

MINUTES FOR BOARD OF ALDERMEN MEETING

June 11th, 2013

6:00 PM

The following elected officials were present: Mayor Coleman, Alderman Beaty, Alderman Huggins, Alderman Martin, Alderwoman Morrow, and Alderman Withers.

The following staff members were present: Jim Palenick, Interim Town Manager; Maria Stroupe, Administrative Services Director; Thomas Hunn, Town Attorney; Gary Buckner, Police Chief; Doug Huffman, Electric Director; Bill Trudnak, Public Works Director; Steve Lambert, Fire Chief; Anne Martin, Recreation Director; and David Kahler, Community Services Director.

The Mayor Coleman called the meeting to order at 6:00 pm.

Mayor Coleman opened with the Invocation and the Pledge of Allegiance to the Flag. Mayor Coleman asked if there were any additions or deletions to the agenda. There were no additions or deletions to the agenda. Mr. Martin made a motion to set the agenda, seconded by Mr. Huggins, and carried unanimously.

Mr. Withers made a motion to approve the minutes from the May 13, 2013 regular meeting, the May 23, 2013 Budget Work Session, and the May 28, 2013 Budget Work Session; seconded by Mr. Huggins, and carried unanimously.

Consent Agenda:

Item 5A was a request to by Beau Norwood, Head Wrestling Coach at North Gaston High School to use the Dennis Franklin Gym for a wrestling match with Kings Mountain High School on Wednesday, November 27, 2013 at 7:00 pm. Due to re-alignment of conferences, North Gaston will no longer compete against Kings Mountain and there is a rivalry between the two schools that both schools wish to continue. They would like to hold this match to continue the competition between the two programs. The match would begin at 7:00 that evening and Coach Norwood and his staff would be responsible for the set-up and clean-up of the facility. The Team's volunteers would work admissions and provide security for the event. There would be a \$5 admission charge that is set by the North Carolina High School Athletic Association that will go toward supporting the ongoing athletic programming at North Gaston. Currently, there is no established fee for use of the Franklin Gym and each use must be approved by the Board. Ms. Martin will inquire as to the possibility of the Town receiving \$1 of the admission fee to offset costs of use of the facility.

Mr. Beaty made a motion to approve the Consent Agenda as presented, seconded by Mr. Martin, and carried unanimously.

Recognition of Citizens:

Ms. Holly Williams, Venture Church, has requested to be placed on the agenda to address the Board concerning the use of Cloninger Park for a soccer camp. In her place, Mr. Chris Mintz, Executive Pastor of Venture Church, addressed the Board with a different request. He asked if Venture Church could adopt Jagggers Park and utilize the park on a regular basis this summer. Church volunteers would be willing to help with upkeep of the park for the ability to use the park. Mayor Coleman and Mr. Palenick asked that Venture Church provide a schedule of dates, times, and activities being requested to be reviewed by Mr. Palenick before a determination could be made as to the request. Mr. Mintz agreed to draw up this information and provide it to Mr. Palenick.

Mr. Burton Beasley, 601 Summey Farm Dr., addressed the Board in reference to the existing ordinance prohibiting bee keeping in Dallas. He and other members of the Gaston County Bee Keepers Association would like to work with Town officials on revising that ordinance to allow bee keeping within the Town. Mr. Palenick informed Mr. Beasley that the ordinance referenced was in the process of being revised and there were plans to present the revisions at the July Board of Aldermen meeting.

Mr. Daniel Britton, Public Address Announcer and Volunteer at North Gaston High School, addressed the Board requesting to hold a community “Pep Rally” on Saturday, August 17, 2013. This would be the 2nd Annual Community Pep Rally to generate community enthusiasm and interest in North Gaston athletics for the coming school year. As with the pep rally held last year, he requested that Holland St. from Main St. to Trade St. and Main St. from Gaston St. to Holland St. be closed from 3:00 pm until 7:00 pm. They would be willing to supply Porta-Johns for the event. He asked if the Police Department and Rescue Squad would be able to provide a presence at the event. Since the Rescue Squad is not governed by the Town, that would have to be addressed separately. Mr. Beaty made a motion to approve the event and authorized the requested street closings, seconded by Mr. Withers, and carried unanimously.

