so we are trying to find alternative revenue sources. City Manager Hal Hegwer noted that about 80 percent of the sales tax is generated within the City but we aren’t seeing our proportional return on the strong economy and are concerned about being heavily dependent on property taxes. He commented on the unpredictability of the model since it is based on a proportionate share of the levy and is difficult to project from year to year. Mrs. Kelly pointed out that expansions by Pilgrim’s Pride and Pfizer are great for our community but since they are located outside the city limits, they reduced our estimated increase. Mayor Mann explained that we have serious concerns on how to grow the City, bring jobs, sustain economic development and open growth in the northern portion of the County.

Ms. Marosites pointed out that we don’t have a great deal of control over several revenue sources, including state shared revenue (sales taxes on electricity, natural gas, telecommunications, beer, wine) and Powell Bill funds. We spend about $1.7 to $2 million annually on street resurfacing and receive about $800,000, slightly less than we received in FY 2012-2013. Since this revenue is not adequate to maintain a healthy infrastructure system, the City instituted a $30 municipal vehicle fee that will generate about $690,000 this year going directly to street maintenance but this fee is borne by city residents only (while roads are also used by non-residents). Ms. Marosites stressed that we would benefit from some type of revenue diversification and asked Senator Burgin and Representative Sauls to share information on revenue models used by other municipalities.

Ms. Marosites shared updates on several projects (shown on the attached Exhibit E), including the Kiwanis Family Park and the planned renovation and repurposing of the historic Depot Building which may house a new Visitors’ Center.

Senator Bergin reported that he serves on committees on agriculture; health care; health care finance; and state and local government. He noted that one of the governor’s top priorities is Medicaid
expansion, which is a topic of much conversation now with many proposals being offered. There will be five different Medicaid providers in our area and area residents will begin receiving letters around September. Since there will likely be confusion on this topic, social services offices have been advised that they should be prepared to provide assistance. He introduced a bill exempting retired military from income tax which has a lot of bipartisan support. His mission in the senate will be mental health issues, which ties into the current opioid crises, one of the most expensive behavioral health issues in the state. Research is currently ongoing regarding an agricultural district to encourage investment in agricultural manufacturing and job creation in rural areas. He acknowledged retail growth in Sanford and expressed surprise that it is not generating more sales tax for the City. Ms. Kelly stated that under the current levy model, we received approximately 24 percent of the sales tax last year even though about 80 percent is generated in the city (whereas the per capita model was about 33 percent to the City and 67 percent to the County). Mayor Pro Tem Salmon confirmed that the County has been very cooperative and we have partnered on many projects but the revenue model is an issue that has forced the city to become more creative. Mayor Mann commented on how well the public/private partnerships have worked, especially the CCEP project, and we will be in great shape long-term but the short-term is more of an issue. He noted that the proposed annexation revision would provide additional opportunities for economic development and potentially avoid property tax increases.

Representative Sauls shared information on his committee assignments: Judiciary Committee; Public Utilities Committee; Chair of the Community College Committee (he has requested a three percent raise for instructors and staff making less than $60,000 annually); Co-Chair of the Education Appropriations Committee; Chair of the Ethics Committee; Vice-Chair of the Full Appropriations Committee; and Vice-Chair of the Redistricting Committee.

Senator Burgin encouraged everyone to visit the legislature. He and Representative Sauls reminded everyone that they are working together for Sanford and encouraged everyone to let them know what we need. Sen. Burgin stated that he first met Mayor Mann when they both served on the CCCC Board of Trustees and acknowledged his work on behalf of the City. Representative Sauls commented on the harmony and cooperation between the City, County, and area organizations.

Community Development Director Marshall Downey reviewed key information presented earlier in the meeting (shown on Exhibit E) and noted how the public/private partnership with CCEP is allowing sewer extension to the northern portion of the county, to the Moncure Megasite in Chatham County (one of the four megasites in the state) and a gravity line to provide sewer service to the airport. These extensions will open opportunities for economic development and job creation along the US Highway 1 Corridor, and we are also receiving inquiries about residential development. Mayor Mann noted that while we have had commercial and industrial growth, we don’t have residential inventory. Mr. Downey explained that this corridor is a great opportunity for growth and development and the idea behind the request for a local bill is to provide the ability to receive petitions for voluntary annexation beyond the current limitations. Once the area is opened for potential development, the best scenario would be to allow the City to receive those petitions in exchange for providing sewer service, allowing it to develop in more of a true urban manner with smart growth. Mayor Mann added that the current levy split hurts the City since we would bear the cost of providing sewer service to help bring jobs and the benefit would go the County; without annexation, we will not benefit. We are receiving inquiries from prospective businesses and residential development but they want sewer service. Mr. Downey noted that one of the things affecting our ability to annex is nearby development and there are plans for Chatham Park (the Chatham County project to our north) to be incorporated into the town of Pittsboro at some point, which could potentially encroach into Lee
County and they could then accept petitions for annexation within the current three-mile limit. If we are providing utilities to that area, we should have the ability to grow in that area through voluntary annexation. City Attorney Susan Patterson explained that a local bill was enacted years ago that prohibits Sanford from annexing into Chatham County. She explained that there are statutory restrictions on annexation and one stipulates that an area cannot be nearer a city than the city seeking to annex, so as one area grows, it becomes an issue for property in the middle. Mr. Hegwer stated there have been conversations with large companies considering locating at the Moncure Megasite which would really spur growth in that area. Representative Sauls commented on the rapid growth of Holly Springs and Apex and agreed that growth will eventually extend into this area.

Recess

The meeting was recessed at 6:30 p.m. until Friday morning at 8:30 a.m.

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

Respectfully Submitted,

___________________________
T. CHET MANN, MAYOR

ATTEST:

___________________________
BONNIE DAVIS, CITY CLERK
MINUTES OF RETREAT OF THE
CITY COUNCIL
OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA

The City Council held a retreat at the Mid Pines Inn and Golf Club, located at 1010 Midland Road, Southern Pines, North Carolina, on Friday, March 8, 2019, beginning at 9:00 A.M., in the Julius Boros Boardroom. The following people were present:

Mayor T. Chet Mann  Council Member James Williams
Mayor Pro Tem Rebecca Wyhof Salmon  Council Member Byron Buckels
Council Member Jimmy Haire  Council Member Norman Charles Post III
Council Member Charles Taylor  Council Member Sam Gaskins
City Clerk Bonnie Davis  City Attorney Susan Patterson
City Manager Hal Hegwer  Deputy City Clerk Vicki Canady
Management Analyst Holly Marosites

Mayor Mann called the meeting back to order.

Presentation by SAGA

SAGA CEO Michael Smith, shared SAGA’s 2018 Annual Report (Exhibit A) and explained that when they were formed in 2014, they went through a long planning process for 100 action items and highlighted a few of them. Their focus has been to market, recruit, assist, convene and promote Sanford. He thanked Council for their leadership and financial assistance. SAGA has succeeded in achieving its original five-year goals of creating 1,500 jobs; $150 million in new tax base and $50 million in new payroll. With the help of Council and many others, SAGA was able to accomplish that goal. SAGA contracts with DCI - an economic development group headquartered in New York City to develop image and awareness advertising and to connect us with site consultants and commercial real estate brokers. We have contracted with DCI for the last one and a half years. Images of the Central Carolina Enterprise Park to promote the Shell building have been sent to site consultants and to commercial real estate brokers and it has been very successful. They make a very conscious effort to keep the community and leadership informed and to be as transparent as possible.

Mr. Smith recently travelled with the Research Triangle Partnership to Charlotte, Columbia and Greenville, South Carolina to visit site consultants. Site Consultant Mark Williams and NC Core Initiative are two good marketing resources that will bring an industry to the Moncure Megasite.

Mr. Smith stated that Jimmy Randolph is a great addition to the SAGA staff as he works with the existing small businesses and resolves a lot of issues. Some individuals he is talking with are interested in the Shell building. They have a recruiting trip planned with the Economic Development Partnership of North Carolina (EDPNC) team to New York in April and an overseas trip later this year. Bob Joyce will travel to Washington DC in June to Select USA, an annual event for foreign companies planning to invest in the United States. He will be part of the EDPNC delegation.
The Central Carolina Enterprise Park is certified by the North Carolina Commerce. There are sixteen lots in the park ranging from 5 to 55 acres. Thanks to the Council it is a shovel-ready industrial park. The extension of water and wastewater to the CCEP, plus the County’s fiber line internet and the grant for the monument signage has given us a significant tool and a competitive advantage. Mr. Joyce stated that we are one of only a few communities that has this number of certified sites. We are probably one of 20 certified sites that would have over 120 acres. The price point for the land is $35,000 per acre which is extremely competitive for our region. Dowa Thermotech was their first sale, and staff is seeing a lot of interest in the Shell Building. With the floor being poured in the building, it makes a huge difference and looks better with a floor. The park sits on an interchange. He showed a video of the Spec building by SAMET Corporation. Over 50 percent of the leads comes from the EDPNC.

Mr. Smith noted that the Triassic site is sold and the due diligence is going well. Due to Static Control moving its production activities to China, several buildings will be available. The old Stanley Tool building on Lee Avenue and two buildings on J. R. Simpson Industrial Drive will also be available. The Shell building continues to generate interest; 26 projects have been submitted since August.

The unemployment rates have dropped from 8.3 percent in 2013 to 4.1 percent in 2018. As a community, we have cut our unemployment percentage in half and added 1,734 people to our employment base. Mr. Smith gave an update on the retail sales and tax collections.

Mr. Smith noted that the creation of a Tourism Development Authority and the establishment of a permanent funding stream from occupancy tax was a goal of the Chamber for over ten years. He and TDA Chairman Kevin Brown are meeting to discuss promoting Sanford.

Regarding the Residential Task Force, an ad hoc committee of SAGA met about six times. They hosted representatives from regional and national builders and developers. The goal was to interest these developers incoming to Sanford with a high-quality product. They visited the Buggy Factory to show developers the one-stop shop building. It appears we may have finally attracted a major developer. Out of the 26 projects, over 50 percent are coming from the Economic Development Partnership of North Carolina in Cary. They hold monthly meetings with SAMET and the next meeting is March 14. Lots 6 and 9 are two lots that have been shown for big projects needing at least 20 acres.

Mr. Smith thanked Council for their support in the area of incentives.

Closed Session
Attorney Patterson read a motion to go into closed session in accordance with N.C.G.S. 143.318.11(a)(4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body; and (6) to discuss a personnel issue. So, moved by Council Member Post and seconded by Council Member Gaskins, the motion carried unanimously.

Return from Closed Session
The meeting resumed at 11:35 A.M.
Wrap Up Priorities

Mayor Mann presented a powerpoint presentation on Sanford Updates (Exhibit B). He displayed pictures of the public arts initiative, homelessness initiative, and the Tourism Development Authority that have been very successful.

Sanford Moving Forward

Mayor Mann presented a powerpoint (Exhibit C) presentation titled, “Sanford Moving Forward.” He showed the Downtown Accomplishments; streetscape and pedestrian improvement bonds - $6.5 million; sidewalk improvement bonds - $2 million; and wayfinding signage. Mayor Mann asked that Council write down the projects they would like to see done. He noted there is some interest in the tobacco warehouse on Wicker Street. Regarding the Wicker Street sidepath, this is the area where the underground utilities will improve that area tremendously. The same group that is interested in the tobacco warehouse is also interested in the Stanley Home and Garden Building. Mr. Hegwer stated that with the round-a-bout at Carthage Street and Wicker Street, there will be a 20 percent match and the City is responsible for the underground utilities. Mr. Gaskins suggested installing utilities underground going up Carthage Street to Horner Boulevard in lieu of going up Wicker Street.

Mr. Taylor noted that the cost to pick up the recyclables is not covering the actual cost. He suggested looking at the true cost and passing it on to the citizens.

Mayor Mann informed Council that the Depot Committee is trying to put together a fundraising committee to raise private funds for making the Depot a Visitor’s Center.

Council Members discussed various proposed projects and asked Council to write down the projects they felt were important to them to be done. Mr. Hegwer will get the information on the King Roofing bids.

Mayor Mann thanked Council for their hard work and dedication

ADJOURNMENT

Council Member Post made the motion to adjourn the meeting. Seconded by Mayor Pro Tem Salmon, the motion carried unanimously.

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Respectfully Submitted,

T. CHET MANN, MAYOR

ATTEST:

BONNIE DAVIS, CITY CLERK
MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, April 16, 2019, at 6:00 p.m., in Council Chambers. The following people were present:

Mayor T. Chet Mann        Council Member Sam Gaskins
Council Member Jimmy Haire  Council Member Charles Taylor
Council Member James Williams  City Manager Hal Hegwer
City Attorney Susan Patterson  Management Analyst Holly Marosites
City Clerk Bonnie Davis   Deputy City Clerk Vicki Cannady

Absent:
Mayor Pro Tem Rebecca Wyhof Salmon
Council Member Byron Buckels
Council Member Norman Charles Post, III

CALL TO ORDER
Mayor Mann called the meeting to order. Council Member Williams delivered the invocation and the Pledge of Allegiance was recited.

PUBLIC COMMENT
There were no requests for public comment.

