

**MOUNT AIRY, NORTH CAROLINA
REGULAR MEETING MINUTES
May 2, 2019**

MEMBERS PRESENT: Mayor David L. Rowe, Commissioners Jim Armbrister, Dean Brown, Shirley Brinkley, Jon Cawley, and Steve Yokeley

APPROVAL OF AMENDED AGENDA:

Commissioner Brinkley made a motion to remove item 9b from the agenda. Commissioner Yokeley seconded it and it was approved unanimously.

On motion by Commissioner Brinkley, seconded by Commissioner Yokeley and passed unanimously, the amended agenda was approved with the removal of item 9b.

CONSENT AGENDA:

On motion by Commissioner Brown, seconded by Commissioner Brinkley and passed unanimously, the following items were approved by way of consent agenda:

- **APPROVAL OF APRIL 18, 2019 REGULAR MEETING MINUTES:**
- **RESOLUTION 2019-073-AUTHORIZING TAX RELEASES:**

RESOLUTION NUMBER 2019-073

RESOLUTION APPROVING TAX RELEASES

WHEREAS, a list of taxes to be released has been submitted by the Revenue Collections Assistant II in her capacity of Tax Collector for the City of Mount Airy Finance Department; and

WHEREAS, North Carolina General Statute 105-373 provides for settlement of such taxes; and

WHEREAS North Carolina General Statute 105-381 provides for release or refund of taxes; and

NOW THEREFORE BE IT RESOLVED BY THE CITY OF MOUNT AIRY BOARD OF COMMISSIONERS MEETING IN OPEN SESSION THAT:

Section 1. Said taxes be released or refunded in accordance with said statutes for the reasons stated on the attached list.

Section 2. This Resolution shall become effective upon approval by the Board of Commissioners of the City of Mount Airy.

Adopted this 2nd day of May, 2019.

Date: 23-Apr-19
 To: Board of Commissioner of City of Mount Airy
 From: Sherri Coalson, Revenue Collections Asst. II
 Re.: Release and Refund of City Property Taxes

<u>Account</u>	<u>Taxpayer</u>	<u>Value</u>	<u>TAX AMOUNT</u>				<u>Total</u>	<u>Reason</u>
			<u>Real</u>	<u>Advertising</u>	<u>Personal</u>	<u>Late Listing</u>		
2018 - General Fund								
34606	Simmons, James Michael III	13,275	0.00	0.00	79.65	6.37	86.02	Wrong Jurisdiction
	Total	13,275	0.00	0.00	79.65	6.37	86.02	
2017 - General Fund								
34606	Simmons, James Michael III	14,750	0.00	0.00	70.80	7.08	77.88	Wrong Jurisdiction
	Total	14,750	0.00	0.00	70.80	7.08	77.88	
2016 - General Fund								
34606	Simmons, James Michael III	14,750	0.00	0.00	70.80	0.00	70.80	Wrong Jurisdiction
	Total	14,750	0.00	0.00	70.80	0.00	70.80	
	Grand Total	42,775	0.00	0.00	221.25	13.45	234.70	

• **RESOLUTION 2019-074-MAKING RELOCATION/RETIREMENT COMMITTEE APPOINTMENTS:**

RESOLUTION NUMBER 2019-074

RESOLUTION MAKING RELOCATION/RETIREMENT COMMITTEE APPOINTMENT

WHEREAS, Burke Robertson has resigned from the Relocation/Retirement Committee; and

WHEREAS, it is recommended that Jerry Coram be appointed to fill Burke Robertson's remaining term:

NOW, THEREFORE BE IT RESOLVED BY THE CITY OF MOUNT AIRY BOARD OF COMMISSIONERS MEETING IN OPEN SESSION THAT:

Section 1. Jerry Coram is hereby appointed to the Relocation/Retirement Committee to fill the remaining term of Burke Robertson, which shall expire August 30, 2019.

Section 2. This resolution shall become effective upon approval.

Approved and adopted this the 2nd day of May, 2019.

- **RESOLUTION 2019-075-RESOLUTION OF INTENT/SET PUBLIC HEARING REGARDING REQUEST TO CLOSE AN UNOPENED PORTION OF MARSHALL STREET:**
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RESOLUTION NUMBER 2019-075

**RESOLUTION OF INTENT TO CLOSE
AN UNOPENED STREET PORTION OF MARSHALL STREET**

WHEREAS, the City of Mount Airy Planning and Development Department has received an application from Fuente de Vida Baptist Church (c/o Edwin M. Woltz, Attorney at Law, PLLC), owner of property containing an unopened section of Marshall Street, requesting that the City of Mount Airy close the area; and

WHEREAS, the North Carolina General Statute (N.C.G.S) that governs the closing of streets and alleyways within the corporate limits of municipalities requires that a Resolution of Intent to close a street or alleyway be adopted; that all owner(s) of property adjoining street or alleyway to be closed be notified by certified mail; that a notice of public hearing be posted prominently at two (2) places along the street or alleyway to be closed; that the Resolution of Intent to close a street or alleyway be published once each week for four (4) successive weeks; that persons wanting to be heard should be allowed to say whether the closing would be detrimental to the public interest or to the property rights of any individual; and

WHEREAS, the Board of Commissioners of the City of Mount Airy declares its intent to close this unopened portion of street:

NOW, THEREFORE BE IT RESOLVED BY THE MAYOR AND THE BOARD OF COMMISSIONERS OF THE CITY OF MOUNT AIRY:

- Section 1. That a public hearing be scheduled and held on the 20th day of June, 2019, at the City of Mount Airy Municipal Building, at 7:00 pm, in the matter of closing said unopened portion of Marshall Street. At said time, citizens and residents of the City of Mount Airy shall have the right to be heard on the issue as to whether the closing would be detrimental to the public interest or to the property rights of any individual.
- Section 2. That the City Clerk is hereby directed to give public notice as required by law.
- Section 3. This resolution shall become effective upon approval.