Dr. Joecilyn Wallace, Director of the Brilliant Minds Summer Youth Program, had requested to be placed on the agenda to discuss use of the Dennis Franklin Gym. Ms. Wallace was not present, but had spoken with Mayor Coleman. This program has been conducted in Dallas for the past 3 – 4 years with great success. Ms. Wallace is requesting use of the Franklin Gym for 3 days per week from June 17th through August 9th. Ms. Martin informed the Board that the gym floors were scheduled to be refinished the first week in August, so the program would need to be concluded before that time. Mayor Coleman was not sure of the specific hours being requested; just that Ms. Wallace had requested the mornings. Ms. Wallace does have insurance and can provide the Town with that information. The program is being held at Holy Communion Church again this year and church representatives have spoken highly of Ms. Wallace. Mr. Martin stated that currently the policy states that use of the gym is by Board approval only and he is in support of this use; but wanted everyone to keep in mind that this may open the door for more requests by other groups to use the facility. Mr. Huggins made a motion to approve the use of the gym by the Brilliant Minds Summer Youth Program with Mr. Palenick and Ms. Martin setting the times and days needed with Ms. Wallace, seconded by Mr. Withers, and carried unanimously.

Mr. Jim Burke, 615 Carolina Avenue, offered assistance from the County Extension Office, of which he is an employee, in the revision of the bee keeping ordinance.

Recognition of Employees:

There were no employee recognitions.

Public Hearing:

Mr. Martin made a motion to enter into a public hearing to consider establishing “B-1, Neighborhood Business” zoning for the three recently annexed lots on Lower Dallas Highway, seconded by Mr. Withers, and carried unanimously.

On April 25, 2013, the Planning Board met and discussed assigning a Zoning Classification to the recently completed voluntary annexation along Lower Dallas Highway. The Planning Board voted 6 – 0 to recommend zoning all 3 of the lots in question as, “B-1, Neighborhood Business”, which is consistent with the larger lot immediately contiguous (annexed in 2007 and zoned B-1) and in keeping with the Town’s Master Plan. (Exhibit A) Mr. Kahler stated that it is State Law that the Town must assign zoning to a property after annexation.

Mr. Martin made a motion to exit the public hearing, seconded by Mr. Huggins, and carried unanimously. Mr. Huggins made a motion to establish the zoning for the 3 recently annexed lots on Lower Dallas Highway as “B-1, Neighborhood Business”, seconded by Mr. Withers, and carried unanimously.

Mr. Beaty made a motion to enter into a Public Hearing to consider an amendment to Article II, Section I-II-22(j); “Off Street Parking”, of the Zoning Code, lessening the parking space requirement for “Other Business and Office Uses”, seconded by Mr. Martin, and carried unanimously.

On April 25, 2013, the Planning Board met and discussed amending the “Off Street Parking” portion of the Zoning Code. The amendment specifically pertains to Off Street Parking requirements for so-called “Other Business and Office Uses”. The current requirement for this subsection calls for one parking space per 200 square feet of gross floor space. The Planning Board recommends changing this requirement to one space per 400 square feet of gross floor space, which is consistent with the current requirement for “Retail Business and Office Uses” in this same section; as well as consistent with the standard utilized by most surrounding jurisdictions. (Exhibit B) Mr. Kahler stated that any existing building would be “grandfathered” and the change would apply to all future businesses.

Mr. Withers made a motion to exit the public hearing, seconded by Ms. Morrow, and carried unanimously. Mr. Withers made a motion to approve the amendment to Article II, Section I-II-22(j) as presented, seconded by Ms. Morrow, and carried unanimously. As per N.C.G.S. § 160A-75, “no ordinance nor any action having the effect of any ordinance may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two thirds of all the actual membership of the council, excluding vacant seats and not including the mayor unless the mayor has the right to vote on all questions before the council”. Since the vote was unanimous, the ordinance amendment is approved on the first reading.

Mr. Beaty made a motion to enter into a Public Hearing to consider an ordinance to formally adopt the Comprehensive Town Budget for the Fiscal Year 2013-2014 and to set the Property Tax Levy and Solid Waste Collection Fees, seconded by Mr. Martin, and carried unanimously.

