

MINUTES
SPECIAL MEETING
BUDGET HEARING
CITY COUNCIL

June 20, 2022

Ronnie Thompson, Mayor

Sally W. Sandy, City Manager
Louis E. Vinay, Jr., City Attorney

Wendy Cato)
Christopher Hawkins) Council
Chris Jernigan via Zoom)
Butch McSwain)

Danette Steelman-Bridges, Interpreter

I. Call to Order – The Mayor called the meeting to order in the Council Chamber at City Hall at 6:00 p.m.

II. Invocation – Given by City Attorney Louis Vinay, Jr.

III. Public Hearing and Consideration of the City of Morganton Budget for Fiscal Year 2022-2023

The Mayor opened the public hearing at 6:02 p.m.

The City Manager reviewed the proposed 2022/2023 budget. The Manager stated that the Budget Ordinance establishes the tax rate at \$0.57 for general property tax, and \$0.14 for municipal service district tax, per \$100 valuation. Water and sewer rates will increase 4% effective August 1, 2022, with fixed costs unchanged. Electric will see an average 5½% decrease in electric rates, which will vary between 2% and 14% depending on the type of customer. For CoMPAS there will be no increase in the video pricing, phone customers will see a \$3 a month decrease beginning in August and the only change in the internet fees will be eliminating the 10-megabit service and taking the smaller service to \$49.95 a month. Residential garbage will remain the same at \$12 per month and commercial garbage fees will increase \$1.50 per cubic yard. Also included are revenues anticipated and expenditures authorized as presented to the City Council on June 6, 2022. The public hearing notice was published in The News Herald on June 9, 2022.

Mayor Thompson stated that Councilmember Jernigan is not physically present and will be participating in the Council Meeting via Zoom. Councilmember Jernigan confirmed verbally that he was present via Zoom and confirmed that he could hear and respond as needed.

The Mayor asked for public comment. There being no public comment, the Mayor closed the public hearing at 6:04 p.m.

a. Consideration of Adoption of the City of Morganton Budget for Fiscal Year 2022-2023

Upon motion by Councilmember Hawkins, seconded by Councilmember McSwain, and carried unanimously, the Council adopted the Budget Ordinance (Ord. #22 - 24) for FY 2022-2023.

b. Consideration of Adoption of Schedule of Fees and Charges 2021-2022

Upon motion by Councilmember Jernigan, seconded by Councilmember Cato, and carried unanimously, the Council adopted the Schedule of Fees and Charges for FY 2022-2023.

IV. Consideration of Approval of Budget Amendment to Receive Second Tranche of ARPA Directed Funds

City Manager Sandy advised that the City received the second deposit of ARPA money from the federal government in the amount of \$2,417,809.50. She stated that last year the City received an initial payment in the same amount, \$2,417,809.50, making the total direct ARPA funding \$4,835,619. This will be in the Special Revenue Fund.

Upon motion by Councilmember McSwain, seconded by Councilmember Hawkins, and carried unanimously, the Council approved the budget amendment (Ord. #22 - 25) to receive the second tranche of ARPA Directed Funds in the amount of \$2,417,809.50.

V. Consideration of Approval of Year-end Budget Amendments 2021-2022

The City Manager stated the only funds requiring Year-end amendments are the Electric Fund, IGS Fund and Wastewater Fund.

The Electric Fund requires an adjustment in the amount of \$575,000 for the Capital Improvement Program. This accounts for transformers, equipment for several major projects and equipment for the hospital project.

The IGS Fund adjustment is in the amount of \$75,000 for the purchase of fuel and for salaries and wages.

The Wastewater Fund adjustment is in the amount of \$40,692.94 for salaries and wages.

