

**SANFORD CITY COUNCIL
WORK SESSION**

Tuesday, March 22, 2022
West End Conference Room
225 East Weatherspoon Street, Sanford, NC

The City Council held a work session on Tuesday, March 22, 2022, at 6:00 p.m. in the West End Conference Room at City Hall. The following people were present:

Mayor Chet Mann	Council Member Sam Gaskins
Council Member Jimmy Haire	Council Member Charles Taylor
Council Member Rebecca Wyhof Salmon	Council Member Norman “Chas” Post, III (in 6:10 pm)
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 Byron Buckels

Call to Order

Mayor Mann called the work session to order.

Consider Discussion regarding Juneteenth Celebration (Exhibit A)

Parks Administrator Nick Fortune stated that the Lee County Cultural Arts, LLC, group is planning the second annual Juneteenth celebration on Sunday, June 19. They would like to hold a rolling procession (no street closures) as illustrated on Exhibit A, from the corner of Cole and Steele Streets to Depot Park. The procession would take about 30 minutes and the event would include performances, food trucks and vendors. Staff has discussed this event with the Police Department and Downtown Sanford, Inc., and they are supportive. He reminded everyone that the rental policy for the Depot has not been finalized but plans are ongoing. Council Member Taylor stated it is imperative to have this policy in place and City Manager Hegwer indicated it would be done prior to Council’s next meeting. The policy will ensure integrity by addressing Council’s intent to provide low-cost – but not free – events to groups. Mr. Fortune explained that the policy rough draft was developed after collaboration with other entities. Mayor Mann agreed that establishing a policy is critical and suggested that the Depot has become a venue rather than a park and should have different standards. Mr. Hegwer requested confirmation that Council was comfortable with the processional route, which was received. Mr. Fortune also confirmed that local businesses had been notified about the event.

Mr. Fortune also informed Council that the Parks Department is applying for a PARTF (Parks and Recreation Trust Fund) grant for the Medical Mile greenway. A great deal of work has been done on this project, which would connect Kiwanis Family Park (KFP) to Carthage Street near the hospital, run along Carthage Street to the Kiwanis Children’s Park and back to KFP. Staff has contracted with Adrian Harrington of Smart Moves Consulting, who was recommended by WithersRavenel. Mr. Fortune reminded everyone that the Parks Department previously applied for and received a PARTF grant for the KFP project. Since PARTF grants are based on a point system, he recommended a fishing station along the creek as shown on Exhibit A to enhance points and improve our visibility. Another method to enhance points would be including environmental justice data from the Environmental Protection Agency showing that this area of Sanford is in the 98th percentile of all census blocks in the US for low-income, low-life expectancy, high unemployment, and high risk of heart disease.

Regarding funding, Mr. Fortune explained that the Medical Mile and Kiwanis connection was estimated at a little over \$1 million in 2017. The Carthage Street connector portion would cost the City about \$200,000 under the agreement with the NC Department of Transportation. About 90 percent of the design work has been completed at a cost of approximately \$147,000. Although \$500,000 is the maximum PARTF grant, the consultant recommended we apply for \$425,000 since the maximum request would place us in a different category. Mr. Fortune stated that staff needs to update pricing before the May 2 deadline. The preliminary application has already been submitted and staff met with the state representative, who had a positive impression of the project and remembered the KFP project. The Parks Commission voted unanimously last night to support this grant application, which will require public meetings and some civic presentations prior to submission.

Council Member Salmon questioned whether the successful KFP project would impact us in a positive or negative way. Mr. Fortune suggested it would affect us favorably since they know it was a successful project; we have maintained the project well, and it was well received by the community. Council Member Taylor recalled that the PARTF program was launched in 1994 but the City did not apply for funding until 2017, when we completed a successful project.

Council Member Salmon referenced prior discussion of leveraging American Rescue Plan Act (ARPA) funds and questioned whether timing could affect those plans. Mr. Fortune stated that the application is due May 2 and while there is no specific date for award announcements, we should know in the fall. Council Member Taylor noted that the Parks Committee discussed this issue at yesterday's meeting and some of the funds already spent by the City on this project may be applied toward our required match. Mr. Fortune stated that he is also investigating additional funding through the Parks System for ADA (Americans with Disabilities) improvements, with a \$100 contribution required from the City for every \$500 received.

Council Member Gaskins questioned whether the project would be coordinated with DOT completing the Carthage Street project in 2024. Mr. Fortune agreed that 2024 completion was the latest information he had. The other two portions of the project may be completed by the time this work begins and he believes the two projects will mesh well. Mayor Mann noted there was consensus to move forward and thanked Mr. Fortune for his initiative on pursuing the PARTF grant.

Consider Letter of Support for Brick Capital Community Development Corporation Washington Avenue Housing Site (Exhibit B)

City Manager Hal Hegwer reminded Council of previous conversations on this project and possible funding, including ARPA (American Rescue Plan Act). Brick Capital Community Development Corporation (BCC) is working to secure financing for this 16-acre project that would include 45 single-family lots and a 16-unit apartment complex for supportive housing utilizing a newer land trust model that would allow the land to remain in a trust. The purchaser would lease the land and own the home, thereby allowing BCC to control the price and guarantee a certain level of affordability for subsequent purchasers. Council has previously discussed funding through the Utility Fund rather than ARPA and if that is still agreeable, Mr. Hegwer questioned whether there was consensus to provide a letter of support (draft attached as Exhibit B) confirming Council's backing of this project so that BCC can move forward to secure financing.