Mr. Palenick outlined the budget ordinance which retains the Property Tax Levy at the current \$0.38 per thousand, includes a 2% Across the Board increase to employee wages, a \$1.50 per month increase to Solid Waste Collection Fees to be effective July 1st, a 3.5% increase to water and sewer rates to be effective January 1, 2014, and a proposed 3% increase (the actual increase will be determined once Dallas is informed of the increase assessed by Duke Energy) to electric rates to be effective January 1, 2014. (Exhibit C) Mr. Huggins stated that although he does not like the increases, they are necessary to the function of the Town. Mr. Withers felt that there were items in the budget that the Town could do without and listed them as follows: Tree Trimming - \$160,000; Crosswalks – 2 at \$25,000 each; Fitness equipment at Cloninger Park - \$6000; Pet Waste Stations at Cloninger Park - \$1000; and New Lights and Poles at Jaggars Park and Cloninger Park (maybe just fund one park this year and one later). He is willing to increase the Solid Waste Fee by \$1,50 per month and charge a fee to pick up tires, but is not in favor of charging for extra bags for waste outside of the 96 gallon can. Mr. Withers also questioned whether the Town really needs to purchase a trash truck, roof over the gas pumps, and an electronic sign in this budget. He believes that items could be trimmed from the budget to keep from raising the water rates. Ms. Morrow agreed with Mr. Withers’ statements. Mr. Bob Kendrick, 408 S. Groves St., stated that nothing in the Town helps the Senior Citizens and there are probably a lot of things in the budget that could be cut out. He stated that residents have lived this way for 40 years and he is sure there are things that could be cut or done without. He stated that he has not seen the budget. Mayor Coleman stated that two Budget Work Sessions had been advertised and conducted that the public could have attended, but only one person attended one of the sessions. Mr. Curtis Wilson, 438 S. Gaston St., stated that he thought the water and sewer rate structure and rates had been changed at the beginning of the project and that the stormwater rates had also changed. Mayor Coleman and Mr. Palenick informed the audience that stormwater revenue only funds stormwater projects, not water and sewer; and that the stormwater rates for residential customers had actually been reduced. Mr. Wilson said he was just wondering where the balance to accomplish water improvements was. Mr. Palenick stated that the rate restructuring had generated approximately \$40,000 in

additional revenues, while the proposed 3.5% increase would generate approximately \$70,000. The actual debt payment for the water improvement project is \$255,000 per year for 20 years. During the planning stages of the project, it was shown that modest increases would be necessary to fund the improvements, approximately 12% over the course of 4-6 years. Mr. Wilson then asked if this wasn't considered and agreed upon when the project was approved. If it was, then the increases would be expected by everyone. Mr. Martin stated that this budget does not even address the needed sewer interconnect with Gastonia, which will have to be addressed at some point soon. Plus, with the age and condition of the sewer collection system, an improvement project will have to be implemented to address that in the near future. Mr. Bob Kendrick asked what it would take to fund this through the tax rate. Mr. Palenick informed the audience that for each 1¢ increase in the tax rate, only \$25,000 would be generated. Currently, a transfer from the Electric Fund is generated each year to the General Fund. To cover this transfer would require a 22¢ increase to the property tax rate. That does not include the Water Distribution System Improvements Project. Mayor Coleman stated that a lot had been accomplished in the budget and that it is actually \$696,000 less than the current year's budget. Mr. Palenick stated that Dallas has historically been conservative and has managed the available resources very well.

Mr. Withers made a motion to exit the public hearing, seconded by Mr. Beaty, and carried unanimously. Mr. Beaty made a motion to approve the Fiscal Year 2013-2014 Budget Ordinance as presented, seconded by Mr. Martin, and carried by the following vote: Yays – Mr. Beaty, Mr. Huggins, Mr. Martin. Nays – Ms. Morrow and Mr. Withers. As per N.C.G.S. § 159-17, "Any action with respect to the adoption or amendment of the budget ordinance or any project ordinance may be taken at any regular or special meeting of the governing board by a simple majority of those present and voting, a quorum being present". Therefore, the Fiscal Year 2013-2014 Budget Ordinance passes and will be implemented on July 1, 2013.

Old Business:

Item 9A was a request to approve a one-year Contract for Auditing and Financial Statement Preparation services with Collis and Associates of Gastonia. North Carolina Law requires that municipalities have an independent audit conducted yearly on all finances of the jurisdiction. Dallas has consistently complied by engaging the outside services of Collis and Associates to perform both the yearly audit and to prepare the Town's financial statements. Since Collis and Associates have performed responsively and well, Town Staff is recommending the Board approve a contract with them for the audit of the FY 2013 finances. The proposed fees, which have been built into the FY2014 Budget are \$19,050 for the audit and \$7450 for the preparation of the financial statements. If a "Single Audit" is required, the cost will be an additional \$2400. These fees represent a \$175 increase for the audit and a \$65 increase for statement preparation in comparison to what was charged last year. North Carolina Law further requires that both the Governing Body of the jurisdiction and the State Local Government Commission approve any contract for audit services. Mr. Martin made a motion to approve the audit contract as presented, seconded by Mr. Withers, and carried unanimously.