APPROVAL OF AGENDA
Mayor Mann requested that Item 8-D, “Public Hearing on Carr Creek Area D Sewer Extension”, be removed and that an item be added under “New Business” as Item 11-J, “Consider Preliminary Assessment Resolution – Carr Creek Sewer Extension Area D.” Council Member Gaskins moved to approve the agenda as amended. Seconded by Council Member Williams, the motion was unanimously approved.

CONSENT AGENDA
Approval of Joint Interlocal Committee Meeting Minutes dated February 11, 2019
Approval of City Council Work Session Minutes dated February 12, 2019
Approval of City Council Meeting Minutes dated March 5, 2019
Approval of City Council Meeting Minutes dated March 19, 2019
Approval of City Council Meeting Minutes dated April 2, 2019

Council Member Gaskins moved to approve the consent agenda. Seconded by Council Member Taylor, the motion carried unanimously.
SPECIAL AGENDA
Proclamation Proclaiming April 28, 2019 as Lineman Appreciation Day (Exhibit A)
Mayor Mann read the proclamation and acknowledged the work done by electrical lineman. He noted that a copy would be sent to our Duke Energy regional representative to present to their linemen.

CASES FOR PUBLIC HEARING
Application by the Ruby and Ernest McSwain Worthy Lands Trust for property owned by the Ruby Crumpler McSwain Estate to rezone one vacant 0.50 + acre tract of land with frontage/access off of Woodland Avenue from Residential Mixed (R-12) to Office & Institutional (O&I). The subject property is identified as Tax Parcel 9652-04-1924-00 as depicted on Lee County Tax Maps 9652.09 and 9652.13 and illustrated as Lot 1 on a 1907 survey labeled a Map of Sou. Sanford, N.C. and recorded at Plat Cabinet 2, Slide 314 of the Lee County Register of Deeds Office, along with a portion of W. Spruce Street that was closed by the Sanford Board of Alderman in 1993 per Deed Book 507, Page 912 of the Lee County Register of Deeds Office (Exhibit B)

Zoning Administrator Amy McNeill explained that staff received this application as the first step in marketing or developing this vacant tract in a commercial manner. She reviewed the site location and current zoning and explained that it appears to be suitable for an office or commercial type use, given the location between a day care and convenience store. The proposed zoning of “Office and Institutional” is established to allow for agencies and offices rendering specialized services and traditional institutional functions as shown on the exhibit. Ms. McNeill stated that the recently adopted long range plan identifies the future land use place type as “Neighborhood Transition Area” which has the following characteristics: legacy residential neighborhood that may be transitioning to small offices and service businesses; positioned along a primary transportation route; preserves residential character; and acts as a buffer between downtown and urban neighborhoods. She noted that this site was actually used as the local example in our recently adopted long-range plan as a neighborhood transition area.

Ms. McNeill stated that staff recommends that Council support this request since they found that it appears to be in keeping with the future land use place type per the SanLee Long Range Plan and appears to be reasonable and in the public interest based on the location of the site between two commercial uses with frontage on a city maintained public street and existing public utilities.

Mayor Mann opened the public hearing.

Lynn Blackmon (of 2308 Tramway Road, Sanford), the applicant, spoke in favor of the rezoning and volunteered to answer any questions about the request.

Council Member Taylor agreed that this is a neighborhood transition area where several houses have been converted to offices, particularly law offices.

Mayor Mann closed the public hearing.

Application by the Ruby and Ernest McSwain Worthy Lands Trust, for property owned by the Ruby Crumpler McSwain Estate to rezone one vacant 0.33 + acre tract of land formerly developed with a house addressed as 1015 Woodland Avenue and being a corner lot with frontage/access off of Woodland Avenue and W. Rose Street from Residential Mixed (R-12) to Office & Institutional (O&I). The subject property is identified as Tax Parcel 9642-957483-00 as depicted on Lee County Tax Map
9642.12 and illustrated on Exhibit A of a 2016 Deed of Easement recorded at Deed Book 1412, Page 677 of the Lee County Register of Deeds Office (Exhibit C)

Zoning Administrator Amy McNeill explained that staff received this rezoning application as the first step in marketing or developing this vacant tract in a commercial manner. She reviewed the site location and current zoning and explained that the site appears to be more viable as an office or commercial property, given its location at the intersection of Woodland Avenue and West Rose Street with an office and church on opposite sides. The proposed zoning of “Office and Institutional” is established to provide for offices and agencies rendering specialized services and traditional institutional functions as shown on the attached exhibit. Ms. McNeill stated that the recently adopted long-range plan also identifies this particular location as “Neighborhood Transition Area” which has the following characteristics: legacy residential neighborhood that may be transitioning to small offices and service businesses; positioned along primary transportation routes; preserves residential character; and acts as a buffer between downtown and urban neighborhoods. She noted that in our recently adopted long range plan, this area was used as the local example for this place type.

Ms. McNeill stated that staff recommends that Council support this request since they found that it appears to be in keeping with the future land use place type per the SanLee Long Range Plan and appears to be reasonable and in the public interest based upon the location of the site at the intersection of Woodland Avenue and West Rose Street, opposite an office and a church, with frontage on a city-maintained public street with existing public utilities.

Mayor Mann opened the public hearing.

Lynn Blackmon (2308 Tramway Road), the applicant, spoke in favor of the request and stated that he was available to answer any questions about the request.

Council Member Williams requested confirmation that the adjoining property owners had been contacted and did not oppose the request. Ms. McNeill confirmed they had been notified by mail; legal notice was advertised in The Sanford Herald; and signs were posted on the property. She also confirmed that staff received no inquiries on this or either of the other two rezoning requests.

Mayor Mann closed the public hearing.

Application by Wolfheel Properties, Inc. to rezone two adjoining tracts of land totaling 0.44 + of an acre addressed as 1103 and 1107 Woodland Avenue from Residential Mixed (R-12) to Office & Institutional (O&I). The subject property is identified as Tax Parcels 964295-9360-00 and 9652-05-0239-00 as depicted on Lee County Tax Maps 9642.12 and 9652.09 and illustrated as Lots 2 and 3 on a 1952 survey labeled Map Showing Actual Survey for Redivision of Block #184 of the Monroe Addition to the Town of Sanford, N.C., Lee County recorded at Plat Cabinet 2. Slide 474 of the Lee County Register of Deeds Office (Exhibit D)

Planner Thomas Mierisch explained that this rezoning application was received as the first step in redeveloping this site as an office or commercial type use as they appear to be more viable than residential, given their location on Woodland Avenue. He reviewed the site location and current zoning and explained that the proposed zoning of Office and Institutional is established to allow for agencies and offices rendering specialized services and traditional institutional functions as shown on the exhibit. He stated that the newly adopted long-range plan identifies the future land use place type for this tract as “Neighborhood Transition Area” which has the following characteristics: legacy residential
neighborhood that may be transitioning to small offices and service businesses; positioned along primary transportation routes; preserves residential character; and serves as a buffer between downtown and urban neighborhoods. Mr. Mierisch noted that this area of Woodland Avenue was used as the local example in our recently adopted long-range plan as a neighborhood transition area. If rezoned, all uses permitted in the Office and Institutional zoning district would be allowed and any future development of the subject property will be required to meet current development standards of the UDO.

Mr. Mierisch stated that staff recommends that Council support this request, as it appears to be in keeping with the future land use place type for this site per the PlanSanLee Land Use Plan, and appears to be reasonable and in the public interest based upon the location of the site next to an existing commercial use with frontage on a city-maintained public street with existing public utilities.

Mayor Mann opened the public hearing.

Lloyd “Mac” McConnell (of 1915 Wilkins Drive, Sanford), the owner and president of Wolfheel Properties, the applicant, spoke in favor of the rezoning.

Attorney Susan Patterson requested clarification that the request is that the property be rezoned as O&I/Office and Institutional, not C-2/General Commercial. Ms. McNeill confirmed the request is for O&I/Office and Institutional rezoning.

Mayor Mann closed the public hearing.

Carr Creek Area D Sewer Extension (Exhibit E)

This item was removed from the agenda.

DECISIONS ON PUBLIC HEARINGS

There were no decisions on public hearings.

REGULAR AGENDA

There were no items on the regular agenda.

NEW BUSINESS

Grant Project Ordinance – Community Development Block Grant Program 2017 CDBG Neighborhood Revitalization Project (Exhibit F)

Community Development Manager Karen Kennedy explained that this item, along with the next two, concern the new Community Development Block Grant received for property located at 226 Linden Avenue (previously the “Head Start” building). The City is partnering with the Sanford Housing Authority to renovate the property and make infrastructure improvements (curb, gutter, sidewalk) on the opposite side of the street and this item establishes the $750,000 grant project.

Council Member Taylor moved to approve the Grant Project Ordinance – Community Development Block Grant Program 2017 CDBG Neighborhood Revitalization Project. The motion was seconded by Council Member Gaskins and carried unanimously.

Grant Agreement and Funding Approval for 2017 Community Development Block Grant Program (CDBG) – Neighborhood Revitalization Program (Exhibit G)

Community Development Manager Karen Kennedy explained that these two documents are required for grants received through the CDBG program and detail guidelines and deadlines for fund
administration. She noted that an extension has been requested for several items in Section 29(e), for which she has received preliminary approval. She also confirmed that no funding match is required for this project from the City.

Council Member Gaskins moved to approve the Grant Agreement and Funding Approval for 2017 Community Development Block Grant Program – Neighborhood Revitalization Program. The motion was seconded by Council Member Haire and carried unanimously.

Contract for Services Between the City of Sanford and Partners for Impact, LLC (Exhibit H)

Community Development Manager Karen Kennedy explained that the contract with Terry Allebaugh and the NC Coalition to End Homelessness has ended and they suggested we reach out to this company to work with non-profits on capacity building, fundraising and overseeing work done by S3 Housing Connect.

Council Member Gaskins moved to approve the Contract for Services Between the City of Sanford and Partners for Impact, LLC. The motion was seconded by Council Member Williams and carried unanimously.

Reimbursement Resolution – Sanford/Lee County Regional Airport Sewer Extension Project No. S1801 (Exhibit I)

City Engineer Paul Weeks explained that this resolution allows us to reimburse ourselves if we choose to fund the project through installment finance purchase.

Council Member Gaskins moved to approve the Reimbursement Resolution – Sanford/Lee County Regional Airport Sewer Extension Project No. S1801. The motion was seconded by Council Member Williams and carried unanimously.

Resolution Declaring the Intention of the City Council to Consider Closing of an Unopened Portion of Railroad Street from Chisholm Street Southeast 135 Feet (Exhibit J)

City Attorney Susan Patterson explained that planning staff received a request and this resolution directs that the resolution be published for four weeks in The Sanford Herald, after which time it would be presented to Council for a decision on whether to approve the closure as requested.

Council Member Gaskins moved to approve the Resolution Declaring the Intention of the City Council to Consider Closing of an Unopened Portion of Railroad Street from Chisholm Street Southeast 135 feet. The motion was seconded by Council Member Haire and carried unanimously.

City Attorney Susan Patterson noted that the resolution indicated that the date of the public hearing was erroneously shown as April 16 but will not be held for four weeks, on May 21, 2019, and questioned whether Council would authorize this typographical error to be corrected. Council Member Gaskins made a motion to correct the date of the public hearing to May 21, 2019 to approve the resolution. The motion was seconded by Council Member Taylor and unanimously approved.

Resolution in Support of the Temporary Closure of Portions of Several Streets for the Purpose of a 5K Fundraiser Sponsored by Floyd Knight School’s PTSO (Exhibit K)

Transportation Administrator Kris Furmage explained that this request was made by the Floyd Knight School PTSO spokesperson to close portions of several streets as indicated on the exhibit for a 5k fundraiser to benefit the PTSO on Saturday, May 11, from 9:30 a.m. to 1:30 p.m. He confirmed that all appropriate paperwork needed, including the certificate of insurance, has been received.
Council Member Gaskins moved to approve the Resolution in Support of the Temporary Closure of Portions of Several Streets for the Purpose of a 5K Fundraiser Sponsored by Floyd Knight School’s PTSO. Seconded by Council Member Taylor, the motion carried unanimously.

Mr. Furmage informed Council that this year’s Antique Automobile Club of America event will take place on Saturday, June 1, from 6:00 a.m. until 5:00 p.m., and reminded them that last year, Council approved street closures for this event for the next three years. He confirmed that the closures will be the same as last year and that he has received all necessary paperwork, including the certificate of insurance and DOT’s approval for their portion of Charlotte Avenue. The event coordinator, Mr. Bright, informed him that he spoken with Joni Martin (with Progressive Contractors) and Community Development Director Marshall Downey about using a portion of the Buggy Company Building for the event again this year.

Request to Reduce the Membership of the Joint Sanford/Lee County Environmental Affairs Board from Eleven to Seven Members (Exhibit L)

Community Development Director Marshall Downey explained that this request is being made to reduce the membership from eleven to seven. He reminded Council that when the boards were merged about five years ago, membership was reduced from seventeen to eleven members. Since July 2017, the County has struggled to maintain members and they currently have four positions vacant. On an eleven-member board, six are needed for a quorum and there are currently only six members (one City seat is vacant and four County seats are vacant). Current members of the EAB have asked staff to request that the governing bodies reduce membership to seven, with three members from the city, three from the county and one from Broadway; having a seven-member board would reduce the quorum to four. He explained that the reductions would be made through attrition and no members would be removed; board members whose terms are expiring are the only seats that would be eliminated. He noted that three terms will be expiring in June and confirmed that city residents (and previous appointees) could apply for County positions. Since this request must be approved by all three governing bodies and the by-laws require that both municipalities approve revisions first, the proposal will be presented to Broadway later this month and if approved, it will be presented to the County in May. He explained that term limits are subject to rules of each governing body and that the county is in the process of developing a strategic plan for board membership and increasing public interest.