Upon motion by Councilmember Hawkins, seconded by Councilmember Cato, and carried unanimously, the Council approved a budget amendment for \$575,000 to

appropriate adjustments in the Electric Fund for the Capital Improvement Program. (Ord. #22 - 27)

Upon motion by Councilmember McSwain, seconded by Councilmember Hawkins, and carried unanimously, the Council approved a budget amendment for \$75,000 to appropriate adjustments in the IGS Fund for the purchase of fuel and for salaries and wages. (Ord. #22 - 26)

Upon motion by Councilmember Jernigan, seconded by Councilmember Cato, and carried unanimously, the Council approved a budget amendment for \$40,692.94 to appropriate adjustments in the Wastewater Fund for salaries and wages. (Ord. #22 - 28)

VI. Consideration of Approval of Pay Ranges/COLA Effective July 1, 2022

The City Manager stated the new budget includes a 4% cost of living adjustment for employees. She further stated that the NCLM survey on COLA and merit increase for the 2022-2023 fiscal year reports an average increase of 4.7% across the state. This leads to many (if not most) of the organizations to increase their pay ranges by that amount. It has been the City's practice to perform an annual market review of 1/3 of all positions and move positions to new ranges based on the market for those particular jobs rather than a wholesale range adjustment. In order to remain competitive in the labor market, we are proposing a 2.5% adjustment to all pay ranges. In addition, there are three additional changes included:

- Moving Distribution and Collection System Operators and Sr. Distribution and Collection System Operators up one pay grade to the same range as water and wastewater operators.
- The addition of the American Rescue Plan Act (ARPA) & Special Projects Manager Position.
- Director of Public Safety increased one grade.

Upon motion by Councilmember Hawkins, seconded by Councilmember McSwain, and carried unanimously, the Council approved pay ranges/COLA effective July 1, 2022.

VII. Consideration of Conversion of Stony Place to a One-Way Street

The City Manager stated Stony Place is a narrow commercial street only one block in length. Especially because cars park along both sides of the street, keeping more than one lane open for traffic is difficult. In addition, the intersection with North Sterling Street is at such an acute angle that making a right turn is a challenge. City Staff therefore recommends designating Stony Place as a one-way street, with traffic flowing west to east, from North King Street to North Sterling Street. Since only one block is affected, this change should cause no adverse impact to any businesses or property owners adjoining the street.

This action would require amendment of Section 110 “One-way streets” within Appendix I of the Code of Ordinances.

Upon motion by Councilmember Jernigan, seconded by Councilmember Cato, and carried unanimously, the Council approved the amendment of Section 110 of Appendix I of the City’s Code of Ordinances to add Stoney Place to the list of one-way streets, with traffic to flow from west to east. (Ord. #22 - 23)

VIII. Consideration of Award of Contract for the Development of a Masterplan for CoMMA

The City Manager stated that during the February 2022 Council Workshop, the Council and City Staff discussed the City’s success with Masterplanning and addressed the need for a Masterplan for CoMMA. CoMMA was designed and constructed in the mid-1980’s. It is time to take a look forward at the facility, programming, marketing and opportunities to maximize the use of CoMMA. In the 2022-2023 proposed budget, funding of \$75,000 was included to commission a Masterplan Study for our performing arts center.

Timing of this study is important so that needs can be identified prior to the CIP process for next year. Additionally, evaluations and future investments in CoMMA’s sound system will need to take place in the summer months when the facility use is less. Sound system evaluation will be a part of the Masterplanning process.

Sharon Jablonski, Director of CoMMA, advised that staff have solicited proposals for this process. Eight firms submitted proposals. After review, four firms were selected for interviews. They were completed Friday, June 17, 2022.

Fourteen people made up of City staff, citizens and one City Councilmember interviewed four teams. After a great deal of discussion, it was determined that DLR Group of North Carolina, PC out of Charlotte would be the best fit for CoMMA. All the candidates had decades of experience in the performing arts with regard to planning, renovations, marketing and more. DLR Group stood out among the best because of their team’s overall strength, willingness to listen to new ideas, public engagement philosophy and their overall response to the scope of work set out in the RFP.

The DLR team consists of: Glen Johnston, Project Manager; Andrew Gale, Project Architect; Christiana Kruse, Engagement Lead, Market Analysis/Fundraising Specialist; Andrew Nagel, Senior Audiovisual Designer; and an Acoustician, Civil Engineers, Landscape Architects and Theatrical Specialist.