New Business:

Item 10A was a request to approve amendments to agreements with Duke Energy, as necessitated by the Duke/Progress Energy merger. The Town is a party to a long-term (20-year) wholesale electric power purchase Agreement with Duke Energy which details how rates will be determined; how and when the Town will operate its Diesel generators to do "peak-shaving" generation; how costs will be "trued-up" based on performance of the peak-shaving and other factors; and, how the Town will comply with and document its Renewable Energy Performance Standards (REPS). The Town also approved, along with Duke Energy, a "Merger Settlement Agreement", on April 24th, 2012 which further laid out how the Town would be affected (and Held-Harmless) by the expected terms of the Duke/Progress merger. The actual merger was ultimately accomplished on July 2, 2012 and required approval of both the North Carolina Utilities Commission (NCUC) and the Federal Energy Regulatory Commission (FERC), as well as each of the wholesale electric customers. Because of the complexity of negotiations associated with and resulting from the Merger, aspects of both our Wholesale

Purchase Power Agreement and our subsequent Merger Settlement agreement must be changed to be consistent with the final Merger agreement as well as to assure the Town of the full benefits of the hold-harmless provisions negotiated on our behalf. Sheree Brown, of Utility Advisors Network, who worked on behalf of Dallas and the other non-Power-Agency Wholesale customers, has developed a two-page summary (Exhibit D) describing the changes to the agreements and recommends their approval. In effect, in the amended settlement agreement she negotiated everything legally possible and available to us (as wholesale customers) to take advantage of the "hold-harmless" provisions of the merger, being that we are guaranteed that Merger-related savings will be a minimum \$650 Million over the 5 years immediately following the merger; then, to the extent that merger-related costs are less than those savings, they can be included in the costs used to determine our "formula" rates. If costs are more than savings, than same will be capped at the rate of the guaranteed savings. In the Amended Purchase Power Agreement, the hold-harmless and savings provisions are again reflected. Also, we are provided two additional, extended options for payment in the event True-ups result in costs to the Town. We get potential penalties waived (through May 1, 2014) in the event we fail to operate our generators to the complete hours required by the PPA, if such operation were to violate the new EPA requirements on non-retrofitted exhaust emissions. And, we are provided additional positive "offsets" against our requirements to meet state-mandated renewable energy portfolio standards. Until we approve these two amended agreements, we can not take advantage of the positive effects contained in each. Mr. Beaty made a motion to approve the amendments as presented, seconded by Mr. Martin, and carried unanimously.

Item 10B was a request to reclassify the \$200,000 Challenge Grant to the Dallas Historic Courthouse Foundation as an outright Grant and to release those funds to the DHCF Capital Campaign Fund. Mr. Huggins made a motion to approve the request as presented, seconded by Mr. Withers, and carried unanimously.

Item 10C was a request to approve a Project Ordinance for Town Hall Improvements. With the \$3,600,000 installment purchase contract financing for the Water Line Project, Dallas was required to commit Town Hall as a collateral lien in addition to the water-mains themselves. Further, the LGC then required Dallas to spend a portion of the proceeds on the Town Hall since it has become property collateralized by the debt. In order to properly account for the revenues and expenditures associated with the Town Hall improvements, a Project Ordinance was developed, which establishes specific account codes for this segregated capital work. (Exhibit E) Mr. Withers made a motion to approve the project ordinance as presented, seconded by Mr. Beaty, and carried unanimously.

Item 10D was an amendment to the Project Ordinance for the Water Distribution System Improvements. The Project Ordinance was first adopted in September 2012. Since that time, the actual construction bids have been received for each of the three phases of the Project, the overall financing has been adjusted, other issuance costs have been added, and Town Hall has become a collateral lien with associated improvements. As a result, the original Project Ordinance required amendments to reflect the changes and updates. (Exhibit F) Mr. Martin made a motion to approve the amended Project Ordinance as presented, seconded by Mr. Beaty, and carried unanimously.

Mr. Palenick gave a Manager's Report, noting current projects.

Mr. Martin made a motion to adjourn, seconded by Mr. Huggins, and by the following vote; Yays – Mr. Huggins, Mr. Martin, Ms. Morrow, and Mr. Withers. Nays – Mr. Beaty. (7:29)

Planning Board Recommendation for Action

The Planning Board recommends that the following lots, voluntarily annexed into the Town of Dallas on April 9, 2013, be placed within the B-1, Neighborhood Business Zoning. This zoning classification matches that of the lot that is currently within the Town limits that borders these parcels and is consistent with all of the objectives and policies for growth and development contained in the Town of Dallas Land Use Plan for the following reason(s):

1. The Land Use Plan indicates that the area in which this lot sits is a "general business area" and therefore the rezoning matches the Land Use Plan.
2. The zoning is in harmony with the zoning classification of the other lots within the area, and does not adversely affect the zoning of these lots.