Council Member Taylor moved to approve the request to reduce the membership of the Joint Sanford/Lee County Environmental Affairs Board from eleven to seven members. The motion was seconded by Council Member Gaskins and approved unanimously.

Resolution of the City Council of the City of Sanford, North Carolina, Providing for the Issuance of $2,000,000 General Obligation Parks and Recreation Bonds, Series 2019, of the City of Sanford, North Carolina (Exhibit M)

Financial Services Director Beth Kelly explained that this resolution is one of the final steps in connection with the $2 million General Obligation Parks and Recreation bonds for the splash pad project at Kiwanis Family Park.

Council Member Gaskins made a motion to approve the Resolution of the City Council of the City of Sanford, North Carolina, Providing for the Issuance of $2,000,000 General Obligation Parks and Recreation Bonds, Series 2019, of the City of Sanford, North Carolina. The motion was seconded by Council Member Haire and unanimously approved.
Delegation to Atizapan, Mexico (Exhibit N)

Mayor Mann explained that this item is for information only and that no action is requested. The Sister City Association (SCA) of Sanford has been working with the Jonesboro Rotary Club to form a sister-city relationship with the Las Torres Satellite Rotary Club from central Mexico. This would be Sanford’s second sister-city relationship and would be managed and enhanced by the Jonesboro Rotary Club’s ongoing relationship with the Las Torres club; members of both clubs have already travelled back and forth. From this connection, the SCA is now planning to host a delegation from Atizapan, a suburb of Mexico City with a population of about 450,000, beginning on Monday, April 29 through Sunday, May 5. During their stay, the SCA has planned to showcase our state’s educational and cultural success stories, as well as activities focused on economic development (including tours of local industries and trips to innovative highlights in our region). A Sanford delegation has been invited to attend their Arts and Cultural Festival the week of June 21 through June 28. He and Atizapan’s mayor will sign a Sister City agreement at the opening of their festival on June 22. He reminded everyone that SCA is a non-profit organization and encouraged Council members to attend meetings and events.

Preliminary Assessment Resolution – Carr Creek Sewer Extension Area D (Exhibit O)

Council Member Gaskins made a motion to recuse Council Member Williams (who owns property in the Carr Creek subdivision). Seconded by Council Member Taylor, the motion carried unanimously.

City Engineer Paul Weeks informed Council that a public hearing had been scheduled for tonight on this project but notification to The Sanford Herald was not sent as required; therefore, this resolution sets the public hearing for May 21, 2019, at 6:00 p.m. This project would serve 27 parcels in an area annexed in June of 1991. The estimated construction cost is $254,370 or $2,355 to each property owner under the Council approved program through which the City funds 75 percent of the mainline cost and the cost of the tap if connection is made at the time of construction. Along with the 25 percent estimated construction cost, homeowners would be responsible for the cost of re-routing plumbing to their taps and decommissioning their septic tanks. Signatures have been obtained from 64 percent of the property owners (16 of 25) who own 67 percent of the property (18 of 27 lots). Council Member Taylor questioned whether there was a quorum with Council Member Williams being recused and City Attorney Susan Patterson explained that his recusal did not destroy the quorum and that only a simple majority of those present and voting is needed. She will advise Council if it is determined that a second vote is needed.

Council Member Gaskins made a motion to approve the Preliminary Assessment Resolution – Carr Creek Sewer Extension Area D. The motion was seconded by Council Member Taylor and unanimously approved.

OTHER BUSINESS

Council Member Taylor complimented Waste Industries for their diligence in emptying trash receptacles at the recent Street Fest celebration. He suggested that there are lessons to be learned from “microburst” storms such as the one experienced on Friday, April 12, when there were problems with large and sudden water runoffs on McNeill Road and Spring Lane. He complimented first responders but noted there was only one Public Works employee on call at the time and suggested that areas be “staged” ahead of time with cones and barricades when similar events are anticipated. Mayor Mann encouraged citizens not to drive through standing water or barricaded areas.

Council Member Gaskins thanked everyone involved with the Street Fest celebration.
Council Member Haire reminded everyone that was the eighth anniversary of the tornado that caused a great deal of damage in Sanford in 2011.

City Manager Hegwer announced that he was just informed that the City was awarded a 2019 Urgent Repair Grant for $100,000: only 38 of 58 applications statewide were funded. A $5,000 match will be required from both the City and County.

Mayor Mann announced that the City received the Distinguished Budget Presentation (Exhibit P) award from the Government Finance Officers Association. Mr. Hegwer noted that we are tied with the Town of Cary for the number of times we have received this award. Mayor Mann commented that there was lots of positive feedback on the Street Fest event and reminded everyone of the upcoming Block Party scheduled for April 27 in the Temple Ball Field area.

ADJOURNMENT

Council Member Gaskins moved to adjourn the meeting; seconded by Council Member Taylor, the motion carried unanimously.

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

Respectfully Submitted,

T. CHET MANN, MAYOR

ATTEST:

______________________________

BONNIE DAVIS, CITY CLERK
RESOLUTION DIRECTING THAT THE PROJECT BE UNDERTAKEN

CARR CREEK AREA D SEWER EXTENSION

WHEREAS, on the 16th day of April, 2019, the City Council of the City of Sanford adopted a Preliminary Assessment Resolution providing for the extension of an 8” sewer line of approximately 2,420 linear feet along or near a portion of Carr Creek Drive, Evers Avenue, a portion of Hope Street and Tyrone Drive to be financed by assessment of 25% of the cost against the benefited real property; and

WHEREAS, the required public hearing has been held after due notice to the public and the owners of the affected real property;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sanford that:

1. The sewer system of the City shall be extended by constructing an 8” sewer line approximately 2,420 linear feet along or near a portion of Carr Creek Drive, Evers Avenue, a portion of Hope Street and Tyrone Drive, under and by virtue of Article 10, Chapter 160A of the General Statutes of North Carolina and the procedure therein established, and said project is hereby directed to be undertaken.

2. 25% of the total cost of said extension be hereafter assessed upon the benefited properties on the basis of the number of lots served or subject to being served at an equal rate per lot.

3. The cost to install sewer laterals during construction shall not be assessed to the benefiting properties. Sewer lateral is defined as the portion between the sewer main and the cleanout located at or near the right of way line.

4. The assessments herein provided for shall be payable within thirty (30) days after the publication of the notice that the assessment roll has been confirmed. The owners of assessed property may pay the assessment in full, or exercise the option of paying the assessment in not more than ten (10) annual installments which shall bear interest at the rate of five percent (5%) per annum.

   Adopted this 21st day of May, 2019

____________________________________
T. Chet Mann, Mayor

ATTEST:

_________________________________
Vicki R. Cannady, Deputy City Clerk

_________________________________
Susan C. Patterson, City Attorney
A RESOLUTION ORDERING THE CLOSING OF
AN UNOPENED PORTION OF RAILROAD STREET
FROM EAST CHISHOLM STREET SOUTHEAST 135 FEET

WHEREAS, on the 16th day of April, 2019, the Sanford City Council directed the City Clerk to publish the Resolution of Intent of the City Council to consider closing certain streets in the City of Sanford in the Sanford Herald newspaper once each week for four successive weeks, such resolution advising the public that a meeting would be conducted in the Sanford Municipal Building on May 21, 2019; and

WHEREAS, the Sanford City Council, on the 16th day of April, 2019, ordered the City Clerk to notify all persons owning property adjoining the unopened portion of Railroad Street; and

WHEREAS, the City Clerk has advised the City Council that on the date directed, she sent a letter to each of said adjoining property owners advising them of the day, time, and place of the meeting, enclosing a copy of the Resolution of Intent, and advising said adjoining property owners that the question as to closing of Railroad Street, would be acted upon at the May 21, 2019, Sanford City Council meeting, said letters having been mailed by registered mail with return receipt requested; and

WHEREAS, the City Clerk has advised the Sanford City Council that none of the letters so sent have been returned undelivered; and

WHEREAS the City Clerk has published the resolution as directed in the Sanford Herald once a week for four consecutive weeks; and

WHEREAS, after full and complete consideration of the matter and after having granted full and complete opportunity for all interested persons to appear and register any objections that they might have with respect to the closings of said street; and

WHEREAS, it now appears to the satisfaction of the Sanford City Council the closing of said street is not contrary to the public interest and that no individual owning property, either adjoining or in the vicinity
of said street or in the subdivision in which said streets are located, will as a result of said closings, be thereby deprived of a reasonable means of ingress and egress to the properties; and

WHEREAS, the City reserves its right, title, and interest in any utility improvement or easement within the streets, if any; and

WHEREAS, it appears to the satisfaction of the Sanford City Council that the closing of said streets will be in the public interest.

NOW THEREFORE, BE IT RESOLVED by the Sanford City Council, meeting in regular session that all of the unopened portion of Railroad Street from East Chisholm Street southeast 135 feet are hereby ordered closed, and all right, title, and interest that may be vested in the public to said areas for street purposes are hereby released and quit-claimed to the adjoining property owners in accordance with the provisions of Section 160A-299 of the General Statutes of North Carolina.

The Deputy City Clerk is hereby ordered and directed to file in the office of the Register of Deeds of Lee County a certified copy of this resolution; and copy of the published Resolution of Intent with publisher’s affidavit attached; and a notarized copy of each and every letter mailed to the adjoining property owners with return receipt attached thereto.

Adopted this the 21st day of May, 2019.

__________________________
T. Chet Mann, Mayor

Attest:

__________________________
Vicki R. Cannady, Deputy City Clerk

STATE OF NORTH CAROLINA
COUNTY OF _________________

I, ____________________________, a Notary Public of the County and State aforesaid, certify that Vicki R. Cannady came before me this day and acknowledged that she is the Deputy Clerk of the City of Sanford and that by authority duly given and as the act of the Sanford City Council, the foregoing instrument was signed in its name by its Mayor, sealed with its corporate seal and attested by her as its Deputy Clerk.

Witness my hand and stamp and seal, this ______ day of _______________, 2019.

__________________________
My Commission expires: ________________

__________________________
Notary Public (SEAL)
RESOLUTION AUTHORIZING THE ADVERTISEMENT
OF AN ELECTRONIC AUCTION TO SELL
CERTAIN PERSONAL PROPERTY
OF THE CITY OF SANFORD

WHEREAS, on behalf of the City Council and pursuant to N.C.G.S. 160A–270, the city manager will hold an electronic auction to sell certain personal property belonging to the City, as shown on the attached sheet, and any additions or deletions thereto; and,

WHEREAS, the City Council proposes to accept the offer of the highest responsible bidder.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sanford that:

1. The Sanford City Manager or his designee is authorized to sell at electronic auction certain personal property belonging to the city, as shown on the attached sheet, and any addition or deletions thereto and to accept the offer of the highest responsible bidder.

2. The electronic auction will begin at 8 A.M. on Monday, June 3, 2019, at the following website www.govdeals.com.

3. The city clerk shall cause a notice of this resolution to be published in accordance with N.C.G.S.160A-270.

4. Terms for the electronic auction are that payment in full is due no later than five (5) business days from the time and date of the buyer's certificate. Payment must be made electronically through the GovDeals website.

Acceptable Forms of Payment are:

. Paypal  . Master Card
. Wire Transfer  . American Express
. Visa  . Discover

5. All items must be removed within 10 business days from the time and date of issuance of the buyer's certificate. Purchases will be released only upon receipt of payment as specified.

6. The buyer will make all arrangements and perform all work necessary, including packing, loading and transportation of the property. Under no circumstances will the City of Sanford assume responsibility for packing,
loading or shipping. Property may be removed between the hours of 9:00 am and 3:00 pm., Monday through Thursday, excluding legal Holidays.

7. The City Council reserves the right to reject any or all bids.

ADOPTED this 21st day of May, 2019.