Approved and adopted this the 2nd day of May, 2019.

(end of consent agenda)

SPECIAL PRESENTATIONS:

a) Tourism Report: Jessica Roberts, Director of Marketing & Tourism:

Jessica Roberts distributed the quarterly tourism report for October-December, 2018 and January-March, 2019. Jessica updated the Board on tourism efforts and projects as well as upcoming events.

b) Adopt-A-Street Project: Allen Burton, Mount Airy Appearance Commission:

Allen Burton presented the Appearance Commission would like to initiate an Adopt-A-Street project in the City of Mount Airy. The Vision Statement for the Commission is to improve and maintain the overall attraction of the city for our residents and visitors alike. There are 100 miles of streets within the city limits and the city does not have the resources to keep litter off the streets. The proposed Adopt-A-Street program will ask for volunteers-individuals, civic groups, churches, Boy Scouts and Girl Scouts to commit to a three-year contract to pick up litter on designated streets once a quarter. Each organization will pick up at least twelve times within the three-year period. The organization will be required to sign a City Volunteer Waiver and submit an accounting of the total number of bags collected and man-hours worked. At the end of each year, there will be a report submitted to the Board regarding the number of total bags collected and man-hours logged. The budget for the project is \$1,000 per year. They are asking the City to approve the project and provide the funding of \$1,000/year in the Appearance Commission's budget to get started. The City's Grounds Maintenance Division will install the signs and the City's Sanitation Division will pick up the bags of trash.

Commissioner Brinkley is in support of this project. She feels like it is needed. Giving an opportunity to get it started and see what develops from that is a good idea.

Commissioner Yokeley asked about asking businesses to sponsor the project for \$100 each. Allen Burton stated he doesn't feel good about asking for donations to sponsor this project from businesses/volunteers. If someone wants to give money to sponsor this street, then they are welcome to donate.

Commissioner Brinkley made a motion to support the Adopt-A-Street project and to allocate \$1,000 for this year to get the project started. Commissioner Brown seconded it for discussion. After further discussion, Commissioner Brinkley rescinded her motion.

Commissioner Brinkley then made a motion to place this item on the May 16, 2019 Regular Meeting Agenda for further discussion and possible approval.

c) Automated Trash Collection: Jeff Boyles, Public Works Director:

Jeff Boyles reviewed proposed automated trash and brush collection for the City of Mount Airy.

The proposal is to eliminate the use of rear-loader vehicles in residential trash collection, replace three rear-loader trucks with two automated side-loader vehicles (same as the recycling truck), purchase 95-gallon carts for all residential customers for brush (same size as trash and recycling carts), and eliminate four positions in the Sanitation Division.

Why go to automated collection?

1-Safety: Workers are inside cab of truck avoiding distracted drivers, other hazards of riding exposed on outside of trucks, needle sticks, flying debris/liquid from compacting trash, hernias, back strains, turned ankles.

Business Insider Magazine: July 22, 2018. Refuse and Recyclable Material Collectors is number four on the list of the 34 most dangerous jobs in America.

2-Service: Citizens receive the benefit of an additional 95-gallon cart that they can use as yard equipment, there will be no need to bag grass clippings or leaves-they can be placed directly in the cart, less mess-leaves, grass clippings, and other small items will be in the cart instead of remnants of them being left on the street after cleanup.

3-Cost: It is time to replace our rear-loader trash trucks. All three are at least 12 years old (2004/2005/2007) and have over 100,000 miles on the odometer. Through ten months this year, we have spent \$55,000 on maintenance/repairs and the Garage staff has worked 670 total hours on them, trash collection using automated side-loader trucks is less expensive than using rear-loader trucks, the trucks/carts are more costly but automated collection required four fewer employees than our current method, cost of accidents and injuries are avoided.

Upfront Costs:

Two automated collection vehicles	\$ 800,000
4,500 brush carts \$60/ea	<u>\$ 270,000</u>
Subtotal	\$1,070,000
Contingency	<u>\$ 130,000</u>
Total	<u>\$1,200,000</u>

Annualized Cost Comparison:

Proposed Method:

Trucks/Carts: \$1,200,000/10 years =	\$120,000
5 employees x \$37,500 =	<u>\$187,500</u>
Net annualized cost:	<u>\$307,500</u>

Current Method:

Trucks (3 @ \$250,000) \$750/10 years =	\$ 75,000
9 employees x \$37,500 =	<u>\$337,500</u>
Net annualized cost:	<u>\$412,500</u>

Current Method:	\$412,500
Proposed Method:	<u>\$307,500</u>
Savings per year:	<u>\$105,000</u>

Changes for Customer:

All curbside customers must place their carts in a suitable location with appropriate orientation/spacing; all trash must be in carts and not piled on top of cart or on ground; all households will have a brown cart to be used for placing brush at the curb.

The day of collection of trash, recycling, and brush will **NOT** change for customers. Backdoor customers will see **NO** change in their trash/recycling collection.