The lots to be zoned B-1, Neighborhood Business are as follows:

1. PID #172036 1502 Lower Dallas Highway
2. PID #172035 1508 Lower Dallas Highway
3. PID #172522 1518 Lower Dallas Highway

This report reflects the recommendation of the Planning Board, this 25th day of April 2013

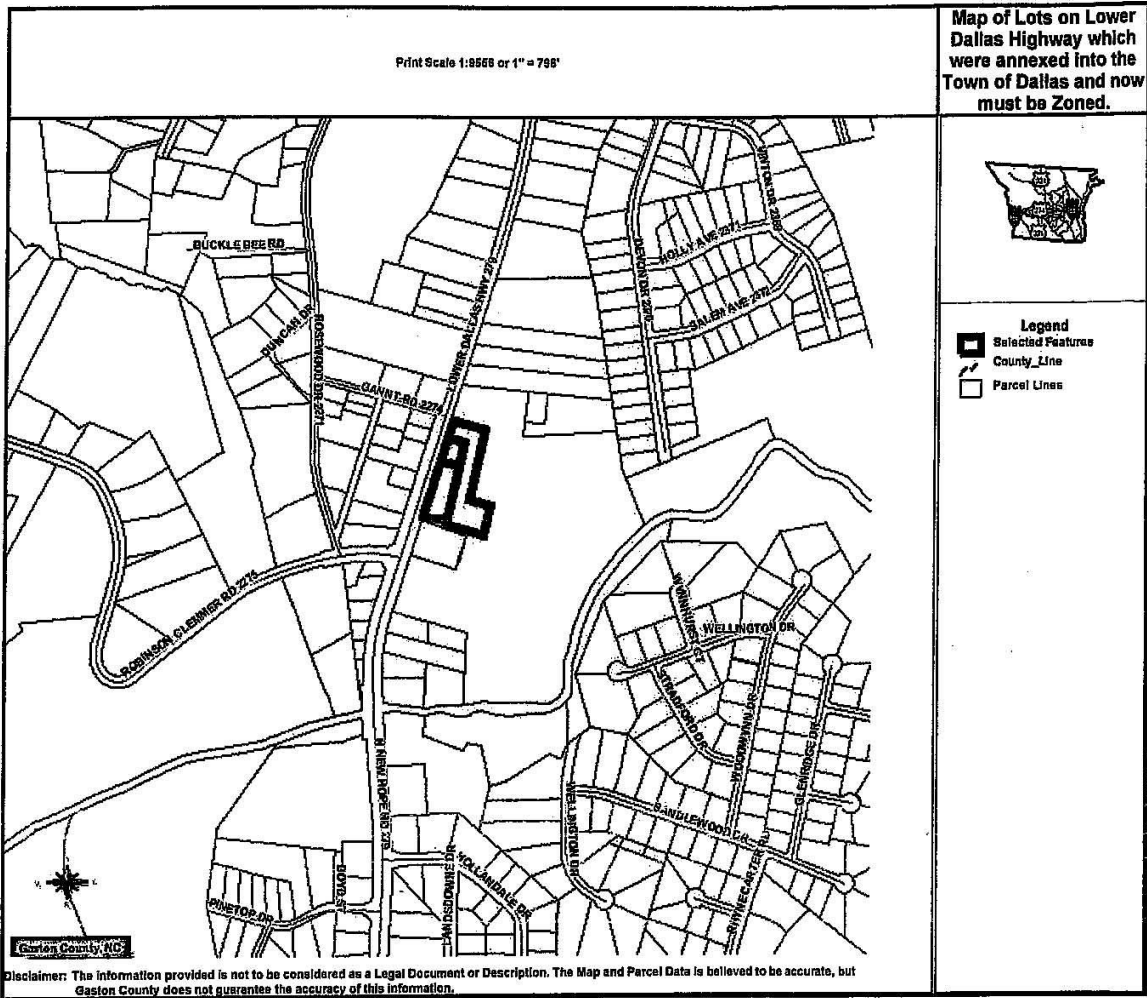
Attest:

Planning Board Chair



Planning Director

21



Planning Board Recommendation for Action

The Planning Board makes the following recommendation for amendment to the Zoning Code:

Amend Section II-I-22, subsection (j) as follows- Other Business or Service Uses. One Space for each 400 Square Feet of Gross Floor Space.

The recommendation is consistent with all of the objectives and policies for growth and development contained in the Town of Dallas Land Use Plan for the following reason(s):

It coincides with the spaces required for other retail uses, and reduces the amount of impervious surface and overall square footage of a lot that a developer must dedicate to parking.