__________________________________________
T. Chet Mann, Mayor

ATTEST:

______________________________
Bonnie D. Davis, City Clerk
2012 FORD F250 4X4 VIN. 1FTBF2B68CEC05853 OLD UNIT 652
2011 FORD F350 4X4 VIN. 1FDRF3H69BEC21338 OLD UNIT 662
2006 CHEVROLET 1500 VIN. 1GCEC14V66E230923 OLD UNIT 33
2012 FORD FUSION VIN. 3FAHP0GA5CR350666 OLD UNIT 650
2012 FORD FUSION VIN. 3FAHP0GA7CR350667 OLD UNIT 601
2011 FORD FUSION VIN. 3FAHP0GA2BR262611 OLD UNIT 31
2009 CHEVROLET IMPALA VIN. 2G1WS57M191265062 OLD UNIT 195
2009 CHEVROLET IMPALA VIN. 2G1WS57M591263038 OLD UNIT 198
2003 CHEVROLET SUBURBAN VIN. 1GNGK26U33R252766 OLD UNIT 176
2002 FORD FOCUS VIN. 1FAFP34P12W214368 OLD UNIT 165
2011 FORD CROWN VIC VIN. 1FABP7BV4BX135109 OLD UNIT 191
2017 DODGE CHARGER VIN. 2C3CDXAT9HH547444 OLD UNIT 109
2017 DODGE CHARGER VIN. 2C3CDXAT0HH547445 OLD UNIT 110
2017 DODGE CHARGER VIN. 2C3CDXAT2HH547446 OLD UNIT 111
2017 DODGE CHARGER VIN. 2C3CDXAT4HH547447 OLD UNIT 112
2017 DODGE CHARGER VIN. 2C3CDXAT8HH547449 OLD UNIT 114
2017 DODGE CHARGER VIN. 2C3CDXAT4HH547450 OLD UNIT 115
2015 DODGE CHARGER VIN. 2C3CDXAG9FH778862 OLD UNIT 119
2015 DODGE CHARGER VIN. 2C3CDXAG0FH778863 OLD UNIT 121
2015 DODGE CHARGER VIN. 2C3CDXAG5FH778857 OLD UNIT 117
2015 DODGE CHARGER VIN. 2C3CDXAG7FH778858 OLD UNIT 118
2000 INTERNATIONAL 4700 VIN. 1HTSCAAR11H280682 OLD UNIT 303
2007 INTERNATIONAL LEAF VAC VIN. 1HTMMAAN97H484948 OLD UNIT 354
1987 GRUMMAN FIRE TRUCK VIN. 1D91D51J4H1008795 OLD UNIT 216
1991 RAMER TRAILER VIN. 800-410
1996 FORD TRACTOR 3930 WITH LOADER 7209 VIN. 026228B OLD UNIT 74 AND 74-1
1 JOHN DEERE ZTRAK 777 COMMERCIAL MOWER
1 USED WOODS BUSH HOG
1 SET OF FORKS THAT ATTACH TO FRONT BUCKET
1 PRESSURE WASHER JETTING UNIT OLD UNIT 669
1 HUDSON 15TON TRAILER OLD UNIT 622
2 LOTS OF USED FOOT TAMPS OLD UNIT 663-1 AND 604-1
2 TORO SIDEWINDER MOWERS
1 SCAG zero turn mower old Unit 218
1 USED 3-POINT HITCH BUSH HOG
1 DR brush mower old Unit 672
1 LOT USED PRESSURE WASHER
GR51 TOPSURV GIS GPS Handheld unit
1 LOT USED LOADER TIRES
1 LOT USED POWER PANEL BOXES
1 large utility sink
1 drafting table
1 lot air compressors and gas cans
1 lot of used large air compressors and tanks
1 lot of used tires
1 lot of small filing cabinets
1 lot of large filing cabinets
1 lot of used lawn equipment
3 lots of used office chairs
1 lot metal cabinet
1 lot rosemount meters
1 lot used tamp
3 lots of used office desk
3 lot of used book cases
1 lot of scrap aluminum
1 lot of used tables
1 lot of used cell phones
2 lot of used computer equipment
1 lot zeta-meter
1 lot steam current meter 200xr
1 lot parts washer
1 lot of used strobe lights and safety equipment
1 lot of mats and water hose
2 lots of miscellaneous items
MEMORANDUM

TO: Mayor Mann and Members of Council

FROM: Paul M. Weeks Jr., P.E.

DATE: March 13, 2019

SUBJECT: Recommendation to enter into an engineering services agreement:
Big Buffalo Water Reclamation Facility Flood Rehabilitation

On September 18, 2019, as a result of Hurricane Florence, flooding from the Deep River came over the top of the berm that protects the influent pump station at the Big Buffalo Water Reclamation Facility. As a result, equipment within the berm was submerged under 10+ feet of water. Engineering services are needed to determine the extent of the damage caused by this event.

Engineering services are acquired in a manner different from construction and repair projects. We are required to use a qualifications based selection process whereby engineering firms are solicited to provide information on how they believe they are qualified to do the work. The submittals are then reviewed and ranked based on criteria provided to the interested engineering firms. This process is designed for the selection of the most qualified firm.

The City published its request for interested engineering firms in Greater Diversity News, News and Observer, Sanford Herald and the Fayetteville Observer. On March 5th the City received proposals from three engineering firms; (1) Freese and Nichols, (2) Withers and Ravenel and (3) Hazen and Sawyer.
Staff evaluated proposals and the ranking is attached. Based on the results of our review, staff recommends entering into an engineering services agreement with Hazen and Sawyer in the amount of $415,000.
## REQUEST FOR QUALIFICATIONS (RFQ): BIG BUFFALO WATER RECLAMATION FACILITY FLOOD REHABILITATION

**due:** March 5, 2019

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AGREEMENT
FOR PROFESSIONAL SERVICES

Between

The City of Sanford, NC

And

Hazen and Sawyer

FOR

Big Buffalo Water Reclamation Facility Flood Rehabilitation
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OWNER: [The City of Sanford, NC]

PROJECT: [Big Buffalo WRF Flooding Rehabilitation]

AGREEMENT BETWEEN The City of Sanford, NC AND HAZEN AND SAWYER
FOR PROFESSIONAL SERVICES

This Agreement, dated the ______ day of _________________, 2019 is made and entered into between

The City of Sanford, NC (Owner, hereinafter "OWNER")
225 E Weatherspoon Street
Sanford, NC 27331-3729

and

Hazen and Sawyer (hereinafter "ENGINEER")
4011 WestChase Boulevard, Suite 500
Raleigh, NC 27607.

WHEREAS, OWNER’s Project, of which ENGINEER’s services under this Agreement are a part, is generally identified as follows:

Identification of items damaged by the hurricane at the influent pump station, and of the methods to address the damage with bid documentations, and assistance in monitoring the progress of the rehabilitation work and analysis regarding potential improvements to prevent a same sized storm from causing the damage that the Owner encountered, (hereinafter “PROJECT”); and

WHEREAS, OWNER requests ENGINEER’s services in connection with the PROJECT;

NOW THEREFORE, in consideration of the mutual promises herein contained, OWNER and ENGINEER agree as follows:

Art. 1 THE AGREEMENT DOCUMENTS

1.1 Included Documents. The Agreement consists of: (1) this Agreement, including Schedule A, Scope of Services, and Schedule B, Compensation, attached hereto.

1.2 Entire Agreement. The Agreement represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral.

1.3 Modification. Unless otherwise provided for herein, no amendments, changes, alterations, or modifications of this Agreement shall be effective unless in writing and executed by OWNER and ENGINEER.
Art. 2. SCOPE OF SERVICES AND DIVISION OF RESPONSIBILITIES

2.1 OWNER Responsibilities. In addition to other responsibilities of OWNER as set forth in this Agreement, OWNER must designate its representative to fulfill the following responsibilities, at its expense, which ENGINEER shall rely upon:

a) Provide ENGINEER with all criteria and full information as to OWNER’s requirements for the PROJECT, including design objectives and constraints, flexibility, expandability, capacity and performance requirements, budgetary limitations, operating and testing data, as-built drawings, and previous reports if any. Provide ENGINEER with copies of all design and construction standards that OWNER will require to be included in the Drawings and Specifications, and provide copies of OWNER’s standard forms, conditions, and related documents for ENGINEER to include in the bid documents, when applicable.

b) Provide to ENGINEER any other available information pertinent to the PROJECT including reports and data relative to previous designs, or investigation at or adjacent to the Site.

c) Following ENGINEER’s assessment of initially-available PROJECT data and upon ENGINEER’s request, provide or make available such additional PROJECT related information and data as is reasonably required to enable ENGINEER to complete its services. Such additional information or data includes the following:

1. Property descriptions.
2. Zoning, deed, and other land use restrictions.
3. Property, boundary, easement, right-of-way, and other special surveys or data, including establishing relevant reference points.
4. Explorations and tests of subsurface conditions at or contiguous to the Site, drawings of physical conditions relating to existing surface or subsurface structures at the Site, or hydrographic surveys, with appropriate professional interpretation thereof.
5. Environmental assessments, audits, investigations, and impact statements, and other relevant environmental or cultural studies as to the PROJECT, the Site, and adjacent areas.
6. Data or consultations as required for the PROJECT but not otherwise identified in the Agreement or the Exhibits thereto.

d) Provide prompt written notice to ENGINEER whenever OWNER observes or otherwise becomes aware of the presence at the Site of any environmental concern, or of any other development that affects the scope or time of performance of ENGINEER services, or any defect or nonconformance in ENGINEER services, the Work, or in the performance of any contractor.

e) Arrange safe access to and make all provisions for ENGINEER to enter upon public and private property as required for ENGINEER to perform services under the Agreement.
f) Provide reviews, approvals, and permits from all governmental authorities having jurisdiction to approve all phases of the PROJECT designed or specified by ENGINEER and such reviews, approvals, and consents from others as may be necessary for completion of each phase of the PROJECT.

Art. 3. NOTICE TO COMMENCE WORK AND DURATION OF AGREEMENT

3.1 Commencement. ENGINEER is authorized to begin rendering services as of the effective date and issuance of Notice-to-Proceed and will terminate either: (1) upon the satisfactory completion of ENGINEER’s scope of services set forth in Schedule A; (2) on the date specified in Schedule B, if such date is specified, as applicable; or (3) as otherwise terminated under this Agreement.

3.2 Time for Completion. ENGINEER shall complete its obligations within a reasonable time. Specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided in Schedules A and/or B. If, through no fault of ENGINEER, such periods of time or dates are changed, or the orderly and continuous progress of ENGINEER’s services is impaired, or ENGINEER’s services are delayed or suspended, then the time for completion of ENGINEER’s services, and the rates and amounts of ENGINEER’s compensation, shall be adjusted equitably. If OWNER authorizes changes in the scope, extent, or character of the PROJECT, then the time for completion of ENGINEER’s services, and the rates and amounts of ENGINEER’s compensation, shall be adjusted equitably. OWNER shall make decisions and carry out its other responsibilities in a timely manner so as not to delay ENGINEER’s performance of its services.

Art. 4. PAYMENT AND BILLING

4.1 Payment Amount(s). As compensation for the services to be performed by ENGINEER, OWNER shall pay ENGINEER the amount(s) set forth in Schedule B, attached hereto. The method of compensation shall be set forth in Schedule B. OWNER agrees only to be liable for payment to ENGINEER for ENGINEER’s proper performance of services, as provided for in Schedule B.

4.2 Invoicing and Documentation. ENGINEER shall keep accurate back-up documentation of the time expended in executing its scope of work. Payment for services performed by ENGINEER shall be based upon ENGINEER’s satisfactory completion of services as properly invoiced and documented by ENGINEER. ENGINEER’s invoices and documentation shall be subject to verification by OWNER prior to payment. Invoices submitted by ENGINEER, at a minimum, shall:

a) accurately describe the services rendered during the invoice period;

b) identify any other authorized expenses incurred hereunder; and

c) make reference to this Agreement, and otherwise identify the invoice in such manner as OWNER may reasonably require.
All invoices and billing documentation shall be sent to OWNER at the following address:

City of Sanford  
Attention: Paul Weeks, PE  
225 E. Weatherspoon Street  
Sanford, NC 27331-3729

4.3 Failure to Pay. If OWNER fails to make any payment due to ENGINEER for services and expenses within 30 days after receipt of ENGINEER’s invoice, then ENGINEER may, after giving seven days written notice to OWNER, suspend services under this Agreement until OWNER has paid in full all amounts due for services, expenses, and other related charges. OWNER waives any and all claims against ENGINEER for any such suspension.

4.4 Disputed Invoices. If OWNER contests an invoice, OWNER shall promptly advise ENGINEER of the specific basis for doing so, may withhold only that portion so contested, and must pay the undisputed portion.

4.5 Legislative Actions. If after the Effective Date any governmental entity takes a legislative action that imposes taxes, fees, or charges on ENGINEER’s services or compensation under this Agreement, then ENGINEER may invoice such new taxes, fees, or charges as a reimbursable expense. OWNER shall reimburse ENGINEER for the cost of such invoiced new taxes, fees, and charges; such reimbursement shall be in addition to the compensation to which ENGINEER is entitled under the terms of Schedule B.

4.6 Opinions of Probable Construction Cost. ENGINEER’s opinions of probable construction cost are to be made on the basis of ENGINEER’s experience and qualifications and represent ENGINEER’s best judgment as an experienced and qualified professional generally familiar with the construction industry. However, because ENGINEER has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors’ methods of determining prices, or over competitive bidding or market conditions, ENGINEER cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction costs prepared by ENGINEER. If OWNER requires greater assurance as to probable construction cost, OWNER must employ an independent cost estimator.

4.7 Opinions of Total Project Costs. The services, if any, of ENGINEER with respect to total project costs shall be limited to assisting the OWNER in collating the various cost categories which comprise total project costs. ENGINEER assumes no responsibility for the accuracy of any opinions of total project costs.

Art. 5. DATA AND INFORMATION

5.1 All documents are instruments of services in respect to this PROJECT and ENGINEER shall retain an ownership and property interest therein (including the copyright and the right of reuse at the discretion of ENGINEER) whether or not the PROJECT is completed. OWNER shall not rely in any way on any document
unless it is in printed form, signed or sealed by ENGINEER or one of its consultants.

