

REGULAR MEETING - OCTOBER 5, 2006

The Mayor and City Council met in regular session on Thursday, October 5, 2006 at 7:00 p.m. in the Council Chambers of City Hall, 114 West Sycamore Street. Mayor Huitt called the meeting to order and led the Pledge of Allegiance. The City Clerk called the role. The following Council members were in attendance:

HOUSER CLONINGER HEAVNER HOVIS

Councilman Houser made the motion unanimously approved to adopt the **CONSENT AGENDA** as follows:

- Approved of Minutes of the September 7th regular meeting.
- PROCLAMATIONS:
Employ the Older Worker Week – September 24 – 30, 2006
2006 Industry Appreciation Week – October 23 – 27, 2006
- Calls to Public Hearing for the November 2nd meeting:
LUP-1-06 – Lincolnton Planning Board and Staff recommendation that the Lincolnton Land Use Plan be amended by placing the Lincolnton Middle School property (56.28 acres) at the northwest corner of the intersection of Startown Road and Waters Road into the “Traditional Single Family” Future Land Use Classification
LUP-2-06 – Lincolnton Planning Board and Staff recommendation that the Lincolnton Land Use Plan be amended by placing 16.75 acres of land at the northwest corner of the intersection of South Aspen Street and NC Highway 150 Bypass (presently in the “Residential High Density” Future Land Use Classification) into the “General Business” Future Land Use Classification
LUP-03-06 – Lincolnton Planning Board and Staff recommendation that the Lincolnton Land Use Plan be amended by placing 5.262 acres of land at the northeast corner of the intersection of Country Club Road and Lithia Inn Road (presently in the “Recreation Open Space” Future Land Use Classification) into the “Residential High Density” Future Land Use Classification.
- Approved a Resolution (R-11-06) urging the State of North Carolina to Acquire Chimney Rock Park
- Approved the list of students to serve on the 2006-2007 Lincolnton Student Advisory Council

REGULAR MEETING - OCTOBER 5, 2006

REQUEST TO REDUCE THE SPEED LIMIT ON NORTH OAK STREET FROM 35 MPH TO 25 MPH:

Tod Lawing, 619 N. Oak Street spoke to Council concerning the speed limit on N. Oak Street. Mr. Lawing noted that Flint Street is posted twenty-five mph, and he request that Council consider changing the speed limit on N. Oak Street to twenty-five mph. He said, "There's no way you can go from one end of the street to other doing thirty-five without hitting the brakes. You just can't do it."

Mayor Huitt asked the City Manager to have the Chief of Police investigate and report his findings at the next City Council meeting.

PROPOSAL FOR BANKING SERVICES FOR THE CITY OF LINCOLNTON:

(C-15-06)

Georgetta S. Williams, Finance Director, reviewed the five bids received by the City for banking services. She said of the five bids, First Charter and First Citizens Bank were very competitive. In review of both financial institutions strengths, she said both are rated excellent institutions by Bauer Financial. Upon conclusion Georgetta said based on First Citizens' lowest bid regarding compensating balances at no cost, and in conjunction with their excellent banking and customer services in the past, she recommended that the City accept the bid from First Citizens Bank.

Councilman Heavner questioned if the bid process included all of the City's accounts and our investment accounts. Georgetta said that investment accounts were not included in the bid process. . Mr. Heavner questioned the daily balance requirement. He noted that since the City carries a daily balance of \$ 120,000, the required balance of \$ 65,000 in order to avoid check charges, quoted by First Charter would be a mute point. He further stated that while both bids received were competitive, and there was little difference he felt the City should consider changing financial institutions. After some discussion, Councilman Heavner made the motion that the City award the banking bid to First Charter Bank, effective January 1, 2007.

Councilman Cloninger questioned if the City was obligated to award the bid to the lowest bidder. Councilman Heavner pointed out that the bids were equivalent in that the City would not dip below the required \$ 65,000 average

REGULAR MEETING - OCTOBER 5, 2006

daily balance requirement, therefore no charges from First Charter would be applicable.

The City Manager said he did not consider the request for proposals (RFP's) a formal bid process, as that is not a necessary requirement when selecting a financial institution. He said in the past, every three years the City has tried to evaluate the best proposal received and make a recommendation to Council accordingly. He felt the reason the City has dealt with First Citizens for the past twelve years is that they have had the best proposal for services. He said if it is Council's desire to switch institutions we can. He said legally the bid could be awarded to any bank that submitted a proposal.

Mayor Huitt called for the vote on Councilman Heavner's motion. Councilman Cloninger called for more discussion on this item. Councilman Hovis said he felt to be fair we should award the bid to First Citizens this time and think about changing next time.

Councilman Houser made a substitute motion to award the bid to First Citizens Bank for a three year period.

Councilman Cloninger asked that he be excused from voting on this issue because he serves on the board of directors for First Citizens Bank. The City Attorney advised Councilman Cloninger to make a motion to that affect.

