



**REGULAR CITY COUNCIL MEETING
MONDAY MARCH 11TH, 2024 @ 6:00 PM
CHERRYVILLE COMMUNITY BUILDING
W. J. ALLRAN JR. COUNCIL CHAMBERS
106 S. JACOB ST. CHERRYVILLE, N.C. 28021**

The Honorable Mayor H.L. Beam called the regular scheduled meeting to order at the community building in the William J. Allran Jr. Council Chambers. Councilmembers Jill Puett, Jon Abernethy, Gary Freeman, and Janice Hovis were present. City Manager Brian Dalton, City Clerk Paige H. Green, City Attorney Yansea Taylor, Public Works Director Chris J. King, Planning and Zoning Director Richard Elam, Fire Chief Jason Wofford, and Police Chief Brandon Hunsucker were also present. Lincoln Times News and Wise News was present for media coverage.

INVOCATION: PASTOR BOB HOLTSCRAW, MISSIONARY METHODIST CHURCH:

Pastor Bobby Holtzclaw gave the invocation.

PLEDGE OF ALLEGIANCE:

Everyone stood and recited the Pledge of Allegiance.

AGENDA APPROVAL:

Councilmember Abernethy made a motion to approve the agenda as written. Councilmember Freeman seconded the motion and the vote was unanimous.

APPROVAL OF MINUTES:

Councilmember Hovis made a motion to approve the following sets of minutes:

- A. CITY COUNCIL REGULAR MEETING FEBRUARY 12, 2024**
- B. CITY COUNCIL REGULAR MEETING FEBRUARY 27, 2024**
- C. CITY COUNCIL CLOSED SESSION FEBRUARY 27, 2024**

Councilmember Puett seconded the motion and the vote was unanimous.

MAYOR'S COMMENTS:

Let me begin by congratulating employee Caleb Short who has moved from our Public Works department to the city's water plant to fill the open vacancy there. Congratulations also to our newest employee Jesse Andrews that was hired recently to replace Caleb at Public Works. Jesse is a resident of Cherryville and we are happy to have him on board.

The Cherryville Fire Department ladder truck was recently delivered back to the CFD with a new engine. This should give the truck an extended life for years to come. A new ladder truck was priced at over 2 million dollars with a 2 to 3 year wait time. We paid \$46,000 for the new engine and the vehicle has passed the yearly inspection.

On Thursday, February 29th the local YMCA hosted a re-opening Ribbon Cutting that all council members, City Manager Dalton and I attended. Various county and state officials were also in attendance. This past Thursdays our local Chamber of Commerce had a ribbon cutting for Noble Artistry on Main Street that I was honored to attend.

City Manager Dalton, Recreation Director Lance Hudson and I met this past week with local and National American Legion Baseball Officials to discuss future events for the program that our city will play a big part in.

Finance Director Dixie Wall and City Manager Dalton have been working hard these past few weeks on the city's budget for the coming year. All Department heads have filed their proposed budget request and this will be presented to city council around March 26th.

Recently, one of our utility customers posted a copy of their bill on Facebook with comments that our rates were too high. Over 100 comments followed this post. Our city staff took her usage of 2488 kwh and did simple math to compare the city's prices with Duke and REA. Her cost with facility charges from Duke would have been \$298.49 and with REA her charge would have been \$294.57. Her same usage at our city was \$271.67 a considerably lower rate. The city of Cherryville has not had an electrical rate increase in over 10 years, but have given reductions for several of these years. Our utility charges are less than Duke or REA and we still get customers distorting the truth.

Our city is so busy working with updating and completing projects throughout our city. Let me our citizens about just a few of the city's grant projects:

\$1.65 million through DEQ for Water/Sewer projects.

\$3 million for the interconnect with Cleveland County Water

\$300,000 AIA grant to study our water/sewer system

\$1.5 million interlocal agreement with Gaston County for a new gym

\$810,000 Grant through HUD to remodel City Hall for ADA compliance

\$445,000 interlocal agreement with Cleveland County (that \$140,000 of this is directly to the City of Cherryville).

The city has also renovated Westgate Park, Edwards Park, and Aaron Moss Park and has works in progress with a new gym, splash pad, little league and middle school baseball fields and many more projects in our future plans.

In closing, City Manager Dalton and I will be leaving tomorrow morning and traveling to Cary N.C. to attend the ElectriCities Convention on Tuesday and Wednesday. Then sometime Wednesday we will leave Cary and head to Goldsboro N.C. for the North Carolina Main Street Conference where your mayor will be receiving an award as a 2023 N.C. Main Street Champion.