5.2 OWNER may make and retain copies of documents for information and reference in connection with use on the PROJECT by OWNER. ENGINEER grants OWNER a limited license to use the documents on the PROJECT, extensions of the PROJECT, and for related uses of the OWNER, subject to receipt by ENGINEER of full payment for all services relating to preparation of the documents and subject to the following limitations: (1) OWNER acknowledges that such documents are not intended or represented to be suitable for use on the PROJECT unless completed by ENGINEER, or for use or reuse by OWNER or others on extensions of the PROJECT, on any other project, or for any other use or purpose, without written verification or adaptation by ENGINEER; (2) any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by ENGINEER, as appropriate for the specific purpose intended, will be at OWNER's sole risk and without liability or legal exposure to ENGINEER or to its officers, directors, members, partners, agents, employees, and consultants; (3) To the extent allowed by law, OWNER shall indemnify and hold harmless ENGINEER and its officers, directors, members, partners, agents, employees, and consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the documents without written verification, completion, or adaptation by ENGINEER; and (4) such limited license to OWNER shall not create any rights in third parties.

5.3 If ENGINEER at OWNER's request verifies the suitability of the documents, completes them, or adapts them for extensions of the PROJECT or for any other purpose, then OWNER shall compensate ENGINEER at rates or in an amount to be agreed upon by OWNER and ENGINEER.

Art. 6. SUBCONTRACTING

Performance of this Agreement shall not be subcontracted in whole or in part without the consent of OWNER which shall not be unreasonably withheld. In the event OWNER consents to such subcontract, ENGINEER shall remain bound by the terms of this Agreement until the satisfactory completion of all work hereunder or the termination or expiration hereof, whichever shall first occur. ENGINEER may employ consultants as ENGINEER deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by OWNER.

Art. 7. CONFLICTS OF INTEREST

7.1 Neither ENGINEER nor its employees shall have or hold any continuing or frequently recurring employment or contractual relationship that is substantially antagonistic or incompatible with ENGINEER's loyal and conscientious exercise of judgment related to its performance under this Agreement.

7.2 ENGINEER agrees that none of its officers or employees shall, during the duration of this Agreement, serve as an expert witness against OWNER in any legal or administrative proceeding in which he or she is not a party, unless compelled by court process, nor shall such persons give sworn testimony or issue a report or writing, as an expression of his or her expert opinion, which is adverse or
prejudicial to the interests of OWNER for the work performed under this Agreement or in connection with any such pending or threatened legal or administrative proceeding. The limitations of this section shall not preclude such persons from representing themselves in any action or in any administrative or legal proceeding.

7.3 In the event ENGINEER is permitted to utilize subcontractors to perform any services required by this Agreement, ENGINEER agrees to prohibit such subcontractors, by written contract, from having any conflicts within the meaning of this Article 7.

Art. 8. SUSPENSION OF SERVICES

8.1 By OWNER. OWNER may suspend, delay, or interrupt the PROJECT for up to 60 days upon 7 days written notice to ENGINEER. The written notice must be in advance of the effective time and date of suspension and will fix the date on which performance of such services will be resumed. ENGINEER shall be entitled to an adjustment in compensation, an extension of time, or both, directly attributable to any such suspension, to the extent that such suspension was not due to any fault of ENGINEER.

8.2 By ENGINEER. ENGINEER may suspend, delay, or interrupt its services, or any portion thereof, for a period of 60 days upon 7 days written notice to OWNER for nonpayment.

Art. 9. TERMINATION

9.1 Termination for Cause by Either Party. Either party may terminate this Agreement at any time for cause by giving the other party seven days written notice if the other party fails to perform its obligations under this Agreement and fails to cure within such seven day period.

9.2 Termination for Cause by ENGINEER. Upon seven days written notice if OWNER demands that ENGINEER furnish or perform services contrary to ENGINEER’s responsibilities as a licensed professional; or upon seven days written notice if ENGINEER’s services for the PROJECT are delayed or suspended for more than 60 days for reasons beyond ENGINEER’s control, ENGINEER may terminate this Agreement. ENGINEER shall have no liability to OWNER on account of such termination.

9.3 Termination for Convenience. OWNER may terminate this Agreement at any time with or without cause upon at least fourteen days written notice to ENGINEER. In the event of such a termination for convenience, ENGINEER will be paid for that portion of the work satisfactorily completed prior to termination.

9.4 Payments Upon Termination. In the event of any termination, ENGINEER will be entitled to invoice OWNER and to receive full payment for all services performed or furnished in accordance with this Agreement and all reimbursable expenses incurred through the effective date of termination. In the event of termination by OWNER for convenience or by ENGINEER for cause, ENGINEER shall be entitled, in addition to invoice OWNER and to payment of a mutually agreed upon reasonable amount for services and expenses directly attributable to termination,
both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with ENGINEER’s subcontractors or consultants, and other related close-out costs.

Art. 10. CHANGES IN THE SERVICES

10.1 Written Change Order. OWNER may, by written order to ENGINEER, request additional services, issue revisions or direct the omission of services within the general scope of this Agreement. Any additional services shall be performed upon execution of an applicable change order regarding compensation and extensions of time. No changes will be made absent specific written direction and agreement for payment.

10.2 Equitable Adjustment. If such changes cause an increase or decrease in ENGINEER’s cost of, or time required for, performance of any services under this Agreement, an equitable adjustment may be made in price and/or time of performance, provided that any claim for an adjustment must be made in strict accordance with the terms of this Agreement. ENGINEER shall submit such claim in writing within 30 days of receipt of said written order.

Art. 11. NOTICES

All notices or orders provided for in this Agreement shall be in writing, addressed to the appropriate party at the address which appears below (or as modified in writing by such party) and given personally, by United States mail (return receipt requested), or by a courier service. All notices shall be effective upon the date of receipt.

OWNER if mailed by certified or registered mail, postage prepaid to:

City of Sanford, NC
Attention: Paul Weeks, PE
225 E Weatherspoon Street
Sanford, NC 27331-3729;

or

ENGINEER if mailed by certified or registered mail, postage prepaid to:

Hazen and Sawyer
Attention: Z. Michael Wang, PE, PhD
4011 WestChase Boulevard, Suite 500
Raleigh, NC 27607.

Art. 12. CLAIMS AND DISPUTES

12.1 Applicable Law. This Agreement shall be interpreted and construed in accordance with the laws of the state where the PROJECT is located.

12.2 Dispute Resolution Procedure. OWNER and ENGINEER each hereby waives any rights it may have to a trial by jury of any such litigation. Further, any such claims
or disputes and any action involving the enforcement or interpretation of any rights hereunder shall be submitted to the jurisdiction of the courts of the state in which the PROJECT is located.

Art. 13. INSURANCE

13.1 ENGINEER Coverage. ENGINEER shall procure and maintain insurance as set forth below. ENGINEER shall cause OWNER to be listed as an additional insured on any applicable general liability insurance policy carried by ENGINEER.

13.2. Minimum Coverage of ENGINEER. ENGINEER shall maintain at a minimum the following insurance policies and coverage with carriers authorized to cover risks and licensed to underwrite policies and have an A.M. Best's rating of A-VII or higher:

(a) Worker’s Compensation & Disability Insurance as required by all applicable state and federal laws.

(b) Employer’s Liability with limits of $500,000 each accident, $500,000 Disease (each employee) and $500,000 Disease (policy limit).

(c) Comprehensive General Liability with minimum limits of $3,000,000 per occurrence and $3,000,000 in the aggregate.

(d) Professional Liability with limits of not less than $3,000,000, per claim and $3,000,000 in the aggregate, insuring the professional liability of ENGINEER.

(e) Business Auto Insurance for all owned, hired, non-owned and Employers’ non-ownership vehicles with minimum limits of $1,000,000 combined single limit.

(f) Other Insurance Coverage Requirements:

______________________________________________________________________________

13.3 Certificates of Insurance. ENGINEER shall deliver to OWNER certificates of insurance evidencing the coverages indicated in Sections 13.1 and 13.2 above. Such certificates shall be furnished prior to commencement of ENGINEER’s services and at renewals thereafter during the life of the Agreement.

13.4 At any time, OWNER may request that ENGINEER or its consultants, at OWNER’s sole expense, provide additional insurance coverage, increased limits, or revised deductibles.

13.5 Cancellation, Renewal or Modification. Should coverage afforded under any policy be canceled, non-renewed, materially changed (materially changed defined as a reduction in the policy limit by endorsement during the policy period), or allowed to expire, ENGINEER shall provide OWNER with at least 30 days prior written notice or, in the event of non-payment, ten days prior written notice.
13.6 **Failure to Maintain Insurance.** In the event **ENGINEER** fails to maintain any of the insurance required under this Agreement, it shall constitute a material breach of this Agreement.

**Art. 14. INDEMNIFICATION**

14.1 **Indemnification by **ENGINEER.** To the fullest extent permitted by law, **ENGINEER** shall indemnify and hold harmless **OWNER,** and its officers and employees from and against claims, damages, losses and expenses of any nature or kind including, but not limited to, reasonable attorneys’ fees, arising out of, resulting from or relating in any way to negligence, recklessness, intentionally wrongful conduct or breach of contract of **ENGINEER,** its subcontractors, anyone directly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Article 14.

14.2 **Indemnification by **OWNER.** To the fullest extent allowed by law, **OWNER** shall indemnify and hold harmless **ENGINEER** and its shareholders, directors, officers, agents and employees from and against claims, damages, losses and expenses of any nature or kind including, but not limited to, attorneys’ fees, arising out of, resulting from or relating in any way to negligence, recklessness, intentionally wrongful conduct or breach of contract of **OWNER,** its subcontractors, anyone directly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Article 14.

14.3 **Environmental Indemnification.** To the fullest extent permitted by law, **OWNER** shall indemnify and hold harmless **ENGINEER,** and its shareholders, directors, officers, agents and employees from and against any and all claims, costs, losses, and damages (including but not limited to all fees and charges of **ENGINEER,** architects, attorneys and other professionals, and all court, arbitration, or other dispute resolution costs) caused by, arising out of, relating to, or resulting from a environmental concern at, on, or under the site, provided that (1) any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to the injury or to destruction of tangible property (other than the work itself), including the loss of use resulting therefrom, and (2) nothing in this paragraph shall obligate **OWNER** to indemnify any individual or entity from and against the consequences of that individual’s or entity’s own negligence or willful misconduct.

14.4 **INTENTIONALLY LEFT BLANK**

14.5 This Article 14, Indemnification, shall survive the termination of this Agreement.

14.6 Both parties acknowledge and agree that the foregoing obligations are specific considerations for this Agreement and without such duties and obligations neither party would enter this Agreement.
Art. 15. PERFORMANCE STANDARDS

15.1 Standard of Care. ENGINEER shall perform all professional services with the care and skill ordinarily exercised by members of the same profession currently practicing in the United States, on projects of similar size and complexity at the time the services are performed. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with ENGINEER's services.

15.2 Reliance on Others. Subject to the standard of care set forth in Article 15, ENGINEER and its consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.

15.3 ENGINEER shall not be required to sign any documents, no matter by whom requested, that would result in ENGINEER having to certify, guarantee, or warrant the existence of conditions whose existence ENGINEER cannot ascertain. OWNER agrees not to make resolution of any dispute with ENGINEER or payment of any amount due to ENGINEER in any way contingent upon ENGINEER signing any such documents.

15.4 During construction, ENGINEER neither guarantees the performance of any contractor nor assumes responsibility for any contractor's failure to furnish and perform the work in accordance with the contract documents.

15.5 During construction, ENGINEER shall not provide or have any responsibility for surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements.

15.6 During construction, ENGINEER shall not be responsible for the acts or omissions of any contractor, subcontractor, or supplier, or of any of their agents or employees or of any other person (except ENGINEER; own agents, employees, and consultants) at the site or otherwise furnishing or performing any work; or for any decision made regarding the contract documents, or any application, interpretation, or clarification of the contract documents, other than those made by ENGINEER.

Art. 16. RECORDS

16.1 If the services to be performed hereunder relate to a state or federal government contract, the Comptroller General of the United States and the department or agency of the government having cognizance over this Agreement, and any of their duly authorized representatives, shall have access to and the right to examine any directly pertinent books, documents, papers and records of OWNER or ENGINEER involving transactions related to this Agreement.

16.2 ENGINEER shall comply with federal records retention requirements.
Art. 17. AUDIT RIGHT AND RETENTION OF RECORDS

17.1 OWNER shall have the right to audit the books and records of ENGINEER. ENGINEER shall keep such records and accounts as may be necessary in order to record complete and correct entries related to the PROJECT.

17.2 ENGINEER shall preserve and make available, at reasonable times for examination and audit by OWNER all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement. ENGINEER shall comply with federal records retention requirements.

Art. 18. LIMITATION OF LIABILITY

To the fullest extent permitted by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of ENGINEER and ENGINEER’s officers, directors, members, partners, agents, employees, and Consultants, to OWNER and anyone claiming by, through, or under OWNER for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from, or in any way related to the PROJECT or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability, breach of contract, indemnity obligations, or warranty express or implied of ENGINEER or ENGINEER’s officers, directors, members, partners, agents, employees, or Consultants shall not exceed the total compensation received by ENGINEER or the maximum of the professional liability insurance under 13.2(d) in this Agreement, whichever is greater.

Art. 19. SUCCESSORS AND ASSIGNEES

This Agreement is to be binding on the heirs, successors and assignees of OWNER and ENGINEER, but is not to be assigned by either OWNER or ENGINEER, without first obtaining the written consent of the other.