Council Member Taylor commented that if additional federal infrastructure funding is made available, we can seek guidance on how the City will handle its portion. City Manager Hegwer agreed that this project aligns well with the ARPA funding goal of providing assistance on projects in qualified census tracts. It would also be located near the recently enhanced Horton Park, be an infill project and produce additional utility customers.

Mayor Mann commented that there may only be two ways to help provide more affordable housing: working with partners like BCC or some type of master-lease program through which the City could require or strongly encourage developers of new multi-family housing project to set aside a certain percentage of new units as affordable housing based on AMI (average median income). Consensus was reached for Manager Hegwer to sign the letter of support.

Consider Preliminary Design for New Fire Station (Exhibit C)

Paul Weeks, Utility and Engineering Director, reminded Council that design work on the new fire station, that will be constructed on Colon Road near the intersection with US Highway #1, began last December after working with fire department staff to determine priorities. Mike Esposito, Principal with ADW Design (architects for the project), reviewed the attached Exhibit C. Survey and geotechnical work should be completed soon. The employee entrance and parking would be located at the rear and public parking will be at the front. Trucks will circle around the rear and pull into the two bays to exit onto Colon Road; there is also an option to add a third bay in the future. The building is a little over 12,000 square feet, with office and administrative work areas in the front. The center primarily houses dorm sleeping areas and the rear provides support services (day room, kitchen area, fitness room). The two bay areas are double deep to provide stacking and on the opposite side of the bays is the support service area for apparatus (decon room, tool rooms, turnout gear room). A small mechanical mezzanine is located on the other side, just above the storage area, to provide efficient use of truss space without increasing floor area. Traditional materials would be used, with brick exterior (to recognize our local brick industry), shingle roof, and residential-style double-hung windows. The rear of the building, which would be highly visible from the highway, would include a small covered patio area and the exterior of the bay area would be similar to the front.

Regarding costs and timeline, Mr. Esposito reminded everyone that the market is still volatile. The current construction cost is estimated at just under \$6 million, up about \$1.2 million due primarily to increased material prices in the last couple of years. This estimate includes a 15 percent contingency to hedge against market volatility but since design work is still in the early stages, these prices may increase or decrease. They plan to submit for permitting in October and receive bids in November or December, with construction starting in 2023.

Council Member Taylor asked Mr. Esposito about funding mechanisms, specifically whether he was seeing fire bonds to fund stations in other areas. Mr. Esposito stated that he is not seeing many bonds and his company is working with Wake County, where funds were appropriated before recent cost increases, resulting in continual adjustments. City Manager Hegwer reminded everyone that funding was in place for this project but staff will seek federal grants for staffing, such as the SAFER grants that fund 75 percent for two years and decrease to about 35 percent in the third year. He noted that Council Member Salmon has expressed concern previously about a fire bond since a fire station would be considered an essential facility and expressed hope that prices may ease somewhat before bidding.

City Manager Hegwer requested Council feedback on the proposed design and Council Member Taylor commented that it appears to be a classical design with a contemporary feel, but his primary concern is ensuring it meets our firefighters' needs. Mr. Hegwer asked Interim Fire Chief Steve Seagroves, who has been with the department for 40 years, for feedback. and Mr. Seagroves stated that the Fire Building Committee visited other fire stations and worked with Mr. Esposito on the design. He confirmed that everyone on the committee seemed to like the design and believe it will work well.

Council Member Taylor questioned whether the Fire Chief and other administrative offices would be located at this station and Deputy Fire Chief Ken Cotten explained that plans call for housing only officers

on duty without a Battalion or District Chief. If the station has a ladder and engine, an officer would be assigned to each and there would be room for both to have office space.

Council Member Gaskins questioned whether this design work could be used for planning other fire stations. Mr. Esposito confirmed it could and noted that Wake County has developed a real estate model for Fire and Emergency Medical Services facilities where they can identify appropriate locations and determine which locations would work for particular stations. He noted that elevations affect these decisions because of the way apparatus exit onto main roads, and protected areas (such as wetlands) must be avoided. He confirmed that the building could be replicated and plans could be used as a type of architectural standard to save money as the City grows. Mr. Gaskins commented that another fire station will likely be needed soon on the southern side of the City due to extensive growth in that area. Council Member Taylor questioned whether there would be any savings to construct vertically (with living quarters upstairs) or whether that simply maximized ground space. Mr. Esposito explained that it actually costs more to construct a two-story building (elevator, second floor slab, additional floor slab structure, more envelope, more brick) and they do it only to accommodate small tracts of land.

City Manager Hegwer stated that the goal was obtaining Council's perspective on design so that plans may move forward. Mayor Mann confirmed there was consensus to move forward based on this design work.