CITIZENS TO BE HEARD CITIZENS THAT WISH TO SPEAK MAY DO SO BY COMING TO THE PODIUM AND STATING YOUR NAME AND ADDRESS BEFORE YOU SPEAK. COMMENTS WILL BE HELD TO 3 MINUTES PER PERSON. (PLEASE SIGN UP WITH THE CITY CLERK AT THE MEETING BEFORE THE MEETING BEGINS. IF YOU WISH TO SPEAK ON A MATTER WHERE A PUBLIC HEARING IS BEING HELD, YOU WILL HAVE A CHANCE TO DO SO DURING THE PUBLIC HEARING AND DO NOT NEED TO SIGN UP):

Mr. Sid Stroupe, of 207 W. Academy Street, approached the podium to give an update on the cherry tree project that he and his family kicked off last year. Mr. Stroupe shared that one hundred cherry trees were planted in December, thanks to a native benefactor. Mr. Stroupe shared that the benefactor and his wife paid for the trees and them being planted. Also, maintenance for the trees is scheduled for March. The landscaper will make sure the trees are still upright.

Mr. Stroupe shared that the benefactors were in town at Christmas, and were ecstatic as to what the trees will look like when in full bloom in the Spring. The benefactors also shared that they were committed to donate to the city, an additional high figure or more cherry trees. Mr. Stroupe met with Mr. Dalton and explained that the Talbert's wanted to make this bigger than just 100 trees. Mr. Stroupe and Mr. Dalton discussed the city's ability to maintain the trees. Mr. Stroupe got the impression that the city would need help maintaining the trees. Mr. & Mrs. Talbert agreed that the city could use a portion of the donation in the future for bringing in the original landscapers to help maintain the trees. Mr. Stroupe explained that this is a wonderful story for the city, because it has all been given to the city free of charge. Mr. Stroupe shared that Mr. & Mrs. Talbert sent a check in January, to the city, in good faith to be used toward maintenance. Mr. Stroupe asked that Council acknowledge that they have received this check with a follow up letter to the Talbert's. Mr. Talbert can use the thank you acknowledgement as a tax write off.

Mr. Stroup shared that he has talked with Councilmember Hovis, and he feels like the cherry trees could become a part of the Beautification Committee. He also feels like the city should accept the \$1,000.00 contribution for maintenance, because the city is a non-profit organization and it is very common for cities to accept donations.

CONSIDERATION OF PUBLIC HEARING RE: PERMANENTLY CLOSING A PORTION OF VERNON STREET PARCEL ID #159930, PLANNING & ZONING DIRECTOR RICHARD ELAM:

City Attorney Yansea Taylor shared that she has researched the portion of Vernon Street, that Mr. & Mrs. Muller has requested to be permanently closed. In her research she discovered that there are currently two legal opinions from council on who actually owns this portion of Vernon Street. Mrs. Taylor strongly recommended Council to not make a decision on this matter at this time. The Mullers will be refunded their application fee.

Councilmember Puett made a motion to not enter a public hearing. Councilmember's Freeman and Hovis seconded the motion and the vote was unanimous.

CONSIDERATION OF BUDGET AMENDMENT RE: CITY HALL ADA PROJECT, CITY MANAGER BRIAN DALTON:

City Manager Dalton asked for consideration for the following budget amendment:



Capital Project Budget Ordinance

BE IT ORDAINED by the Councilmembers of the City of Cherryville, that, pursuant to Section 13.2 of Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is the City of Cherryville City Hall ADA Project, **No. B-22-CP-NC-0551**, to be financed by a Department of Housing and Urban Development (HUD).

Section 2. The officers of the City of Cherryville are hereby directed to proceed with the capital project within the terms of the funding program requirements and the budget contained herein.

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

Account Description	Account Code	Amount
City Hall ADA Project	40-4120-6900	810,000
 Total		 <u>\$810,000</u>

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

Revenue Description	Account Code	Amount
Department of Housing & Urban Development (HUD) Grant	40-3412-2620	810,000

Total

\$810,000

Section 5. The Treasurer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the funding agency, the funding agreements, and federal regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the funding agency in an orderly and timely manner.

Section 7. The Treasurer 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 or claimed.

Section 8. The Treasurer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 9. Copies of this capital project budget ordinance shall be furnished to the Secretary to the Board, and to the Treasurer for direction in carrying out this project.

Adopted this 11th day of March 2024 at Cherryville, North Carolina.



H. L. Beam, Mayor



Paige Green, City Clerk

ATTEST:

Mr. Dalton explained that the budgeted funds will be used for the City Hall ADA project.

Councilmember Puett made a motion to approve the budget amendment for the City Hall ADA project. Councilmember Freeman seconded the motion and the vote was unanimous.