Pros of Automated Collection:

The work will be much safer because no one will be on the outside of the truck, in traffic, to collect residential trash or brush; the work will be safer because the employees will not have to physically handle the trash, which can result in hernias, back pain, needle sticks, and hazards from flying debris while the trash is being compacted; employees will not be exposed to the elements for much of the time they are picking up trash; citizens will have an extra cart to use while working in their yard, possibly making handling of the yard waste easier for them; the appearance of the yards/streets will be much improved; the net cost of automated pickup is less expensive than rear-loader pickup; four positions can be eliminated, hopefully by attrition (it's becoming harder to fill these positions-public works has had eight different entry-level position offers rejected this year all due to pay); there will be fewer trucks to maintain.

Cons of Automated Collection:

Upfront cost of \$1.2 million; four jobs will be eliminated; citizens will be required to space out the carts so they can be picked up by the collection arms; citizens will not be allowed to place trash outside the cart; citizens will need extensive and repeated education on what type of material goes in each cart; citizens will have an additional cart to store on their property; automated trucks require additional maintenance since they have more moving parts; yard waste collected on regular day will be limited to the amount that will fit in the cart (larger amounts can be picked up during the week by grapple truck); there will be fewer employees to help out during snow removal and other emergency situations.

Arguments Against Proceeding:

1-Will we actually reduce the number of employees

Public Works General Fund Comparison

2001-2002

Budget: \$3,033,972

Full-Time Employees: 35

2018-2019

Budget: \$3,025,278

Full-Time Employees: 31

Conclusion: We have reduced the number of employees in the past and would certainly do it again.

2-Can we contract it out more cheaply

	Population	Trash	Recycling	T&R Subtotal	Yard Waste	Total
Belmont	10,456	\$8.14	\$2.61	\$10.75	\$2.74	\$13.49
Archdale	4,500	\$10.98	\$2.37	\$13.35	\$0.93	\$14.28
Fayetteville	204,759	\$14.00	\$3.75	\$17.75	N/A	-
Elkin	4,000	\$8.00	\$3.40	\$11.40	\$3.00	\$14.40
Dobson	1,556	\$6.84	\$2.50	\$9.34	N/A	-
Pilot Mtn.	1,433	\$10.43*	*Included	\$10.43	N/A	-
Rob Taylor Est.		\$11-\$15	\$3.54	\$14-\$19	\$3.00	\$17-\$22
Foothills Estimate for Mt. Airy	10,417	\$7.75- \$9.85	\$3-\$5	\$10.75- \$14.85	N/A	-
Waste Management	10,417	\$10.00	\$4.25	\$14.25	\$2.75	\$17.00
Mount Airy	10,417	\$8.03	\$1.72	\$9.75	\$3.12	\$12.87

Conclusion: It does not appear the city would save by contracting sanitation services out.

Summary:

Due to enhanced safety, increased level of service, and cost savings, we recommend the city begin implementing automated collection of trash and brush.

There is a nine-month delay from ordering the trucks to receiving them, so it probably would take about a year to fully implement automated collection.

(end of presentation)

Commissioner Brinkley asked about picking up larger limbs that will not fit in a cart. Jeff mentioned they would use the grapple truck to pick those up as they do now.

Jeff spoke to some municipalities who contract out and they expressed frustration with it.

Commissioner Yokeley asked for automated trash collection to be placed on the May 16, 2019 meeting agenda to be discussed along with other capital needs and how to pay for them.

PUBLIC FORUM:

Mayor Rowe: The next item on the agenda is the public forum. This is an opportunity for anyone in the audience to address the board. Please come up to the podium, state your name, address, and whether or not you reside in the city limits. You will be given three minutes to make your comments and the City Clerk will ring the bell to signal when your three minutes are up. I ask that you state your thoughts, facts, and opinions in a respectful manner. This shall not include name calling or defamation of anyone's character. After the public forum is closed, all items on the agenda will be for board discussion only—the audience will not be recognized for comments. I now declare the public forum open.

Mayor Rowe declared the public forum open.

JC Short, 207 River Walk Road (city resident): My name is JC Short and I live on River Walk Road. I can understand what Jeff is talking about with garbage pickup. It is a miracle y'all have running trucks right now. They need trucks. I came here to talk to you about the ETJ. You are breaking the law. You have a retired policeman out here that read a statement. The reason I tell you that you broke the law is because my mother has some trees on her land...I planted some trees and it takes about 25 years to grow. By the rules/laws you have, and there is no way you could know all of this stuff...you have too many rules and laws, but by the rules/laws, I can't sell it to a commercial harvester. The State Constitution says the guaranteed right for each citizen to earn a living provided there is a reasonable concern for public health and safety. I travel a lot and I love to read and I have talked to some people who told me who to contact in Washington about this. If I call this lawyer and it went to court, that means the city would have to come up with \$25,000 to \$50,000 and hire another lawyer, which will be more. God knows we have wasted enough money in this city over the last couple of years. That is what I came up here mainly to talk about today. You need to check in on this. Thank you.

JT Hinson, 772 South Franklin Road (non-city resident): I am JT Hinson at 772 South Franklin Road. I have a suggestion for Allen Burton. I appreciate the adoption but since this street cleaning and appearance is related to attracting tourists here, I suggest that you go to the tourism committee and ask them to sponsor the project for \$1,000. They have excess money. I am no longer on the county tourism thing, but we did projects like that for the county and I think that it would take a little burden off the taxpayers. Let the tourists pay to clean up the town. Thank you.