This report reflects the recommendation of the Planning Board, this 25th day of April 2013

Attest:

Planning Board Chair



Planning Director

(h). **ACCESS:** An access road shall be maintained for and use permitted in Subsection (a) (3) above from the property in a dust-free condition, until such time as the maintenance of the access road is assumed by the **North Carolina Highway Commission**.

(i). **OPERATIVE REQUIREMENT:**

(1). Records shall be made and maintained of all blasting or explosive activity taking place on the site. Such records shall be in sufficient detail and completeness to enable technically Qualified experts to determine that safe and non-objectionable maximum Limits are not being exceeded. In no case, however, shall the ground motion, measured in the home or business establishment of the nearest neighbor, exceed the movement as hereinafter shown:

Frequency of ground in cycles per second	Maximum amplitude of ground motion in inches
Up to 10	Not more then 0.0305
20	0.0153
30	0.0102
40	0.0076
50	0.0061
60	0.0051

(2). Operators shall take such reasonable measures as are necessary to minimize the creation and emission of noise, dust, vibration, glare and odor from their extractive industry operations.

(j). **ABANDONMENT OF SITE:** Upon the permanent abandonment of all extractive activity upon site, the **Board of Aldermen** shall consider rezoning it to its best and most desirable use, taking into consideration the then existing use and zoning of surrounding properties.

SEC. I-II-22. OFF-STREET PARKING REQUIREMENTS.

(a). In all business and industrial zones, except the P-3 zone which is specifically exempt form the provisions of this Section, there shall be provided, at the time of the erection of any building or structure, or at the time any principal building or structure is enlarged or increased in capacity by adding dwelling units, guest rooms, seats or floor area, permanent off-street parking space in the amount specified in this Section.

(b). In all residential and office and institutional zones, there shall be provided, at the time of the erection of any building or structure, or at the time any principal building or structure is enlarged or increased in capacity adding dwelling units, guest rooms, seats or floor area, or before conversion of any building or structure from one zoning use to another, permanent off-street parking space in the amount specified in this Section.

(c). The off-street parking space required by this Section shall be permanent open space and shall not be used for any other purpose. **Wheel stops or curb** shall be provided where necessary to prevent any vehicle from encroaching on adjacent property, on any street right-of-way or on the area **within ten (10) feet** of such right-of-way as specified in **Section I-II-22(f)**.

(d). The required parking space for any number of separate uses may be combined in one lot but the required space assigned to one use may not be assigned to another for use during the same hours,

(e). Parking spaces maintained in connection with an existing use at the time of the adoption of this chapter up to the number required by this chapter shall be continued and may not be counted as serving a new structure or addition thereto.

(f). **No portion of any street right-of-way or of any area within ten (10) feet of such right-of-way line shall be considered as fulfilling or partially fulfilling the off-street parking requirements of this section.**

(g). Except for dwelling units, if the parking space required by this section cannot be reasonably provided on the same lot on which the principal use is conducted, such space may be provided on another lot separated therefrom by not more than four hundred (400) feet, provided such lot is located in a zone in which such a use is permitted.

(h). Each application for a building permit or certificate of occupancy shall include information as to the location and dimensions of off-street parking space, if required and the means of ingress and egress between such space and a street or alley. This information shall be in sufficient detail to enable the **Building Inspector** to determine whether or not the requirements of this section are met. (Amended 1/11/72).

(i). The certificate of occupancy for the use of any building, structure or land where off-street parking space is required shall be withheld by the **Building Inspector** until provisions of this section are fully met. (Amended 1/11/72).

(j). In accordance with the foregoing provisions, off-street parking space shall be provided and permanently maintained for the following uses in the number indicated:

AUDITORIUMS, THEATERS, CHURCHES and other places of assembly. One space for each twenty-one (21) square feet of seating area in main place of assembly.

CONVENIENCE TYPE GROCERY STORES. One space for each one hundred (100) square feet of gross floor area, provided that any fractional result will require an additional whole space,

DWELLINGS. Two (2) spaces for each dwelling unit; any fractional result will require and require an additional whole space.

GOLF COURSES AND COUNTRY CLUBS. One space for each two hundred (200) square feet of gross floor area, or one space for each acre of real estate, whichever will provide the greatest number of spaces.

HOTELS. One space for each two (2) rooms, plus additional space as required for other uses within the hotel.

HOSPITALS. Two spaces for each bed, not including bassinets, provided that any fractional result will require an additional whole space.