Councilman Cloninger then made the motion unanimously approved to be excused from voting on the issues due to his position on the board with First Citizens.

Mayor Huitt then called for the vote on Councilman Houser's substitute motion to award the bid to First Citizens for a three year period beginning January 1, 2007. The motion carried two to one. Councilmen Houser and Hovis voted in favor, and Councilman Heavner voted no.

APPOINTMENT TO THE LINCOLNTON AIRPORT AUTHORITY - ONE (1) NEW APPOINTEE:

(APPT-09-06)

At the September 7th meeting Mr. Kenny Finger was appointed to serve on the Lincolnton Airport Authority, to replace Johnny James who will complete his

REGULAR MEETING - OCTOBER 5, 2006

second three year term at the end of October. On behalf of the Mayor and Council the City Clerk contacted Mr. Finger. Mr. Finger declined to serve due to his schedule, but expressed his appreciation to the City for recommending him for the appointment.

Councilman Heavner made the motion unanimously approved to appoint Marty Eaddy to the Lincolnton-Lincoln County Airport Authority. Dr. Eaddy's first term will begin October 2006, expiring October 2009.

APPOINTMENT TO THE LINCOLNTON PLANNING BOARD:
(APPT-10-06)

Mrs. Betty Helms will complete her first three year term on the Lincolnton Planning Board, November 2006.

Councilman Cloninger made the motion unanimously approved to appoint Betty Helms to serve a second three-year term on the Lincolnton Planning Board. Mrs. Helms term will begin November 2006, expiring November 2009.

APPROVAL TO PROCEED WITH THE RIGHT-OF-WAY ACQUISITION FOR PHASE III FOR THE MARCIA H. CLONINGER RAIL TRAIL:

Jeff Emory, City Manager told Council as directed at the September 7th meeting he placed this item on the agenda for official action. He noted that \$ 50,000 was included in the 2006-2007 budget for future work on the rail-trail, and staff would proceed with acquiring right-of-way for Phase III, based on the appraisal that was conducted, once approved by Council.

Councilman Heavner questioned where the monies for the acquisition would be taken from. The City Manager said with only \$ 50,000 budgeted, Council would have to direct that the remaining monies be taken from the general fund to complete the right-of-way acquisition for Phase III of the rail-trail. Jeff said he was not optimistic that a grant source could be found for purchase of the right-of-way.

REGULAR MEETING - OCTOBER 5, 2006

Councilman Houser made the motion to proceed with acquiring right-of-way for Phase III of the rail-trail, up to \$ 50,000. He said once the \$ 50,000 is expended, right-of-way acquisition would stop. Councilman Houser's motioned carried three to one. Councilmen Houser, Cloninger and Hovis voted in favor and Councilman Heavner voted no.

UPDATE ON STATUS OF MARCIA H. CLONINGER RAIL/TRAIL EXPANSION:

Mark Carpenter, Zoning Administrator gave an update to Council on the status of the completion of Phase II of the Marcia H. Cloninger Rail-Trail. Upon review of the report, he concluded saying staff is looking forward to beginning right-of-way purchase on Phase III of the project.

Councilman Hovis asked about specific landscaping and scrubs that would be placed along the trail. Mark said not a lot of landscaping will be placed along Phase II of the trail, mainly grass is planned for the area along the trail.

UPDATE ON CITY HALL / FIRE STATION CONTRACT:

City Manager Jeff Emory told Council that he and the City Attorney have met with officials from Southside Construction, and based on direction he received from City Council, the City paid the remaining balance of the contract to Southside, including the retainage for the City Hall/Fire Station project. He said a payment of \$ 127,500 was also made to settle claims issues. Any additional items the contractor may be working on would be warranty related type items.

Councilman Heavner requested that an item be added to the agenda for discussion. He told Council he had received a call from a citizens living on Bonview concerning the stoplight at Bonview and High Street. The citizen requested that the City repair the stoplight at that intersection, as it is not staying on caution at the present time

Director of Public Works and Utilities said it could cost up to \$ 8,000 to repair the light. The City Manager noted that the money for repairs could be taken from Powell Bill funds. Councilman Hovis said he does not see spending that amount of money to repair the stoplight. After some discussion, Councilman Heavner suggested that we leave the light on caution.

REGULAR MEETING - OCTOBER 5, 2006

PUBLIC COMMENT:

No one spoke during the public comment portion of the meeting.

NEWS MEDIA:

There were no questions from the news media.

Councilman Hovis said it has been twelve years since we've annexed any big area of town. He proposed that the City, Planning Board and staff along with the City Manager obtain cost estimates and study the Hilltop area to be considered for future annexation. The City Manager said this could be an item for discussion at our 2007 Planning Retreat

ADJOURNMENT:

Being no further business, Councilman Cloninger made the motion unanimously approved to adjourn the meeting at 7:37 p.m.

**DONNA C. FLOWERS, CMC
CITY MANAGER**

**BOBBY G. HUITT
MAYOR**