Larry Johnson, Surry County Commissioner (non-city resident): I am Larry Johnson. I am not a resident of the city limits but I do represent the city on a county level. Talking about all this litter, I hope the Mount Airy News might put in a good word about Mount Airy and Surry County. We have money on the county level to get trash picked up. We will be glad to pay \$5.00 per bag for every bag that is picked up and we furnish the bag. All you have to do is contact Kim Bates in our Planning Department and we have money sitting there and once we spend it, we will put some more in it. I am hoping that could be a beginning for Mount Airy but also all of Surry County. That was our intention and it has not been used. We are lucky enough for our tax dollars from the State offers Highway 52 from the Virginia Line to the Stokes County line to be picked up once a month and some of our other major roads in the county are picked up once a quarter. It is contracted out and all of you have a vested interest in all of that but we are glad...it is much better than it was. I can assure you from the Derby to Massey Road, which is outside city limits, some group could make a nice little fundraiser just on that one little street. The main thing I wanted to share is there is some money available by the work that you do on a county level. We furnish the bags and we might furnish the vests also...I am not sure.

Mayor Rowe: I guess the question is how big is the bag.

Larry Johnson, Surry County Commissioner (non-city resident): They are plenty big. They are the big orange ones. I can assure you that I won't be there to weigh them or see the size.

Jessica Cockerham, 239 Hilda Drive (non-city resident): Hey. I am Jessica Cockerham. I am outside city limits in Bannertown at 239 Hilda Drive but I am the one that is proposing to do the event center on the Spencer's project. Forgive me for looking at my phone...that is the easiest way to take notes now days and have this here. Since the structural engineer report and some of the social media concerns about the buildings that are wanting to be torn down by some people and not torn down by others, I have been doing a little reading and research and I just have a couple of questions as a concerned citizen. In August 2017, a New England boy dies after falling through the roof of an abandoned building; missing 12 year old found injured in abandoned building-St. Louis, KY two years ago; youth injured in fall at abandoned building-industrial site; 15-year old falls down an elevator shaft of an old melting site (we have an elevator shaft in the Discount House building); warning about buildings after boy hurt in a fall; child fell and completely paralyzed from the waist down from a fall inside of a building that his friends dared him to go into as a joke; teen dies after falling down an elevator shaft in abandoned hospital. From firearson.com-the broken window theory-if a broken window in one building on a beautiful street, passerby's observed were to conclude that no one cares about this building and no one is in charge of it. In time, others will throw rocks to break more windows because no one cares. Seeing all the windows will be broken and then the passerby's will worry about the surrounding buildings themselves. The impact on the community, this is still from firearson.com, the top three impacts on the community from abandoned buildings are community image, crime, and public safety. Talking about public safety, thousands of fires annually from abandoned buildings; civilian injuries and deaths; firefighters are more likely to be injured in fighting fires on vacant properties than other property types; more than 6,000 firefighters are injured every year. With that said and sorry to put you on the spot Zane, but is our fire department, if our commissioners don't want to agree to tear down these buildings and that is your decision...fine, is the fire department putting together an emergency plan to have prepared if something were to happen with collapse or fire or of the Sparger building, is that already in effect-are we presenting that to the county in having that ready? Two injured after part of a building collapses on a sidewalk-November, 2018. This is from Boston Fire Department, everyone inside made it out ok, we were doing CPR on those that were injured around the building. The façade in front of this common ground pub, a Japanese and Korean restaurant, so not a large warehouse, just fell. It goes on and says that the fire department chief said it happened out of nowhere, we didn't expect for this to happen. I do ask that you take into consideration that public safety issue. Thank you.

Mayor Rowe: Anyone else wish to address the board?

John Pritchard, 128 Ridgecrest Drive (city resident): John Pritchard, Ridgecrest Drive, Mount Airy. I have a couple of different items. First, we all know we have a city manager form of government and I liken that to a board of directors at a corporation...it is the same thing. The directors are directed by the staff members, you folks are elected by the citizens, and the citizens are really stockholders of Mount Airy. You guys are the boss of the city-it is as simple as that. Sometimes the boss has to say things that people may not find pleasant, that is the duty and responsibility. I think that it is necessary. I don't blame you for saying it. We have all had bosses and we have all had criticism from bosses if we didn't do whatever it was that was supposed to be done or didn't do it correctly. We are all adults. Most of us are professionals and so we ought to be able to take criticism. Second thing, Spencer's, in my

opinion, has never had much majority support from the public. There is a lot of noise made by a small group, somehow they have had enough influence to have you spend over \$3 million so far with little to show for it. The public has grown tired of this and I think the small group supporting it realizes that and maybe that is why we are seeing an extra push in these days to spend a little more. Just like that old congressman said one time, you know, a million here, a million there, pretty soon you are talking about real money. Well, we have done a million here and a million there, and if we keep going, who knows where the end is. Also, I know there is a lot of reports here and there if you want to look for them online of old buildings falling down, but I also found that all across this country, there is tens of thousands of old buildings that didn't fall down yesterday. Thank you.

Mayor Rowe: Anyone else want to address the board? All right, seeing no one else, I declare the public forum closed.

Mayor Rowe declared the public forum closed.