Art. 20. MUTUAL WAIVER OF BREACH AND MATERIALITY

Failure by either party to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement. OWNER and ENGINEER agree that each requirement, duty, and obligation set forth herein is substantial and important to the formation of this Agreement and, therefore, is a material term hereof.

Art. 21. PERMITS, LICENSES, NOTICES AND COMPLIANCE WITH LAWS

21.1 ENGINEER shall comply with federal, state and local tax laws, social security acts, unemployment compensation acts and worker’s compensation acts insofar as applicable to the performance of services under this Agreement.

21.2 ENGINEER shall not unlawfully discriminate against any person in its operations and activities in its use or expenditure of the funds or any portion of the funds provided by this Agreement and shall affirmatively comply with all applicable
provisions of the Americans with Disabilities Act (ADA) in the course of providing any services funded in whole or in part by OWNER, including Titles I and II of the ADA (regarding nondiscrimination on the basis of disability), and all applicable regulations, guidelines, and standards.

21.3 ENGINEER’s decisions regarding the delivery of services under this Agreement shall be made without regard to or consideration of race, age, religion, color, gender, sexual orientation, national origin, marital status, physical or mental disability, political affiliation, or any other factor which cannot be lawfully or appropriately used as a basis for service delivery.

21.4 ENGINEER shall comply with Title I of the Americans with Disabilities Act regarding nondiscrimination on the basis of disability in employment and further shall not discriminate against any employee or applicant for employment because of race, age, religion, color, gender, sexual orientation, national origin, marital status, political affiliation, or physical or mental disability. In addition, ENGINEER shall take affirmative steps to ensure nondiscrimination in employment against disabled persons. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay, other forms of compensation, terms and conditions of employment, training (including apprenticeship), and accessibility.

21.5 ENGINEER shall take affirmative action to ensure that applicants are employed and employees are treated without regard to race, age, religion, color, gender, sexual orientation, national origin, marital status, political affiliation, or physical or mental disability during employment. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay, other forms of compensation, terms and conditions of employment, training (including apprenticeship), and accessibility.

Art. 22. SEVERANCE

In the event this Agreement or a portion of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to be effective unless OWNER elects to terminate this Agreement. The election to terminate this Agreement based upon this provision shall be made within seven days after the finding by the court becomes final.

Art. 23. JOINT PREPARATION

Preparation of this Agreement has been a joint effort of OWNER and ENGINEER and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the parties than any other.

Art. 24. PRIORITY OF PROVISIONS

If there is a conflict or inconsistency between any term, statement, requirement, or provision of any exhibit attached hereto, any document or events referred to herein, or any
document incorporated into this Agreement by reference and a term, statement, requirement, or provision of this Agreement, the term, statement, requirement, or provision contained in the Articles of this Agreement shall prevail and be given effect.

Art. 25. PROJECT SPECIFIC TERMS

The following additional PROJECT specific terms and conditions are:

The ENGINEER will comply with the applicable FEMA requirements such as those outlined in 2 C.F.R. §200. A part of those requirements includes contract provisions which are attached. Socioeconomic affirmative action steps are required as well. The ENGINEER will be responsible to follow the most restrictive rule which is based on all local, state and federal requirements.

See attached Schedule C

Art. 26. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original.
Art. 27. APPROVAL

IN WITNESS THEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and is made effective the day and year first above written.

The City of Sanford, NC

By: ____________________________________________  __________________________
    Name                                      Date
    Title

HAZEN AND SAWYER

By:  ________________________________  5/9/19
    Z. Michael Wang
    Vice President

Witnessed By:

By:  ________________________________  5/9/19
    Ronald L. Taylor
    Senior Vice President
SCHEDULE A

SCOPE OF SERVICES

City of Sanford, NC

Big Buffalo WRF Flood Rehabilitation

The scope of work to be provided by ENGINEER includes professional services for the elements listed below.

Refer to the attached Scope of Engineering Services for the Big Buffalo Water Reclamation Facility Flood Rehabilitation Project, Dated May 9, 2019

TIME OF COMPLETION

Refer to the attached Scope of Engineering Services for the Big Buffalo Water Reclamation Facility Flood Rehabilitation Project, Dated May 9, 2019.
SCHEDULE B

COMPENSATION

City of Sanford, NC

Big Buffalo WRF Flood Rehabilitation

OWNER shall pay ENGINEER as full compensation for the services identified under Schedule A in the amount of $415,000. Compensation shall be on a not-to-exceed basis. The project will be invoiced on a monthly basis based on the time (hours) that ENGINEER works on the project, and the hourly rate, see attached rate sheet in B-2 as part of Schedule B.

<table>
<thead>
<tr>
<th>TASK NAME</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>Task 1 - Equipment Assessment and Identification</td>
<td>$75,000</td>
</tr>
<tr>
<td>Task 2 – Permit Application and Bid Document Preparation</td>
<td>$92,000</td>
</tr>
<tr>
<td>Task 3 – Bidding Assistance</td>
<td>$20,000</td>
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<tr>
<td>Task 4 – Construction Administration</td>
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<td><strong>Subtotal Fee for Repair and Rehabilitation</strong></td>
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<tr>
<td><strong>Subtotal Fee for Flood Prevention</strong></td>
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<tr>
<td><strong>Total Fee</strong></td>
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### SCHEDULE B (CONTINUED)

**COMPENSATION**

City of Sanford, NC

Big Buffalo WRF Flood Rehabilitation

#### HOURLY RATE SHEET

<table>
<thead>
<tr>
<th>Title</th>
<th>Average of Hourly Billing Rate ($/hour)</th>
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<tbody>
<tr>
<td>Vice President</td>
<td>261</td>
</tr>
<tr>
<td>Associate Vice President</td>
<td>210</td>
</tr>
<tr>
<td>Senior Associate</td>
<td>189</td>
</tr>
<tr>
<td>Associate</td>
<td>152</td>
</tr>
<tr>
<td>Senior Principal Engineer</td>
<td>131</td>
</tr>
<tr>
<td>Senior Principal Architect</td>
<td>123</td>
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<td>Senior Principal Scientist</td>
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<tr>
<td>Principal Engineer</td>
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<td>Assistant Scientist</td>
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<tr>
<td>Senior Principal Designer</td>
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<tr>
<td>Senior Designer</td>
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<tr>
<td>Designer</td>
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<tr>
<td>Senior Field Coordinator</td>
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<tr>
<td>Administrator</td>
<td>76</td>
</tr>
<tr>
<td>Technician</td>
<td>57</td>
</tr>
</tbody>
</table>

Requirements under the Uniform Rules. A non-Federal entity's contracts must contain the applicable contract clauses described in Appendix II to the Uniform Rules (Contract Provisions for non-Federal Entity Contracts Under Federal Awards), which are set forth below. 2 C.F.R. § 200.326. For some of the required clauses we have included sample language or a reference a non-Federal entity can go to in order to find sample language. Please be aware that this is sample language only and that the non-Federal entity alone is responsible ensuring that all language included in their contracts meets the requirements of 2 C.F.R. § 200.326 and 2 C.F.R. Part 200, Appendix II. We do not include sample language for certain required clauses (remedies, termination for cause and convenience, changes) as these must necessarily be written based on the non-Federal entity's own procedures in that area.

1. Remedies.
   a. **Standard:** Contracts for more than the simplified acquisition threshold ($150,000) must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. See 2 C.F.R. Part 200, Appendix II, ¶ A.
   b. **Applicability:** This requirement applies to all FEMA grant and cooperative agreement programs.

2. Termination for Cause and Convenience.
   a. All contracts in excess of $10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement. See 2 C.F.R. Part 200, Appendix II, ¶ B.
   b. **Applicability.** This requirement applies to all FEMA grant and cooperative agreement programs.

b. **Key Definitions.**

(1) **Federally Assisted Construction Contract.** The regulation at 41 C.F.R. § 60-1.3 defines a "federally assisted construction contract" as any agreement or modification thereof between any applicant and a person for construction work which is paid for in whole or in part with funds obtained from the Government or borrowed on the credit of the Government pursuant to any Federal program involving a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, or any application or modification thereof approved by the Government for a grant, contract, loan, insurance, or guarantee under which the applicant itself participates in the construction work.

(2) **Construction Work.** The regulation at 41 C.F.R. § 60-1.3 defines "construction work" as the construction, rehabilitation, alteration, conversion, extension, demolition or repair of buildings, highways, or other changes or improvements to real property, including facilities providing utility services. The term also includes the supervision, inspection, and other onsite functions incidental to the actual construction.

c. **Applicability.** This requirement applies to all FEMA grant and cooperative agreement programs.

d. The regulation at 41 C.F.R. Part 60-1.4(b) requires the insertion of the following contract clause:

"During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section,"
and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States."

   a. Applicability of Davis-Bacon Act. The Davis-Bacon Act only applies to the emergency Management Preparedness Grant Program, Homeland Security Grant Program, Nonprofit Security Grant Program, Tribal Homeland Security Grant Program, Port Security Grant Program, and Transit Security Grant Program. It does not apply to other FEMA grant and cooperative agreement programs, including the Public Assistance Program.
   b. All prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40)

c. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.

d. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

e. In contracts subject to the Davis-Bacon Act, the contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations at 29 C.F.R. Part 3 (Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States). The Copeland Anti-Kickback Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to FEMA.

f. The regulation at 29 C.F.R. § 5.5(a) does provide the required contract clause that applies to compliance with both the Davis-Bacon and Copeland Acts. However, as discussed in the previous subsection, the Davis-Bacon Act does not apply to Public Assistance recipients and subrecipients. In situations where the Davis-Bacon Act does not apply, neither does the Copeland "Anti-Kickback Act." However, for purposes of grant programs where both clauses do apply, FEMA requires the following contract clause:

"Compliance with the Copeland "Anti-Kickback" Act.

(1) Contractor. The contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.

(2) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
(3) Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12."


a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.

b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II, ¶ E.

c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.

d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

"Compliance with the Contract Work Hours and Safety Standards Act.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violations liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work
done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The (write in the name of the Federal agency or the loan or grant recipient) shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section."

6. Rights to Inventions Made Under a Contract or Agreement.

a. Stafford Act Disaster Grants. This requirement does not apply to the Public Assistance, Hazard Mitigation Grant Program, Fire Management Assistance Grant Program, Crisis Counseling Assistance and Training Grant Program, Disaster Case Management Grant Program, and Federal Assistance to Individuals and Households — Other Needs Assistance Grant Program, as FEMA awards under these programs do not meet the definition of "funding agreement."

b. If the FEMA award meets the definition of "funding agreement" under 37 C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by
FEMA. See 2 C.F.R. Part 200, Appendix II, ¶ F.

c. The regulation at 37 C.F.R. § 401.2(a) currently defines "funding agreement" as any contract, grant, or cooperative agreement entered into between any Federal agency, other than the Tennessee Valley Authority, and any contractor for the performance of experimental, developmental, or research work funded in whole or in part by the Federal government. This term also includes any assignment, substitution of parties, or subcontract of any type entered into for the performance of experimental, developmental, or research work under a funding agreement as defined in the first sentence of this paragraph.

7. **Clean Air Act and the Federal Water Pollution Control Act.** Contracts of amounts in excess of $150,000 must contain a provision that requires the contractor to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Violations must be reported to FEMA and the Regional Office of the Environmental Protection Agency. See 2 C.F.R. Part 200, Appendix II, ¶ G.

   a. The following provides a sample contract clause concerning compliance for contracts of amounts in excess of $150,000:

   "Clean Air Act

   (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

   (2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

   (3) The contractor agrees to include these requirements in each subcontract exceeding $150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

(1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

(2) The contractor agrees to report each violation to the (name of the state agency or local or Indian tribal government) and understands and agrees that the (name of the state agency or local or Indian tribal
government) will, in turn, report each violation as required to assure notification to the (name of recipient), Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding $150,000 financed in whole or in part with Federal assistance provided by FEMA.”

8. Debarment and Suspension.

a. **Applicability:** This requirement applies to all FEMA grant and cooperative agreement programs.


c. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs and activities. See 2 C.F.R. Part 200, Appendix II, ¶ H; and *Procurement Guidance for Recipients and Subrecipients Under 2 C.F.R. Part 200 (Uniform Rules): Supplement to the Public Assistance Procurement Disaster Assistance Team (PDAT) Field Manual* Chapter IV, ¶ 6.d, and Appendix C, ¶ 2 [hereinafter PDAT Supplement]. A contract award must not be made to parties listed in the SAM Exclusions. SAM Exclusions is the list maintained by the General Services Administration that contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. SAM exclusions can be accessed at www.sam.gov. See 2 C.F.R. § 180.530; *PDAT Supplement*, Chapter IV, ¶ 6.d and Appendix C, ¶ 2.

d. In general, an "excluded" party cannot receive a Federal grant award or a contract within the meaning of a "covered transaction," to include subawards and subcontracts. This includes parties that receive Federal funding indirectly, such as contractors to recipients and subrecipients. The key to the exclusion is whether there is a "covered transaction," which is any nonprocurement transaction (unless excepted) at either a "primary" or "secondary" tier. Although "covered transactions" do not include contracts awarded by the Federal Government for purposes of the nonprocurement common rule and DHS’s implementing regulations, it does include some contracts awarded by recipients and subrecipient.

e. Specifically, a covered transaction includes the following contracts for goods or services:
(1) The contract is awarded by a recipient or subrecipient in the amount of at least $25,000.

