

MEBANE CITY COUNCIL
REGULAR MEETING
JUNE 4, 2012

Members Present: Patty Philipps
Ed Hooks
Everette Greene

Tim Bradley
Jill Auditori

Mayor Glendel Stephenson called the regular monthly meeting to order at 6:00p.m. in the Council Chambers of the Mebane Municipal Building. Councilmember Bradley gave the invocation.

Mayor Stephenson recognized members of Boy Scout Troop #47. Assistant Scout Master Steven Loy introduced himself and his son Quinton Loy who is a star scout and troop guide working on his citizenship in the community.

Also recognized by Mayor Stephenson and City Manager Robert Wilson were Andy Champion and Kirby McCann, college students working with city staff as summer interns.

The Council received a request for approval of the audit contract between the City of Mebane and Cobb, Ezekiel, Loy and Company, P.A. for the fiscal year ending June 30, 2012. By motion of Councilmember Philipps, seconded by Councilmember Bradley, the request was approved unanimously.

The Council received a request for approval of a service contract for an Employees Assistance Counseling Program (EAP) between the City of Mebane and Alamance Regional Medical Center. Human Resource Director Esther Bennett spoke concerning the matter. She stated since 2010 the City of Mebane has had a Wellness Committee consisting of several staff members from various departments and they have organized many wellness programs for employees including, but not limited to, health risk assessments, skin cancer awareness, how to kick your metabolism into high gear, first aid/CPR, etc. Mrs. Bennett stated all city employees and anyone living in their household would be eligible for the services offered through the EAP. She stated the annual cost for the program would be \$2,250; however a grant offered through the North Carolina League of Municipalities would pay \$30 per employee/per year which would basically cover the cost of the program. Councilmember Hooks made a motion, seconded by Councilmember Greene, to approve the request as presented. The motion carried unanimously.

The Council received a report on the South Fifth Street and I-85/40 Corridor Study Area. City Manager Robert Wilson spoke concerning the matter. Mr. Wilson stated the area studied was approximately 241 acres, consisting of 65 parcels. He stated staff mailed letters and held meetings in which they met with property owners that would be affected by the proposed rezoning. Mr. Wilson explained that 3 options were presented to property owners:

1. B-2 (General Business) zoned
2. Overlay District (With Development Standards)
3. Remain zoned as is

The majority of the property owners agreed they would prefer that their property remain zoned as is. Mr. Wilson stated the Planning Board made a recommendation to Council to keep the properties zoned as is and to lift the moratorium. Mr. Wilson added that staff spoke with Mr. Hurdle, owner of the Mebane airport property, stated he currently has no interest in subdividing or rezoning his property. Mr. Hurdle stated the property is still being used as an airport and that he prefers to sale the property all at once without subdividing into smaller tracts if and when a developer approaches him. Mr. Wilson stated staff recommends, along with the Planning Board recommendation, to keep the properties zoned as is and to lift the moratorium. After considerable discussion, Councilmember Philipps made a motion, seconded by Councilmember Greene, to lift the moratorium of the entire study area and to leave properties zoned as is with the provision that City Attorney Charles Bateman will look at the table of uses to possibly create a new category for manufacturing conditional use. The motion carried unanimously.

No one spoke during the Public Comment period.

A Public Hearing was held on a request from Jesse E. Miller to rezone property +/-1.26 acres located at 204 N. Fifth Street (Former Brown Wooten Building) from M-1 (Heavy Manufacturing) to B-2 (General Business). Mr. Miller spoke on behalf of his request. He stated he recently purchased the property and the reason for the request to rezone is to conform to the current uses or uses. Several businesses currently occupy the building. No one from the public spoke concerning the request. Councilmember Greene made a motion, seconded by Councilmember Auditori stating that the application is generally consistent with the objectives and policies for growth and development contained in The City of Mebane 2010 Land Development Plan and is both reasonable and in the public interest for the following reasons: The use or development will be in harmony with the area in which it is to be located. The motion carried unanimously. Councilmember Greene made a motion, seconded by Councilmember Hooks, to approve the request to rezone the property as presented. The motion carried unanimously.

A Public Hearing was held on a request for approval of the City of Mebane's 2012/2013 Budget Ordinance and Capital Improvement Plan (CIP). City Manager Robert Wilson reviewed the proposed budget which includes no tax increase and maintains a tax rate of \$0.47 per one hundred dollars of valuation. A 3% cost of living increase is included for all employees. He stated additional monies are included for merit raises based on job performance at the recommendation of department heads. Also included in the 2012/2013 budget was four (4) new positions, two (2) in the Police Department and two (2) in the Public Works Department. A 7% increase in water rates and sewer rates was included.

Brooks Gardner, 517 N. Carr Street, encouraged the Council to approve the budget as presented.

Councilmember Philipps made a motion, seconded by Councilmember Hooks, to approve the 2012/2013 City of Mebane Budget Ordinance and CIP as presented. The motion carried unanimously.

The Council received a request to amend Section 8-14 of the City of Mebane's Privilege License Ordinance. Finance Officer David Cheek spoke concerning the request. Mr. Cheek explained that Schedule A businesses are exempted from paying city privilege license taxes by the North Carolina General Statutes. Schedule B Business's privilege license taxes are limited by the State. Schedule C are businesses that are not limited by the State's Schedule B, and are charged a flat rate tax determined by Council with no State maximum limits. Schedule D businesses are all businesses not specifically listed in schedules A, B, or C and these businesses will be charged a rate for privilege license tax based on gross receipts of the business.