RESOLUTION 2019-076-ACCEPTING NATIONAL RECREATION AND PARKS ASSOCIATION GRANT:

On motion by Commissioner Brown, seconded by Commissioner Yokeley and passed unanimously, the following resolution was approved:

RESOLUTION NUMBER 2019-076

RESOLUTION TO ACCEPT NATIONAL RECREATION AND PARK ASSOCIATION GRANT

WHEREAS, the City of Mount Airy has been awarded a Youth Membership Program Grant from the National Recreation and Parks Association in the amount of \$110,000 over a three-year period; and

WHEREAS, the focus of said grant will be to develop a mentorship program for children ages six to 12 who are in underserved communities and/or affected by the opioid crisis; and

WHEREAS, the grant will be spread out over a three-year period as follows:

Year 1:	\$10,000
Year 2:	\$50,000
Year 3:	\$50,000

NOW, THEREFORE BE IT RESOLVED BY THE CITY OF MOUNT AIRY BOARD OF COMMISSIONERS MEETING IN OPEN SESSION THAT:

Section 1. The Board of Commissioners does hereby accept the National Recreation and Parks Association Youth Membership Program Grant in the amount of \$110,000 over a three-year period.

Section 2. The Board of Commissioners does hereby authorize the Mayor to execute said grant document(s) per review and approval by the City Attorney.

Section 5

The Finance Officer is hereby directed to maintain within the Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant 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 grantor agency in an orderly and timely manner.

Section 7

Copies of this project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 2th day of May, 2019.

BOARD TO DISCUSS DEMOLITION ESTIMATES FOR PORTIONS OF SPENCER'S MILL PROPERTY:

Charlie Vaughn: I was asked to try to get some information about demolition of some of the property at Spencer Mill. I included the report. The first thing I did was prepare a scope of work so I could get equal representation to different contractors and have them all price the same scope of work. My conclusions from the review and estimates and the prices reflected here are obviously from the lower price. They are all from contractors that normally do this type of business and I feel very confident that any one of the three could accomplish the work as outlined. I did take one variation and included the old bank, which on the map is building E. Today, the building has about 1/3 of the roof membrane missing and water is pouring through it. It would be about 3% of the total when you add it to the Discount House, JC Penney Building, and Finishing Room. The lowest price that came in for demolition of those buildings was \$286,000. All contractors excluded the survey for asbestos or other materials and that survey generally comes with a recommendation of what needs to be cleaned up. The survey is State law-before any building can be demolished, it must have this survey done. I put a budget number for the inspection fee at \$4,000. For an abatement contract, I included \$35,000. I used what knowledge that Gene Rees has helped me with that he has found in the building that he did, and of course, he went through the same process. The roofing is not asbestos, if there is any in the flooring, it is very minor. Mostly you are dealing with wood, metal and masonry but there is piping in the buildings. The cube building was built about the time they started switching from asbestos to fiberglass. I don't know enough about it or have a trained enough eye to know the difference. Some of the products I have seen in there I suspect are asbestos, especially the buildings built prior to that date. That gave a total for demolition of the Discount House, Finishing Room, JC Penney Building, and the old bank for \$325,000. I also have more information if you need it for the cube building and the future hotel building.

Commissioner Brinkley: Thank you for doing this.

Commissioner Armbrister: Which of these buildings, right now because of the shape, require demolition?

Charlie Vaughn: The buildings labeled B & C (Discount House, Finishing Room, and JC Penney Building). I included building E (old bank building) just for the fact that it has been overlooked a long time and it is in worse shape than any of them. Also, it is only 3% of the total.

Commissioner Armbrister: In this scenario with the D building (Cube Building), it doesn't necessarily need demo because of structure problems-just if we decided?

Charlie Vaughn: It was included as for information only.

Commissioner Armbrister: Those in distress is basically buildings B, C, and E. If we do the demo on these buildings with these figures here, what related cost will we incur as consequence of doing the demo to these buildings as far as to adjacent buildings and those type structures?

Charlie Vaughn: There would probably be some repair. The Discount House Building doesn't have an exterior wall. It is built between two buildings so the beams and gutters are attached to what would be the outside walls of the adjoining buildings. They need to be repaired somewhat-I think it would be minor...there would probably be some cost there.

Commissioner Armbrister: Is that basically the only foreseen additional cost of consequence?

Charlie Vaughn: The only other thing I can think of is at some point in time, if the tobacco building (Reynolds Building) were to be taken down, there are two walkways that are attached to it that would have to be dealt with. It is there, those walkways will have to be dealt with.

Commissioner Armbrister: Do you have an idea on estimates to repair the adjoining buildings from the demolition?

Charlie Vaughn: I wouldn't think it would take two weeks or something.

Commissioner Armbrister: Can I ask for that figure please, what it would take to repair those adjoining buildings after demo maybe within the next couple of weeks?

Charlie Vaughn: It will be a guess. There is already some problems where the buildings were attached that is creating leaking problems-leaking into the adjacent building. Some of that will correct itself by the fact of the way the roof was attached, it is creating leaking problems next door and that, in effect, will correct some of that. I don't know if it would actually affect the integrity of the building. If the demo is done correctly, I don't think it will affect the integrity of the building....it would be mostly aesthetics. Who knows what has been painted and what hasn't been painted. It will be a bit of patchwork.

Commissioner Armbrister: That additional cost, in your opinion, would it be enhancing marketability of those remaining buildings?

Charlie Vaughn: The tobacco building, the fact that if buildings were removed, the windows can be replaced and that would make the building marketable. It would turn a drab area back into something that could be used for other uses.

Commissioner Armbrister: Would it be abnormal to require the developers to do those things?