CONSIDERATION OF BUDGET AMENDMENT RE: WATER AND SEWER PROJECT, CITY MANAGER BRIAN DALTON:

City Manager Dalton asked for consideration for the following budget amendment:



Capital Project Budget Ordinance

BE IT ORDAINED by the Councilmembers of the City of Cherryville, 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 the Cherryville Water and Sewer Project, **No. SRP-D-ARP-0195**, to be financed by a State Fiscal Recovery Funds (ARP) Grant.

Section 2. The officers of the City of Cherryville are hereby directed to proceed with the capital project within the terms of the funding program requirements and the budget contained herein.

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

Account Description	Account Code	Amount
Sewer Projects	40-7140-6900	1,000,000
Water Projects	40-7130-6900	650,000
Total		<u>\$1,650,000</u>

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

Revenue Description	Account Code	Amount
State Fiscal Recovery Funds (ARP) Grant	40-3714-2620	1,000,000
State Fiscal Recovery Funds (ARP) Grant	40-3713-2620	650,000
Total		<u>\$1,650,000</u>

Section 5. The Treasurer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the funding agency, the funding agreements, and federal regulations.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the funding agency in an orderly and timely manner.

Section 7. The Treasurer 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 or claimed.

Section 8. The Treasurer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 9. Copies of this capital project budget ordinance shall be furnished to the Secretary to the Board, and to the Treasurer for direction in carrying out this project.

Adopted this 11th day of March 2024 at Cherryville, North Carolina.

H. L. Beam

H. L. Beam, Mayor

Paige H. Green

Paige Green, City Clerk

ATTEST:

Mr. Dalton shared that the budgeted funds will be used for water and sewer projects.

Councilmember Hovis made a motion to approve the budget amendment for water and sewer projects. Councilmember Abernethy seconded the motion and the vote was unanimous.

OTHER BUSINESS:

Councilmember Hovis asked Sid Stroupe if he thought the Garden Club would be able to maintain the new cherry trees. Mr. Stroupe thought it would be too much for the Garden Club to do.

Councilmember Freeman asked that we talk more about the \$1,000.00 donation for the cherry trees more. He asked if there was a problem with the \$1,000.00 donation.

Mr. Dalton shared that at this time our auditor is not in favor of us accepting the donation. The auditor explained to Dixie Wall, Finance Director, that the first donation was clearly a tax write off, because the money was used to buy a product. The auditor explained the \$1,000.00 was not for a product and that it is not necessarily a tax write off. Also, the money is not designated to be used at this time. Mr. Dalton explained that the auditor is not in favor of us accepting a donation that is just setting in a fund and not being used, it would be fine if the funds were going through the city to pay for something.

Councilmember Freeman shared that he did not understand because we took a donation from Bob Barker, Piedmont Lithium, and Patrick O'Leary.

Mr. Dalton explained that those donations are typically designated for a use, a project that we are starting on.

Councilmember Freeman shared that the funds will be used immediately on the cherry tree project.

Mr. Stroupe shared that he is a CPA, and the IRS does not care if the donation is being used for a service or a product. He stated that it is just simply a donation to an organization that is considered charitable and the IRS views governmental agencies as charitable. So, the funds can be used for a purpose of the city in support of city beautification. Some folks can give you a donation to build a gym, or some can give a donation to help the city out through beautification. This way Mr. Talbert gets his charitable contribution deduction, and the city gets money to use for this specific project. Mr. Stroupe shared that he spoke with the former head of the city's CPA firm and he was told that there should be no issue. He feels like there has been a

miscommunication about the funds and what they are for. The city was given a different picture about the funds from Mrs. Wall.

This will be put on the March 26, work session for discussion.

Councilmember Puett shared that she had received a text about the skate board park. She said she was told that the ramps are loose and the concrete is broken. Mr. Dalton shared that there had been some recent vandalism and that city staff would look into the matter.

City Manager Dalton shared that the final payment has been made on the splash pad equipment. He also shared that new dirt will be going in the ballfield so they are ready for the season. The bathrooms have also been updated and ready for use.


Mr. Dalton asked the councilmembers when they would like to have a budget meeting.

After some discussion Councilmember Abernethy made a motion to hold the next work session/budget meeting on Tuesday April 30, 2024 at 4:30 in the training room at the fire department. Councilmember Puett seconded the motion and the vote was unanimous.


ADJOURNMENT:

Councilmember Abernethy made a motion to adjourn the meeting. Councilmember Hovis seconded the motion and the vote was unanimous. The meeting adjourned at 6:35 pm.

Adopted this 8 day of April 2024.



Paige H. Green, CMC, NCCMC, City Clerk



H.L. Beam, Mayor

(SEAL)