Mayor Mann recessed the meeting at 6:55 p.m. and the meeting was reconvened at 7:10 p.m.

Consider Discussion regarding Street Lighting (Exhibit D)

Council Member Charles Taylor reviewed photos of lighting in several locations on Horner Boulevard; Woodland Avenue (Board of Elections, rear of Courthouse); Lee Avenue (near the Employment Security Building); Chatham Street past the Koury building; rear of the Courthouse; Hawkins Avenue at Burns Drive; Hawkins Avenue at Hawkins Grill; Hawkins Avenue at Burns Drive; Hawkins Avenue at the Golf Course; Coca-Cola Plant on Hawkins Avenue; from Lucas Jewelers; side street beside the ABC store on Horner Boulevard; and Short Street. He challenged everyone to ride through those streets to observe the street lighting, suggesting that some of these very dark areas would look much better with additional lighting and it may minimize accidents.

Public Works Director Vic Czar explained there are different intensities of lighting. The lights on South Horner Boulevard by Walmart have brighter heads but there is a cost difference based on the power. Mr. Czar asked Council members how they want to proceed since there are other places lights could be installed, such as Highway 42, Wicker Street and Carthage Street. He noted that this involves changing standards and it would also affect the budget. Staff is beginning to have these conversations with Duke Energy and there is a meeting scheduled tomorrow. He explained that this would be a two-step process, evaluating what we have currently and determining where we want to go. If Council wants staff to address issues quicker, that could be another conversation with Duke Energy. Council Member Taylor suggested that the lighting is insufficient for our walkable communities, pedestrian and bike areas but Mr. Czar noted there is a difference between sidewalk pedestrian lighting and street lighting, and staff needs details on what we are trying to accomplish. He noted that the City converted to LED several years ago with Duke Energy but we had to wait for some things to cycle out of contract since conversions require a contract with Duke (for them to recoup their costs), and we would pay more if we want to convert before contracts end.

Council Member Taylor asked about standards for new neighborhoods. Mr. Czar replied that the distance is about every 200 feet. Mayor Mann felt we have two reasons to improve lighting – to look great and for safety – and suggested the major corridors (Hawkins Avenue, Horner Boulevard, high traffic count areas) might be places to address. He questioned the correlation between police reports and dark areas where

we may focus first, such as Chatham Street. Mr. Taylor suggested that the courthouse and hospital areas should be improved. Mayor Mann reminded everyone that Council initially received complaints about the streetscape lighting in Jonesboro but now people love it.

Mr. Hegwer suggested we could begin with the major corridors but Mr. Czar suggested talking with Duke Energy first about programs and plans. Council Member Taylor added that we may be able to change the heads without adding poles.

Consider Gas Price Effect on Existing Services and Upcoming Budget Fiscal Year 2022-2023 (Exhibit C)

Financial Services Director Beth Kelly explained that fuel purchases and consumption are tracked monthly. Fuel expenses were budgeted for the current fiscal year at \$2 per gallon for unleaded gas and \$2.18 for highway diesel fuel (cheaper since we purchase in bulk and the City's is exempt from some taxes). The snapshot (Exhibit C) shows we have spent about \$36,000 more year-to-date than what was budgeted on unleaded gasoline and about \$12,000 more on diesel. A cleanup amendment was done about a month ago to encumber funds for these increases and staff will continue to monitor this situation and return for Council approval (likely next month) for an additional appropriation for fuel.

Ms. Kelly reviewed the Fuel Analysis Summary (Exhibit E) recapping original General and Utility Fund budget appropriations for FY 21-22, along with the revised budget appropriation of \$486,891. The conservative projection for this year end is currently \$517,287. Based on discussions with the Fleet Maintenance Department, prices are currently being estimated at \$3.84 for unleaded and \$4.35 for diesel but these figures will be monitored and adjusted before reports are finalized and the budget presented to Council. If prices reach these projections, the 2023 preliminary budget would be about \$391,555 more than this year's current projection. She noted that costs are not currently this high and the FY ending 2023 is more than a year away. City Manager Hal Hegwer confirmed that staff will continue to monitor fuel prices and do everything possible to avoid any service interruptions. Mrs. Kelly noted that while fuel prices have increased, staff is also seeing increases in related items, such as chemicals used at the water and wastewater treatment facilities.

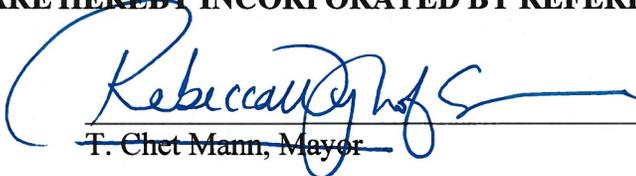
Closed Session

Council Member Gaskins 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 employed by the public body in order to preserve the attorney-client privilege; and (4), to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body. Seconded by Council Member Salmon, the motion carried unanimously.

Return to Regular Session and Adjournment

Council Member Salmon made the motion to adjourn. Seconded by Council Member Williams, the motion carried unanimously.

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


T. Chet Mann, Mayor

Attest:


Bonnie Davis, City Clerk