Charlie Vaughn: To put the windows in? I think the developers would figure that in their cost.

Commissioner Brinkley: Jim asked how much the insurance was for Spencer's and what we are paying through the city is \$9,844.67. I asked how much our insurance would decrease if we demolished these buildings, and it would cut our insurance almost in half. Also, personal injury is only \$3 million right now, that wouldn't come close if we had a fire. The 1998 fire in Winston Salem did tremendous damage and it didn't stop with just the building, it did damage to every building around. My concern is the living quarters of people all around this area. The liability, the lives that could be lost if we don't work quickly to get rid of these buildings. We have hazardous property here and we aren't being very good neighbors to the people living across the street in Renfro Lofts and Spencer's Lofts, the Housing Authority because we have codes that we are supposed to be enforcing and this hazardous area, we own. If we don't follow the rules for codes, we aren't being very good stewards of the citizens around it. The people in the housing areas could be fearing that at any time, a fire could come. I think we are putting these citizens in harm's way because we aren't doing something. I am in favor of getting rid of these buildings for that reason and as I said, the public safety has got to be priority. It is very similar to this Reynolds Building and probably more similar than we want to admit. I talked to someone the other day and they said there are pigeons now living in the proposed hotel building. He said if a pigeon were to go out, pick up a cigarette and drop it in one of those buildings, it is going to go up in flames. A question then would be what is the likelihood that a fire could spread from the hotel building to across the street to the Renfro Lofts or to the apartments and how windy would it have to be to really take off. These are some speculations...hypothetical...but there is also some legitimate question here. The likelihood of lawsuits coming from that because the city hasn't done their job to not get rid of the problem across the street when we have the codes that we aren't following at this point. The 1998 fire of RJ Reynolds in Winston had 400,000 sf of building space and started as a little brush fire outside of the back of the building and all of the ladder trucks in Winston couldn't stop the thing from spreading. Our buildings are like that. How fast would it take for a fire on this property to spread across the street...we don't know that. This is speculation-depends on the weather and a lot of conditions, but how quickly would we be able to get other fire companies to come in to help us? All of these things are things that we have to consider and I know our fire department has that in order. Do we have enough ladder trucks to deal with a catastrophe if that were to happen? How long does it take to get back up? Is it true that the fire suppression system is turned off in the Sparger building? How would the fire department get to a fire in these areas because you have the catwalk across-how would they get to these buildings if a fire started in the back? I don't know the fire department's program and I know they have a plan...if it is in the back/middle part of a building toward the cube, would they have access? They would just have to try to stop the fire from spreading to residential areas. Where are the fire hydrants on the Spencer's property and are they working and are they all in good shape? The water lines downtown are very old, some have been there since 1905...what if they were to fail? These are things we need to think about. I am convinced we need to do away with these buildings for a lot of the reasons I am speaking. What could the current residents of the Spencer's Lofts/Renfro Lofts/soon to be apartments do to protect themselves? Their hands are tied. How is this man going to rent these apartments if we have a fire hazard right next door. He wants to get people in there pretty quickly. We need to think about being respectful to new property

owners as well. What happens if the buildings collapse? How far can debris fly in a situation like this? It can go pretty far-as far as Market Street? You never know. Glass breaking out or what have you. Could it go through windows at Spencer's Lofts and the apartments? What about cars driving by or close by? We have so many lawsuits that would just be devastating. We certainly don't want anything to happen with people's lives. How much did the huge 16-inch snowfall and all of the rain do to the buildings just last year?

Charlie Vaughn: The roof in the Discount House and the JC Penney Building are leaking.

Commissioner Brinkley: They are deteriorating at a rapid pace.

Charlie Vaughn: Yes. There are places in the buildings that have failed. There are wooden steps in the buildings that have collapsed. When I go in, I only go on steel steps...I don't go on wooden steps.

Commissioner Brinkley: Do you think they will make it through another winter?

Charlie Vaughn: I would think so. It is mostly steel and concrete with wooden floors. With the continued waterfall, the wooden floors/chairs have failed. There are areas in there half the size of this council chamber room that have failed.

Commissioner Brinkley: I appreciate that. The last thing I am going to say is these are questions that we need to be asking, we need to have answers for and you all are getting them to us, we need to do the right thing. This is for public safety and protection of our citizens and their property. It needs to be priority in my opinion. If I lived in one of those, I would say please make it your opinion. I have real anxiety for what the city owes to the people of our town. If this was across the street from where I lived, I would be very quick to start knocking on the doors of the city. I also know that some of this is in the LLC. Hugh, can you help me to understand how this works with what I am talking about?

Hugh Campbell: You will recall that at one of the earlier meetings, several of these properties were conveyed to an LLC that is controlled by this board and was created for the purpose of securing tax credits. The name of the company is Mount Airy Park Place, LLC. The LLC owns all of the buildings we are talking about here. They were placed in the hands of the LLC with the hope that developers would come in with an acquired interest and they would have access to the tax credits. A factor in this is that in August, 2018, this board adopted the rule, which is in order for the LLC to do anything, it would require a super-majority vote of this board to authorize or direct that action. That made sense because at the time the LLC came to be, one of the first things that happened was this board conveyed the cube building to the LLC. So the idea was consistent with the Spencer's rule, I think Commissioner Armbrister made a motion that anything having to do with the Spencer's property would require the super-majority vote and anything regarding the LLC would similarly require the super-majority vote. That rule has never been changed or amended...it is still there. If the board is intent on demolishing or selling the property or doing anything, my recommendation would be for the board to direct the LLC to convey the property back to the city so if the city decides to demolish the property, it is owned by the city rather than the LLC. It looks like if we are going to demolish, then we are taking these properties out of consideration for the tax credits, so the LLC has served its purpose. The tax credits weren't accomplished and that is fine, but we need to give the property back to the city so the city can demolish property that it owns. The three members of the LLC are Hugh Campbell, Gene Rees, and Rodney Rosser.