INDUSTRIAL MANUFACTURING AND WHOLESALE USES. One space for each employee, based on the maximum number of employees on one shift which the plant or building is designed to employ. (Amended February 28, 2006).

MOTELS AND TOURIST HOMES. One space for each room or unit to be rented, plus additional space as required for other uses within the motel or tourist home.

NURSING HOMES. For chronic or convalescent patients and homes for the aged and informed. One space for each bed, provided that any fractional result will require an additional whole space.

OCCUPATIONS, CUSTOMARY HOME. One space for each two hundred (200) square feet of gross floor area devoted to the particular customary home occupation, in addition to the normal off-street parking spaces required of a dwelling. Such parking space or spaces shall be located in the rear yard, screened from view of adjacent residential properties, and connected to the access street by paved driveway. Every person connected with or utilizing the services of a customary home occupation shall use the parking spaces provided in the rear yard only, and the owner of the dwelling shall be responsible for requiring such use.

OTHER BUSINESS OR SERVICE USES. Not otherwise referred to herein. One space for each two hundred (200) square feet or gross floor area

Retail Business and Office Uses: One space for each four hundred (400) square feet of gross floor space. (Amended February 28, 2006)

ROOMING AND BOARDINGHOUSES, FRATERNITIES. One space for each room to be occupied.

SCHOOLS. Three spaces for each room used for administrative offices or class instruction or one space for each six seats in the auditorium or other places of assembly or facilities available to the public, whichever is greater, in elementary schools and junior high schools and the equivalent private or parochial schools. Five spaces for each room used for administrative offices or class instruction or one space for each five seats in the auditorium or other places of assembly or facilities available to the public, whichever is greater, in senior high schools, trade and vocational schools, colleges and universities. One space for each adult attendant in day nurseries, day-care centers and preschool kindergartens.

SWIMMING POOLS. One space for each two hundred (200) square feet of swimming pool area. (5/8/2008)

TENNIS COURTS. Eight (8) spaces for each unit.

SEC. I-II-22.1. SPECIAL PERMIT FOR OFF-STREET PARKING IN RESIDENTIAL ZONES.

(a). Off-street parking may be provided through a special permit in residential zone for a Multi-Family Residential, Office and Institutional, Business, or Industrial use subject to the following requirements:

- (1). The parking lot shall directly abut the Multi-Family, Office and Institutional, Business, or Industrial use.
- (2). No portion of the parking Lot shall extend more than 150 feet into the adjacent residential zone.
- (3). All off-street parking facilities shall be designed with appropriate means of access to a public street or alley, as well as maneuvering space.
- (4). Parking areas shall have adequate drainage and shall be provided with bumper guards where required by the **Town Clerk**.
- (5). Parking areas shall be used for parking of automobiles only, with no sales storage, repair work, dismantling, or servicing of any kind to be permitted.
- (6). All required parking spaces shall be of such design and Located so as to be convenient and readily usable by the patrons thereof.
- (7). Sufficient area shall be provided within the property Lines so that all vehicles may enter and leave in a forward motion.
- (8). All parking Lots shall be paved with concrete, penetration macadam, or plant mix.
- (9). If illuminated night time parking is to be permitted, the lights shall be shielded so as to prevent direct beaming into a residential area.
- (10). A screen containing a mixture of deciduous and evergreen trees spaced in a staggered triangular pattern not more than ten feet apart and containing not less than two rows of dense plant materials shall be

BUDGET ORDINANCE FOR THE TOWN OF DALLAS

For:
Fiscal-Year 2013-2014

**BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF DALLAS,
NORTH CAROLINA THAT:**

SECTION 1: The schedules of expenditures listed in this ordinance are hereby appropriated for the operation and activities of the general town government for the fiscal year beginning July 1, 2013, and ending June 30, 2014, in accordance with the chart of accounts heretofore established for the Town of Dallas.

Administration	\$ 196,753
Community Development	56,600
Building and Grounds	51,350
Police	1,156,314
Fire	343,564
Street	495,336
Recreation	226,234
Solid Waste	<u>382,698</u>
	\$ 2,908,849

SECTION 2: The schedules of revenues listed in this ordinance are established as an estimate to be available for the General Fund for the fiscal year beginning July 1, 2012, and ending June 30, 2013.