(2) The contract requires the approval of FEMA, regardless of amount.

(3) The contract is for federally-required audit services.

(4) A subcontract is also a covered transaction if it is awarded by the contractor of a recipient or subrecipient and requires either the approval of FEMA or is in excess of $25,000.

d. The following provides a debarment and suspension clause. It incorporates an optional method of verifying that contractors are not excluded or disqualified:

"Suspension and Debarment

(1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(3) This certification is a material representation of fact relied upon by (insert name of subrecipient). If is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to (name of state agency serving as recipient and name of subrecipient), the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

(4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions."


a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.

b. Contractors that apply or bid for an award of $100,000 or more must file the required certification. See 2 C.F.R. Part 200, Appendix II, ¶ I; 44 C.F.R. Part 18; PDAT Supplement, Chapter IV, 6.c; Appendix C, § 4.

c. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or

d. The following provides a Byrd Anti-Lobbying contract clause:

"Byrd Anti-Lobbying Amendment. 31 U.S.C. § 1352 (as amended)

Contractors who apply or bid for an award of $100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient."

APPENDIX A. 44 C.F.R. PART 18 — CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

(To be submitted with each bid or offer exceeding $100,000)

The undersigned [Contractor] certifies, to the best of his or her knowledge, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or
cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

The Contractor, ________________, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

[Signature]
Signature of Contractor's Authorized Official

[Name and Title]
Z. Michael Wang, VP

Name and Title of Contractor's Authorized Official

Date 5/9/19


a. Applicability: This requirement applies to all FEMA grant and cooperative agreement programs.


c. The requirements of Section 6002 include procuring only items designated in guidelines of the EPA at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of
competition, where the purchase price of the item exceeds $10,000 or the value of
the quantity acquired by the preceding fiscal year exceeded $10,000; procuring solid
core waste management services in a manner that maximizes energy and resource
and establishing an affirmative procurement program for procurement of
recovered materials identified in the EPA guidelines.

d. The following provides the clause that a state agency or agency of a political
subdivision of a state and its contractors can include in contracts meeting the above
contract thresholds:

"(1) In the performance of this contract, the Contractor shall make
maximum use of products containing recovered materials that are EPA-
designated items unless the product cannot be acquired—

(i) Competitively within a timeframe providing for compliance with the
contract performance schedule;

(ii) Meeting contract performance requirements; or

(iii) At a reasonable price.

(2) Information about this requirement, along with the list of EPA-
designate items, is available at EPA’s Comprehensive Procurement

11. Additional FEMA Requirements.

a. The Uniform Rules authorize FEMA to require additional provisions for non-
Federal entity contracts. FEMA, pursuant to this authority, requires or
recommends the following:

b. Changes.

To be eligible for FEMA assistance under the non-Federal entity's FEMA grant or
cooperative agreement, the cost of the change, modification, change order, or
constructive change must be allowable, allocable, within the scope of its grant or
cooperative agreement, and reasonable for the completion of project scope. FEMA
recommends, therefore, that a non-Federal entity include a changes clause in its
contract that describes how, if at all, changes can be made by either party to alter the
method, price, or schedule of the work without breaching the contract. The language of
the clause may differ depending on the nature of the contract and the end-item
procured.


All non-Federal entities must place into their contracts a provision that all contractors and
their successors, transferees, assignees, and subcontractors acknowledge and
agree to comply with applicable provisions governing Department and FEMA access to records, accounts, documents, information, facilities, and staff. See DHS Standard Terms and Conditions, v 3.0, ¶ XXVI (2013).

d. The following provides a contract clause regarding access to records:

"Access to Records. The following access to records requirements apply to this contract:

(1) The contractor agrees to provide (insert name of state agency or local or Indian tribal government), (insert name of recipient), the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.

(2) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.

(3) The contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract."

12. OHS Seal. Logo, and Flags.

a. All non-Federal entities must place in their contracts a provision that a contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval. See OHS Standard Terms and Conditions, v 3.0, ¶ XXV (2013).

b. The following provides a contract clause regarding DHS Seal. Logo. and Flags:

"The contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval."


a. All non-Federal entities must place into their contracts an acknowledgement that FEMA financial assistance will be used to fund the contract along with the requirement that the contractor will comply with all applicable federal law, regulations, executive orders, and FEMA policies, procedures, and directives.

b. The following provides a contract clause regarding Compliance with Federal Law, Regulations, and Executive Orders: "This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The contractor
will comply will all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives."

14. **No Obligation by Federal Government.**

   a. The non-Federal entity must include a provision in its contract that states that the Federal Government is not a party to the contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract.

   b. The following provides a contract clause regarding no obligation by the Federal Government: "The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, contractor, or any other party pertaining to any matter resulting from the contract."

15. **Program Fraud and False or Fraudulent Statements or Related Acts.**

   a. The non-Federal entity must include a provision in its contract that the contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to its actions pertaining to the contract.

   b. The following provides a contract clause regarding Fraud and False or Fraudulent or Related Acts: "The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract."
May 9, 2019

Mr. Paul Weeks, P.E.
City Engineer
City of Sanford, NC
225 E. Weatherspoon Street
Sanford, NC 27331-3729

Re: Letter Proposal for the Big Buffalo Water Reclamation Facility
Flood Rehabilitation R1 Project

Dear Mr. Weeks:

Hazen and Sawyer (ENGINEER) is very appreciative to be selected for the referenced project by the City of Sanford (City). We are pleased to submit herewith the letter proposal for the referenced project. The letter proposal

**SCOPE OF SERVICES**

1. **Equipment Assessment**

   ENGINEER will investigate the facility and identify all equipment and infrastructure that are damaged and inoperable due to the flooding caused by hurricane Florence at the Big Buffalo WRF. These include but not limited to the following equipment and items:

   1.1 **Mechanical Equipment, such as:**

      a. Bar / fine screens and their compactors and motors; Manual bar screen bypass gate
      b. Influent chamber sluice gate
      c. Grit collector gear boxes, grit pumps, seals and bearings
      d. All gate operators and valve actuators
      e. Influent pumps and electrical motors; air-cooling systems, bearings, check valves and ventilation fans
      f. Louvers and electrical operators in the grit handling building

   1.2 **Electrical Equipment**

      a. Suggest the City to install combustible gas monitoring devices to sense combustible gas accumulations. This may be a temporary installation prior to permanent replacement equipment but is necessary to ensure personnel safety and satisfy the requirements of NFPA 820, 2016.
b. Investigate all power, control, and instrumentation wiring from source to load for all equipment located at:
   - Grit Collection and Influent Pump Station
   - Grit Handling Building
   - Old Influent Pump Station
   - Screenings Area
   - Fine Screens
   - Distribution Box

c. Evaluate all components of the exposed raceway system (conduit, conduit bodies, seal off fittings, etc.) located at each of the facilities.

d. Evaluate all gaskets installed in junction and pull boxes located at each of the facilities listed.

e. Evaluate all lighting fixtures and associated conduit, switches, photocells, and wiring located at each of the facilities. (Note, the upper level of the Grit Handling building did not flood). Pole mounted site lighting fixtures should only have all wiring replaced to their respective junction boxes.

f. Identify damaged (inoperable) wiring devices, including receptacles, switches, instrument surge protection devices, etc. located at each of the facilities listed above.

g. Identify all damaged or inoperable wiring devices located at all the facilities listed above.

h. Identify all damaged and inoperable safety switches. Recommend complete replacement of all safety switches located at all the facilities listed above.

i. Confirm power distribution equipment on the lower level of the Old Influent Pump Station, which were completely submerged and are severely damaged.

j. Identify all instruments including gas monitors, flow/level elements/indicators/transmitters, samplers etc. Many are not functioning.

k. Confirm that conduits and wiring extending from the upper level of the Grit Handling Building into the flooded areas should be replaced recommended above.

l. Discuss with plant staff regarding concerns that components of the PLC/SCADA system, within the electrical building have been comprised. Provide further evaluation and testing needed to determine the extent of damage within the PLC / SCADA cabinet.
2. Civil and Structural Evaluation and Rehabilitation of the Berm to Pre-Disaster Levels

2.1 Civil (Flood damage repair and rehabilitation)
   a. Review sequence of berm over-topping locations.
   b. Identify area of significant erosion on interior and exterior berm faces.
   c. Provide recommendations on re-grading and stabilizing eroded berm face areas.
   d. Rutting at the top of the berm is a concern and is trapping water which will soften soils further. Re-grade, re-compact (or re-construct), and stabilize top of berm as required.

2.2 Structural (Flood damage repair and rehabilitation to Pre-Disaster Levels)
   a. Perform borings at several locations along berm. Borings should be full depth of the berm.
   b. Obtain geotechnical evaluation of berm soils, compaction, signs of potential failure, and overall stability and ability of berm to support proposed flood protection wall.
   c. Evaluate the structural integrity of flooded or partially flooded structures and buildings, including concrete structures, Old Influent Pump Station building, and Grit Handling Building.

3. Flood Prevention - Evaluation work to prevent a same sized storm form causing the damage the owner encountered

3.1 Civil and Structural Evaluation
   Civil – Flood Prevention – Provide hydrologic and hydraulic evaluation to determine appropriate elevation for top of flood wall. A flood study and CLOMR may be required.

3.2 Structural Flood Prevention
   a. Work with geotechnical investigation to determine suitability of materials to support a flood wall and provide the depth needed to set the footing of the wall. The height of the wall above the berm needs to be determined prior to proceeding with geotechnical investigation,
   b. Evaluate the structural integrity of the existing masonry building. The masonry walls are obviously saturated where they were inundated by flood waters. The weeps at the base of the walls may be clogged in some locations. Determine location of potential clogged weeps and route out these weeps to ensure the water can escape the cavity between the CMU and the brick veneer without continuing to seep through the brick. Adding vent holes towards the top of the walls may assist in drying things out.
4. Bid Documents

ENGINEER will prepare detailed drawings, technical specifications, rehabilitation and replacement construction sequences, probable construction cost and schedule.

5. Bidding Assistance

ENGINEER will assist the City with bidding process based on FEMA requirements. ENGINEER will assist the City soliciting bids, including general contractors and subcontractors; evaluate apparent low bidders; and recommend contracting service to the City.

6. Construction Administration

a. ENGINEER will provide construction administration services during the rehabilitation/replacement construction, including reviewing shop drawings, responding to RFI’s, and checking rehabilitation progress, and organizing and holding construction progress meetings.

b. ENGINEER will provide part-time field services during construction. ENGINEER will provide startup, and troubleshooting upon the completion of rehabilitation/replacement.

7. Deliverables

A technical memorandum (TM) will be submitted to include ENGINEER’s investigation and assessment through site visits and discussions with plant operators and maintenance staff, and through equipment starting and maintenance records.

a. Drawings to delineate and identify replacement or rehabilitation areas and equipment.

b. Identify and quantify all the replacement or rehabilitation equipment and materials.

c. Provide recommendation for rehabilitation and replacement.

d. Provide probable cost of rehabilitation and replacement.

e. Provide sequence of rehabilitation and replacement construction.

8. Bid Documents

a. Detailed drawings will include all equipment and facilities that should be replaced/rehabilitated damaged by the flooding.

b. Technical specifications will include all equipment and facilities that should be replaced/rehabilitated damaged by the flooding.

9. Proposed Conceptual Schedule

a. ENGINEER will work with the City and BBWRF staff closely after Notice to Proceed from the City to identify the equipment that require immediate replacement/rehabilitation.
b. We will immediately start detailed investigation after the NTP and prepare assessment report and recommendations within thirty (30) days.

c. After the City’s review of initial investigation, we will incorporate the comments and finalize the report and start preparing bid documents. These procedures will complete within sixty (60) days.

d. ENGINEER will assist the City with permit applications required to proceed equipment and facility rehabilitation/replacement damaged and inoperable due to the flooding.

e. ENGINEER will assist the City with the bidding process.

f. ENGINEER predicts the construction would take six (6) months after award the contracts.

g. A Gantt Chart is attached to this Scope of Work to illustrate the conceptual schedule.

10. Proposed Engineering Fee

The following table summarizes the engineering fee for this project. Work shall be billed based on hours that the ENGINEER works on this project, and their hourly rates. See attached hourly rate table.

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Proposed Engineering Fee</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment Assessment and Identification</td>
<td>$75,000</td>
<td>1,2</td>
</tr>
<tr>
<td>Permit Application and Bid Document Preparation</td>
<td>$92,000</td>
<td>4, 8 Including Geotechnical subconsultant</td>
</tr>
<tr>
<td>Bidding Assistance</td>
<td>$20,000</td>
<td>5 Per FEMA requirement</td>
</tr>
<tr>
<td>Construction Administration (CA/CI)</td>
<td>$160,000</td>
<td>6, 7 Including CA office and part time field services (CI); Start up and troubleshooting</td>
</tr>
<tr>
<td>Subtotal Fee for Rehabilitation</td>
<td>$347,000</td>
<td></td>
</tr>
<tr>
<td>Subtotal Fee for Flood Prevention</td>
<td>$68,000</td>
<td>3 Including Flood Study and CLOMR</td>
</tr>
<tr>
<td>Total Fee</td>
<td>$415,000</td>
<td></td>
</tr>
</tbody>
</table>
We appreciate the opportunity to serve the City of Sanford. Please do not hesitate to call me if you have any questions regarding this letter proposal.