The DLR group have received 245 design awards. The interview committee believes their ability to engage the community was by far the strongest of the submittals. Their array of tools and processes used with past projects helped them to reach a broad base of people. This will be very important to CoMMA and help to create a strong Masterplan.

Staff recommends contracting with the DLR group in the amount of \$59,500 and to authorize the add-on of cost estimator at \$5,000, for a total of \$64,500.

DLR Group proposes to complete the Base and Specialty services listed in the RFP for the lump sum fee of \$59,500. Civil, landscape consultant fees, as well as customary expenses for travel, printing, communications, meals and other project required items are included within this lump sum.

Additionally, an independent cost estimator would be engaged in the amount of \$5,000. DLR Group has worked with PCS & Estimate, LLC in prior engagements with performing arts centers. The contract with PCS will be executed by DLR Group.

If a Market Assessment or Fundraising Support effort are necessary at a later date, Council would need to consider a separate contract.

Upon motion by Councilmember McSwain, seconded by Councilmember Cato, and carried unanimously, the Council approved the contract with DLR Group of North Carolina, PC to conduct the Masterplan process for CoMMA, effective July 1, 2022, for the amount of \$64,500, authorizing the Mayor and City Manager to make any technical amendments or changes as necessary and to execute the Agreement in final form on behalf of the City.

IX. Consideration of Resolution to Re-Adopt Mission 2030 Masterplan

Phillip Lookadoo, Director of Development and Design, stated in North Carolina, every local government must adopt a “comprehensive plan” for land use. Morganton’s current comprehensive plan, known as “Mission 2030” was adopted in 2009, and the City Council has amended that Plan several times so as to accommodate re-zonings, and to reflect changing circumstances. Recently adopted Chapter 160D of the North Carolina General Statutes requires that, in order to enforce its zoning ordinances, a municipality must “reasonably maintain” its comprehensive plan. The School of Government and other authorities consider that a plan less than 10 years old is reasonably maintained, after which it may require some attention.

The City’s proposed 2022-2023 Budget includes \$200,000 to fund development of a new comprehensive plan, a process that may well take up to two years. After July 1, City Staff will issue a RFQ to solicit firms interested in leading the process for developing the new Comprehensive Plan. While Morganton’s Mission 2030 plan has been kept up-to-date with amendments, the City Manager, City Attorney, and Director of Development & Design all agree that, until a new plan is ready, it would be wise to formally re-adopt Mission 2030 as Morganton’s comprehensive plan.

Therefore, City staff recommends that Council approve a Resolution to re-adopt, and reapprove, the Mission 2030 master plan, with all the amendments approved since Mission 2030 was originally adopted, so that it shall continue to serve as the City’s statutorily required comprehensive plan.

City Attorney Louis Vinay, Jr. stated that the law requires that the comprehensive plan be reasonably maintained. It is better to be safe and to make clear to re-acknowledge our plan, as amended many times, as the comprehensive plan until we get a new one.

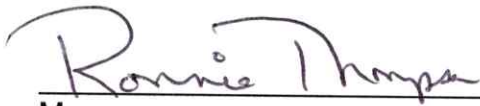
City Manager stated that a process will begin to seek RFQ's for a consulting firm who can do the new comprehensive plan, make a decision and then award a contract. This will be about an 18-month process with a lot of community involvement in order to develop a new plan.

Upon motion by Councilmember Hawkins, seconded by Councilmember Cato, and carried unanimously, the Council approved to re-adopt and re-approve the Mission 2030 comprehensive plan. (Res. #22 - 17)

X. Other Items from City Manager and City Council Not on Agenda

XI. Adjournment – The meeting was adjourned at 6:21p.m.

Preparation of Minutes. These minutes were prepared by Renee C. Carswell, City Clerk. Copies of all resolutions, ordinances and orders referenced in these minutes are intended to be incorporated into these minutes as if fully set forth herein. Prior to including them into the official minute book, the minutes have been read and approved by the City Manager and the City Attorney, then distributed to each member of the City Council for further review and final approval, at a subsequent Council Meeting.



Mayor



City Clerk