Councilmember Auditori expressed concern with the gross receipts table citing that big box stores will have to pay thousands and thousands of dollars for a privilege license based on their gross receipts. She also expressed her concern with changes being made at "the final hour" with no warning given to those paying for or renewing their privilege licenses this year because these changes would go into effect on July 1, 2012.

Councilmember Bradley questioned what the downside would be if changes were made gradually allowing, for example, only increasing the amount per twenty thousand dollars (\$20,000.00) of gross receipts to five dollars (\$5.00) instead of ten dollars (\$10.00). Mr. Cheek stated software changes will need to be made, along with changes to the table, however neither would be difficult.

Council requested to reduce the Schedule D table for those businesses with gross receipts greater than one hundred fifty thousand dollars (\$150,000.00). As proposed the privilege license tax would be ten dollars (\$10.00) for each additional twenty thousand dollars (\$20,000.00) of gross receipts and the change requested would be five dollars (\$5.00) for each additional twenty thousand dollars (\$20,000.00).

City Attorney Charles Bateman stated within the new proposed Privilege License Ordinance, a new category was added classified as "Internet Sweepstakes" and those businesses shall pay an annual license tax of two thousand five hundred dollars (\$2,500.00) for the first machine and one thousand dollars (\$1,000.00) for each additional machine.

After considerable discussion, Councilmember Hooks made a motion, seconded by Councilmember Bradley, to approve all amendments to the City of Mebane Privilege License Ordinance with the requested change to the Schedule D table for those businesses with gross receipts greater than one hundred fifty thousand dollars (\$150,000.00) to reduce the privilege license tax from ten dollars (\$10.00) for each additional twenty thousand dollars (\$20,000.00) to five dollars (\$5.00) for each additional twenty thousand dollars (\$20,000.00). The motion carried unanimously.

Mayor Stephenson took comments from several people in regards to the Internet Sweepstakes portion of the Privilege License Ordinance.

Phillip Reopel, business located at 112 Millstead Drive, stated his concerns with the amounts proposed to be collected within 30 days being short of notice. He stated Raleigh caps their rate at \$20,000.00 and asked Council's consideration in doing the same.

Phillip Welch, business located at 1252 S. Fifth Street, requested Council's consideration in looking at the City of Graham's privilege license rate and the City of Burlington's privilege license rate and have Mebane's rate fall somewhere in between those rates. He also requested they be allowed to pay half this year and half next year because of the short notice of having money due in July. Mike Shultz, business located at 1239 S. 5th Street, spoke of his concerns with the set rate for Internet Café's privilege licenses.

After more discussion, Councilmember Bradley offered an amendment to the prior motions, concerning the Internet Sweepstakes section, to reduce the amount from one thousand dollars (\$1,000.00) to five hundred dollars (\$500.00) for each additional machine for the first year with the following year returning to one thousand dollars (\$1,000.00) for each additional machine. The rate for the first machine will

remain at two thousand five hundred dollars (\$2,500.00) as approved in the prior motions. Councilmember Philipps seconded the motion. The motion carried unanimously.

The Council received a request for approval of a reappointment to the Planning Board. Planning Director Montrena Hadley spoke on behalf of this request. She stated Gayle Pettiford has requested to be reappointed to another four (4) year term beginning on July 1, 2012 and expiring June 30, 2016. Ms. Pettiford represents Outside/Almance-North-ETJ and the current year term expires on June 30, 2012. She has served on the Planning Board since June 10, 2012. Mrs. Hadley stated no other application was received to fill this spot. Councilmember Hooks made a motion, seconded by Councilmember Bradley to reappoint Gayle Pettiford to the Planning Board. The motion carried unanimously.

Councilmember Philipps made a motion, seconded by Councilmember Greene to approve the Tax Releases. The motion carried unanimously.

The Council received a request for approval of a budget amendment for Unperformed Contracts. The unperformed contract, which will only be partially completed at June 30, 2012, is Waugh Asphalt, Inc., 2012 Street Resurfacing Contract with an original contract balance of \$130, 874.10 with the same amount remaining as the current contract balance. Councilmember Bradley made a motion, seconded by Councilmember Hooks to approve the budget amendment as presented. The motion carried unanimously.

City Manager Robert Wilson requested that the July 2, 2012 Council meeting be rescheduled until July 9, 2012 due to the July 4th Holiday. Councilmember Hooks made a motion, seconded by Councilmember Greene, to reschedule the meeting until July 9, 2012 at 6:00pm. The motion carried unanimously.

City Manager Robert Wilson announced that he will be retiring in December 2012. He thanked the Council members and the citizens of Mebane for giving him the opportunity to serve them for the last 25 years. He recommended that Assistant City Manager & Finance Officer David Cheek be appointed City Manager upon his retirement. Councilmember Hooks made a motion, seconded by Councilmember Philipps, to appoint David Cheek as City Manager effective the day following Mr. Wilson's official retirement date and as part of the motion Council directed that Mr. Cheek be appointed under the same terms and conditions as Mr. Wilson currently serves under. The motion carried unanimously.

The minutes of the May 7, 2012 regular monthly meeting were approved as presented.

There being no further business, the meeting was adjourned.

Glendel Stephenson, Mayor

ATTEST:

Stephanie W. Shaw, City Clerk