Sincerely yours,

Z. Michael Wang, PhD, PE, BCEE
Vice President
**CERTIFICATE OF LIABILITY INSURANCE**

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFER NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

**PRODUCER**
Ames & Gough
6300 Greensboro Drive
Suite 980
McLean, VA 22102

**CONTACT NAME:**
admin@amesgough.com

**PHONE:** (A/C, No, Ext): (703) 827-2277

**FAX:** (A/C, No): (703) 827-2279

**INSURER(S) AFFORDING COVERAGE**

| INSURER A | : Hartford Fire Insurance Company A+ (XV) | 19682 |
| INSURER B | : Hartford Casualty Insurance Company A+ (XV) | 29424 |
| INSURER C | : Travelers Indemnity Company of Connecticut A++ (Superior) | 25682 |
| INSURER D | : Twin City Fire Insurance Company A+ (XV) | 29459 |
| INSURER E | : Continental Casualty Company (CNA) A, XV | 20443 |
| INSURER F | : |

**CERTIFICATE NUMBER:**

**REVISION NUMBER:**

**COVERAGES**

**THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.**

<table>
<thead>
<tr>
<th>INSR</th>
<th>WDV</th>
<th>INSUDED WVD</th>
<th>POLICY NUMBER</th>
<th>POLICY EFF</th>
<th>POLICY EXP</th>
<th>LIMITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
<td>X COMMERCIAL GENERAL LIABILITY</td>
<td>X 42UUNBH8062</td>
<td>3/29/2019</td>
<td>3/29/2020</td>
<td>EACH OCCURRENCE $1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CLAIMS-MADE X OCCUR</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CONTRACTUAL LIAB.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td></td>
<td>AUTOMOBILE LIABILITY</td>
<td>42UENBH7997</td>
<td>3/29/2019</td>
<td>3/29/2020</td>
<td>COMBINED SINGLE LIMIT $1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ANY AUTO OWNED AUTOS ONLY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>HIRED AUTOS NON-OWNED AUTOS ONLY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td></td>
<td>UMBRELLA LIAB</td>
<td>ZUP31N1064A19NF</td>
<td>3/29/2019</td>
<td>3/29/2020</td>
<td>EACH OCCURRENCE $2,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OCCUR CLAIMS-MADE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td></td>
<td>WORKERS COMPENSATION AND EMPLOYERS LIABILITY</td>
<td>42WBAD0SYE</td>
<td>3/29/2019</td>
<td>3/29/2020</td>
<td>E.L. EACH ACCIDENT $1,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)</td>
<td>Y</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IF YES, DESCRIBE UNDER DESCRIPTION OF OPERATIONS BELOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td></td>
<td>PROFESSIONAL LIAB</td>
<td>AEH008231489</td>
<td>3/29/2019</td>
<td>3/29/2020</td>
<td>PER CLAIM/AGGREGATE $3,000,000</td>
</tr>
</tbody>
</table>

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES**

(Acordion 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Sanford, NC is included as additional insured with respect to General Liability when required by written contract. 30-day Notice of Cancellation will be issued for the General Liability, Automobile Liability, Workers Compensation and Professional Liability policies in accordance with policy terms and conditions.

**CERTIFICATE HOLDER**

City of Sanford, NC
225 E Weatherspoon Street
Sanford, NC 27331

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

**AUTHORIZED REPRESENTATIVE**

[Signature]

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**ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<table>
<thead>
<tr>
<th>Name Of Additional Insured Person(s) Or Organization(s):</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANY PERSON OR ORGANIZATION THAT YOU HAVE AGREED TO NAME AS AN ADDITIONAL INSURED IN A WRITTEN CONTRACT OR AGREEMENT PROVIDED THAT THE INJURY OR DAMAGE OCCURS SUBSEQUENT TO THE EXECUTION OF THE CONTRACT OR AGREEMENT. A PERSON OR ORGANIZATION IS INCLUDED AS AN ADDITIONAL INSURED UNDER THIS ENDORSEMENT ONLY FOR THAT TIME PERIOD REQUIRED BY THE CONTRACT OR AGREEMENT.</td>
</tr>
</tbody>
</table>

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds,** the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.
BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled.

Section 1: The following amounts are hereby amended to ordinance 2018-29 per G. S. 159-15 for the continued operation of the City of Sanford, its government, and activities for the balance of the fiscal year 2018-2019.

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>EXPENDITURES</th>
</tr>
</thead>
<tbody>
<tr>
<td>300945 54000 Retained Earnings</td>
<td>415,000</td>
</tr>
<tr>
<td>30096650 00000 Contribution-Capital Projects</td>
<td>415,000</td>
</tr>
<tr>
<td><strong>Total Appropriation</strong></td>
<td><strong>$ 415,000</strong></td>
</tr>
</tbody>
</table>

Section 2. This ordinance shall be in full force and effective from and after the date of its adoption.

ADOPTED this, the 21st day of May, 2019.

____________________________________
T. Chet Mann, Mayor

ATTEST:

____________________________________
Bonnie Davis, City Clerk
## 2018-2019 BUDGET ORDINANCE AMENDMENT

### UTILITY FUND

**Appropriation of Funds** - results in increasing of budget

<table>
<thead>
<tr>
<th>Revenues</th>
<th>415,000</th>
<th>To appropriate retained earnings for item described below</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained Earnings</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>415,000</th>
<th>Contribution to Big Buffalo Water Reclamation Facility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution - Capital Projects</td>
<td></td>
<td>Flood Rehabilitation Project</td>
</tr>
</tbody>
</table>
CAPITAL PROJECT ORDINANCE

BIG BUFFALO WATER RECLAMATION FACILITY FLOOD REHABILITATION

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1: The project authorized is to repair the Big Buffalo Water Reclamation Facility Influent Pump Station in response to what happened during Hurricane Florence. This project is to be financed through retained earnings, however, the City is pursuing reimbursement from Federal Emergency Management Agency (FEMA).

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the documents, and the budget contained herein.

Section 3: The following amounts are appropriated for the project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Influent Pump Station Repair</td>
<td>$ 415,000</td>
</tr>
</tbody>
</table>

Section 4: The following revenues are anticipated to be available to complete this project:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution from Utility Fund</td>
<td>$ 415,000</td>
</tr>
</tbody>
</table>

Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of state/federal regulations.

Section 6: Funds may be advanced from the Utility Fund for the purpose of making payments as due. Reimbursement requests should be made to Federal Emergency Management Agency (FEMA) in an orderly and timely manner.

Section 7: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total revenues received and claimed.

Section 8: The Finance Officer is directed to include in the annual budget information projects authorized by previously adopted project ordinances which will have appropriations available for expenditure during the budget year.

Section 9: Copies of this capital project ordinance shall be furnished to the Clerk to the City Council and the Finance Officer for direction in carrying out this project.

ADOPTED this, the 21st day of May, 2019.

_______________________________
T. Chet Mann, Mayor

ATTEST:

________________________________
Bonnie Davis, City Clerk
AN ORDINANCE AMENDING THE ANNUAL OPERATING BUDGET 
OF THE CITY OF SANFORD FY 2018-2019

BE IT ORDAINED by the City Council of the City of Sanford, North Carolina in regular session assembled.

Section 1: The following amounts are hereby amended to ordinance 2018-29 per G. S. 159-15 for the continued operation of the City of Sanford, its government, and activities for the balance of the fiscal year 2018-2019.

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Appropriation: $126,650</th>
</tr>
</thead>
<tbody>
<tr>
<td>300044 30340 Interest Income</td>
<td>126,650</td>
</tr>
<tr>
<td>30098280 64500 Sewer Capital</td>
<td>126,650</td>
</tr>
</tbody>
</table>

Section 2. This ordinance shall be in full force and effective from and after the date of its adoption.

ADOPTED this, the 21st day of May, 2019.

____________________________________
T. Chet Mann, Mayor

ATTEST:

____________________________________
Bonnie Davis, City Clerk
## 2018-2019 BUDGET ORDINANCE AMENDMENT

### UTILITY FUND

**Appropriation of Funds** - results in increasing of budget

#### Revenues

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income</td>
<td>126,650</td>
<td>To appropriation interest income received</td>
</tr>
</tbody>
</table>

#### Expenditures

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer Capital</td>
<td>126,650</td>
<td>To budget funds for sewer petition engineering for Carr Creek and Carthage Street</td>
</tr>
</tbody>
</table>
RESOLUTION FIXING DATE OF PUBLIC HEARING ON
QUESTION OF ANNEXATION PURSUANT TO G. S. 160A-31

WHEREAS, a petition requesting annexation of the area described herein has been received; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, certification by the City of Sanford Clerk as to the sufficiency of the petition has been made;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Sanford of Lee County, North Carolina that:

Section 1. A public hearing on the question of annexation of the area described herein will be held in the Council Chambers at the City of Sanford Municipal Building 225 East Weatherspoon Drive at 6:00 pm on June 4, 2019.

Section 2. The area proposed for annexation is described as follows:

CITY OF SANFORD LEGAL DESCRIPTION FOR
Contiguous Annexation Boundary for Schoolhouse Sanford, LLC
Jonesboro Township, Lee County, NC

Annexation Description PIN 9661-22-8224

Being all of a certain parcel of land situated in Jonesboro Township, Lee County, North Carolina bounded on the north by JT Properties of NC, LLC (PIN 9661-23-5360), on the east by NC Highway 87 (Variable Public R/W), on the on the south by Clinton E Bryan III (PIN 9661-30-1778), Adam J. and Melissa Rexroad (PINS 9661-21-5277 & 9661-21-4337) and Dennis J. Martin (PIN 9661-21-4501) and on the west by another parcel of Dennis J. Martin (PIN 9661-21-3676), Beverly K. Cummings (PINS 9661-21-3871 & 9661-21-3986), William Martin (PINS 9661-22-4202 & 9661-22-4419), Thomas Martin (PIN 9661-22-4657), Helen Holder (PIN 9661-22-4833) and Harvey Faulk Road S.R.1138 (60’ Public R/W) and being more particularly described as:

Beginning at an existing iron pipe in the eastern right-of-way of Harvey Faulk Road, said pipe being located S 39°23’40” E 72.25’ (Tie Line) from a Survey Control point(60d mag nail) having NC Grid Co-ordinates of N=612,978.93 and E=1,962,267.81, said pipe also being on the existing City Limits line of Sanford and also being the northwest corner of Helen Holder; thence continuing with said eastern right-of-way and said City Limits line N 07°35’39” E 211.64’ to an existing iron pipe, the southwest corner of JT Properties of NC, LLC; thence leaving said eastern right-of-way and said existing City Limits line and with the southern line of said JT Properties and with the New City Limits (NCL) N
71°57'28" E 463.55' to an existing iron pipe on the western right-of-way of NC Highway 87 and being the southeast corner of said JT Properties; thence leaving said JT Properties and with the western right-of-way of said NC 87 and with said (NCL) the following three calls: S 28°14'06" E 171.43' to a concrete monument, S 18°02'13" E 1,186.66' to a concrete monument and with the arc of a curve to the left having a radius of 3,127.75' (chord S 08°45'17" E 614.15") for a length of 615.14' to a computed point, a corner common to Clinton E. Bryan III; thence leaving said western right-of-way and with said (NCL) and with the northern line of said Bryan the following four calls: N 71°32'42" W 35.83' to an existing iron pipe, N 24°37'16" W 102.70' to an existing iron pipe, N 23°59'13" W 59.81' to an existing iron pipe and S 72°44'30" W 351.05' to an existing iron pipe a corner common to Adam J. & Melissa Rexroad and Dennis J. Martin; thence with said Rexroad, with the northern line of said Martin and with said (NCL) N 78°17'48" W 409.23' to an existing iron pipe, a corner of said Martin; thence with the eastern line of said Martin, with the eastern line of another parcel of Dennis J. Martin, with the eastern line of two parcels of Beverly K. Cummings and with said (NCL) N 06°35'17" E 514.41' to an existing iron pipe, the southeast corner of William Martin; thence with the eastern line of said Martin and with said (NCL) N 06°34'13" E 332.55' to an existing iron rod, the southeast corner of another parcel of William Martin; thence with the eastern line of said Martin and with said (NCL) N 06°37'04" E 214.90' to an existing iron rod, the southeast corner of Thomas Martin; thence with the eastern and northern line of said Martin the following two calls: N 06°41’53” E 198.98’ to a ductile iron pipe and N 88°48’23 W 106.87 to an angle iron, the southeast corner of Helen Holder; thence with the eastern and northern line of said Holder and with said (NCL) the following two calls: N 07°32’26” E 137.96’ to a computed point and N 89°10’01” W 230.01’ to the point and or place of beginning containing 22.98± acres more or less.


Section 3. Notice of the public hearing shall be published in The Sanford Herald, a newspaper having a general circulation in the City of Sanford at least ten (10) days prior to the date of the public hearing.

Adopted this 21st day of May, 2019.

______________________________
T. Chet Mann, Mayor

ATTEST:

______________________________
Bonnie Davis, City Clerk
Presentation of Proposed Budget for Fiscal Year 2019-2020
Closed Session