They haven't met or done anything...their job is to wait for this board to direct the actions of the LLC.

Commissioner Brinkley: If something were to happen to the buildings like a fire and they are under the LLC, what happens then?

Hugh Campbell: That is worrisome. There is a lease between the LLC and the city so technically, the city is the tenant and that is how the buildings are insured under the city's insurance policy. The LLC's have no insurance, assets, protection other than through the city. The board could vote to direct the LLC to convey the property back to the city and that would be my hope-that the full board would elect to do that because these are three volunteers who don't want to get in the middle of any controversy-who are here to assist and do the bidding of this board.

Commissioner Armbrister: To bring things into perspective, there is no single building at Spencer's that stands any more threat of creating a hazard than any other building at Spencer's. These buildings are the same status as the rest...the structures might be a little weak and more prone to deterioration that could cause injuries but even the buildings that we are leaving standing stand the same hazards as the rest. If they are left, there are still there where fires could start and still make the same threats as these buildings rather they are there or not. The urgency for these three buildings related to safety is basically new. I say that also to say I was checking into the insurance and we have \$4 million on liability. I don't know how we are going to be covered if something does happen. I don't know who is allowed on these sites. If someone gets killed and we only have \$4 million, that is probably not enough. If anything happens on these three particular buildings that have been declared demolition appropriate, then if something happens, we have no defense. These things do make a difference when you look at it that way. The rest of the structures haven't been declared as being in a shape to require demolition...these have, therefore, if something happens, there is no defense as to our liability. They basically need to come down for several reasons. I will support the issue of taking these buildings down. I would like to pass it on to developers, but I think in the long run, if we bring these buildings down, we will make it more marketable and stand a good change at moving some property quicker. I see ways we can do it without using any current funds. This is just part of it, say round it off to \$325,000 and the county pays half, we are at \$163,000. This is just an example. I don't know if we have any downtown organizations willing to help but we are also looking at selling a block of land closer to \$180,000. That hasn't been refined yet but we could do that and not touch any of our current funds. That is just one view, my view. I want to save money and to me, this will save money in the long run. To me, the demolition is going to raise the value of the property that is left. I still push for developers to pay for everything else but I think this is the final preparation to make those things happen. I am trying to cover all bases and if I find somewhere that this is going to fall into obligations of more money than I am looking at, I will call a halt to everything on my end.

Commissioner Cawley: Do you have an opinion on the likelihood that buildings A and D are ok?

Charlie Vaughn: In the years prior to the closing of Spencer's, a new roof was installed in the future hotel building. Today, that building is in better condition than the Discount House Building, which was built in early 50's and the JC Penney Building. The future hotel

building had a new roof installed in 2005. There is the beginning of some leakage in the northwest corner of the cube building. If the decision is made to utilize that building, there needs to be some roof repairs.

Commissioner Cawley: If you demolish building B, and you talked about there would be some need to repair building A and the other building adjacent to building B, is that going to be at the foundation or at the top where the roof touches?

Charlie Vaughn: Probably at the top. The structure of the Discount House Building (building B) is built between two buildings. In a perfect world, demo of building B wouldn't do any damage at all or would just need to be patched up to make it watertight. I don't know exactly who owns it all and where the property line is.

Mayor Rowe: Is there a wall in there that would support demolition if the rest of that beam is removed in the Discount House Building?

Charlie Vaughn: There is an elevation difference between Willow Street and the basement level of building B-eight or nine feet down to the foundation of that building from Willow Street elevation. There is a masonry wall there that has been there for a long time. When the building is removed, I don't know if that wall will need to be reinforced or not. How that wall will actually look when demolition is done, I don't know.

Mayor Rowe: Will the demolition uncover another floor of windows of the Sparger Building?

Charlie Vaughn: It will uncover three floors of windows. It will uncover them all-all five floors. A lot of the window openings of that side of the building will be opened to daylight if a developer decides to put glass in them.

Mayor Rowe: I guess we are at the point where we need to make a decision. Based on what Jim said, if cost to demolish is what Charlie has indicated, the County has indicated that they would be willing to consider halving the cost with us on a 50/50 basis and if we could sell the Sparger Building for the amount of money it has been estimated at (\$100,000-\$150,000), the city would then be faced with a demo cost of \$25,000-\$75,000. One question I have is how will the ground be left when the demo is done?

Charlie Vaughn: In the scope of work, I asked for the slabs and foundations to be removed after demo. It will be as is stated in the scope of work that no soil is to be removed from the site since it is a Brownfield Site. I am sure it will not be perfectly manicured-it will basically be earth as it was under the building slabs. I have requested all debris be removed from the site. The contractors requested the right to all salvageable materials. The prices I have are in the form of a proposal.

Mayor Rowe: A project of this size would probably have to be bid out so we would need a set of specs, bidding documents, and go through that process.

Commissioner Armbrister: Can you deliver some figures to us in a couple of weeks? This is the first time we have discussed this in detail and I would feel better waiting until the next meeting to vote.

Mayor Rowe: We do need to send a resolution to the county requesting them to pay ½ of the cost of demolition.

Commissioner Armbrister made a motion to send a resolution to the County requesting them pay half of the cost of demolition-50/50. Commissioner Yokeley seconded it and it was passed unanimously.

RESOLUTION NUMBER 2019-077

**RESOLUTION REQUESTING FINANCIAL ASSISTANCE FROM THE
SURRY COUNTY BOARD OF COMMISSIONERS
FOR CERTAIN DEMOLITION COSTS**

For the reasons set out below, the Board of Commissioners of the City of Mount Airy respectfully requests the Surry County Board of Commissioners to provide financial assistance in the cost of demolishing certain City-controlled buildings located on the Spencer's Mill property within the downtown business district of the City.

WHEREAS, at the regular meeting of the City of Mount Airy Board of Commissioners on May 02, 2019, a discussion was held about the condition of a portion of the Spencer's Mill property. The City Board has previously received a structural analysis report performed by Wayne Moore and Associates, which indicated the buildings known as the Discount House, the Finishing Room, and the J. C. Penney building are structurally deficient and the cost to bring each building to a commercially usable and safe status would be prohibitive. These findings were confirmed by Charlie Vaughn, who is a licensed contractor; and

WHEREAS, today's discussion included the liability to the city of maintaining buildings in substantial disrepair and the hazard the buildings pose to adjacent landowners. The City Board has been put on notice of the potential liability for personal injury and property damage indicated by the condition of these buildings. The City Board also discussed the marketability of the remaining structures. Mr. Vaughn and others suggested that the marketability of the Spencer's Mill property, in particular the prospects of selling the property to a developer for a future hotel building, will be enhanced by removing the dilapidated structures from the Spencer's site; and

WHEREAS, the City Board has received estimates for the demolition cost from three contractors, the lowest of which is \$286,000. Added to this estimate is the cost of asbestos inspection (\$5,000) plus asbestos abatement (\$35,000) as well as a cost for preparation of formal bid documents for the demolition. This would be a total of \$331,000. These are only estimates, but the costs are a best estimate from reliable sources; and

WHEREAS, the City Board continues to invest in the redevelopment of the Spencer's Mill property, but in this difficult budget season, the City needs assistance with the unanticipated cost of demolition; and

WHEREAS, demolishing the above-mentioned portions of the Spencer's Mill property would be in the best interests of both the City and the County in terms of safety and economic development:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF MOUNT AIRY BOARD OF COMMISSIONERS MEETING IN OPEN SESSION THAT:

Section 1. The Board of Commissioners of the City of Mount Airy, by a unanimous vote, respectfully requests the Surry County Board of Commissioners provide financial assistance in the FY 2019-2020 budget to share the cost to demolish the Discount House, the Finishing Room, and the J. C. Penney building on a 50/50 basis with the City. The County Board's participation would be contingent upon equal participation by the City Board.

Section 2. This resolution shall become effective upon approval.

Approved and adopted this the 2nd day of May, 2019.

Mayor Rowe: Thank you Charlie for the remarkable work you have done.

OTHER BUSINESS:

Employee Salary Discussion:

Commissioner Yokeley stated he wasn't satisfied with the way discussions went about city employee salaries. He requested information from Pam Stone and Becky McCann-giving a 2% raise to all city employees and bringing every city employee's salary up to at least \$24,000 so employees will be either \$24,000 or get a 2% raise. He would like that information before the May 16th board meeting.

REMARKS BY OFFICIALS:

Commissioner Brinkley: Thinks this has been an outstanding meeting.

Looks forward to the next meeting.

Thanked Allen Burton and the Appearance Commission for their presentation.

Thanked everyone for their comments.

Thanked Jeff Boyles for his very informative presentation.

Misses Barbara.

Commissioner Armbrister: Thanked Jessica Roberts for her report and hard work for tourism.

Thanked the Appearance Commission for their efforts and presentation.

Thanked Jeff Boyles for his great presentation regarding automated trash collection.

Commissioner Yokeley: Requested the discussion of demolition of the buildings at Spencer's and discussion of the LLC conveying the property back to the city on the May 16th meeting agenda.

Thanked the Appearance Commission for their presentation. Will be glad to donate \$100 to get the Adopt-A-Street project started. He will also be out there picking up trash.

Thanked Jeff Boyles for his informative presentation.

Commissioner Brown: Thanked everyone who spoke.

Glad the board got along today and worked together.

Commissioner Cawley: Thanked Jessica Roberts for her tourism efforts and hard work.

Thanked the Appearance Commission for their presentation and efforts to clean up the trash in the city. Feels city funding for things of this nature is a fair representation of the tax dollars.

Thanked County Commissioner Larry Johnson for representing Mount Airy.

Mayor Rowe: Thanked Jessica Roberts for her tourism work and enthusiasm.

Thanked Jeff Boyles for his presentation.

Thanked the Appearance Commission for their enthusiasm and work to keep Mount Airy clean.

Appreciates the County's willingness for a 50/50 split of the demolition cost at Spencer's.

ADJOURNMENT:

On motion by Commissioner Brinkley, seconded by Commissioner Armbrister and passed unanimously, the meeting was adjourned.

Approved and adopted this the 16th day of May, 2019.

David L. Rowe, Mayor

ATTEST:

Melissa N. Brame, City Clerk