Current and Prior Ad Valorem Taxes	\$ 1,007,500
Motor Vehicle Licenses	15,360
Privilege Licenses	3,750
Powell Bill Allocation	124,356
Interest Earnings: Powell Bill	125
Interest Earnings: General	3,750
Arrest Fees	850
Franchises Taxes	112,676
Telecommunications Sales tax	79,196
Video Programming Sales Tax	17,580
Recreation Revenue	64,100
Gaston County Hold Harmless	194,470
Local Option Sales Tax 1c	304,756
Solid Waste Collection Fee	315,600
Extra Call-in and Bag Sale	15,390
Natural Gas Excise Tax	15,461
Zoning Fees	3,800
Solid Waste Disposal Tax	2,875
Alcohol/Beverage Tax	19,522
ABC Wholesale Dist.	600
NC Grant Fire Dept.	5,000

NCIRMA Safety Grant	750
Fund Balance	0
Contribution from Electric Fund	492,727
Contribution from P.D. Proj. Fund	18,991
Contribution from Enhancement Gr. Fund	16,870
Contribution from Capital Reserve	49,294
Miscellaneous & Other	<u>23,500</u>
	\$ 2,908,849

SECTION 3. The schedules of expenditures listed in this ordinance are hereby appropriated for the operations of the Water and Sewer Enterprise Utility Fund for the fiscal year beginning July 1, 2013, and ending June 30, 2014, in accordance with the chart of accounts heretofore established for the Town of Dallas.

Total Water and Sewer Operations:	\$ 1,433,778
Water Plant:	559,504
Sewer Plant:	<u>376,109</u>
TOTAL WATER AND SEWER:	\$2,369,391

SECTION 4: The schedule of revenues listed in this ordinance are established as an estimate to be available in the Water and Sewer Enterprise Utility Fund for the fiscal year beginning July 1, 2013, and ending June 30, 2014.

Water Revenue	\$ 1,392,489
Sewer Revenue	714,220
Other	2,000
Late Charge	70,000
Water Taps	10,250
Sewer Taps	10,250
Antenna Lease	69,750
Fund Balance	<u>100,432</u>
	\$2,369,391

SECTION 5. The schedule of expenditures listed in this ordinance are hereby appropriated for the operation of the Electric Enterprise Utility Fund for the fiscal year beginning July 1, 2013, and ending June 30, 2014, in accordance with the chart of accounts heretofore established for the Town of Dallas.

Electrical	<u>7,979,524</u>
	\$7,979,524

SECTION 6: The schedule of revenues listed in this ordinance are established as an estimate to be available for the Electric Fund for the fiscal year beginning July 1, 2013, and ending June 30, 2014.

Electric Charge	\$6,800,500
Sales Tax on Power Bills	192,000
T-2 Light Charges	134,000
Service Charge	55,800
Electric Charge from Other Departments (reimbursement)	140,000
Written Off Accounts	27,500
Customer Billed Charges	6,000

Interest on Investment	6,250
Pole Rental Fees	17,860
Miscellaneous & Other	1,925
Sale of Surplus property	9,000
Fund Balance	<u>588,689</u>

\$ 7,979,524

SECTION 7: The schedule of expenditures listed in this ordinance are hereby appropriated for the operation of the Storm Water Enterprise Utility Fund for the fiscal year beginning July 1, 2013, and ending June 30, 2014, in accordance with the chart of accounts heretofore established for the Town of Dallas.

Operations	\$ 52,488
Professional Services	17,180
Maintenance & Repair	8,600
Capital Outlay	<u>60,660</u>
	\$138,928

SECTION 8: The schedule of revenues listed in this ordinance are established as an estimate to be available for the Storm Water Enterprise Utility Fund for the fiscal year beginning July 1, 2012, and ending June 30, 2013.

Storm Water Charges	\$86,500
Fund Balance	<u>52,428</u>
	\$138,928

SECTION 9: There is hereby levied a tax at the rate of thirty-eight cents (\$0.38) per one hundred dollars (\$100) assessed valuation of property listed for Taxes as of January 1, 2014, for the purpose of raising the revenue listed as "Current Ad Valorem Taxes" and "Vehicle Taxes" in the General Fund. The County of Gaston shall collect these taxes for the Town. In addition, Motor Vehicle Tag License fees shall remain at \$5.00 per vehicle.

SECTION 10: That the Solid Waste collection fees shall, effective July 1, 2013 be set as follows:

- Weekly Residential Pick-up of Curb -Cart: \$13.00 per-month
- Weekly Commercial Pick-up of Curb-Cart: \$15.00 per-month
- Call-in Pick-up of rimless Tire: \$ 5.00 each
- Call-in Pick-up of Tire on Rim: \$ 8.00 each
- Call-in Pick-up of un-bagged Refuse (outside cart): \$ 10.00 each
- Additional, 33-gal Town Bags: \$ 1.00 each

SECTION 11: That the local sales tax shall be accounted as a Revenue in the General Fund.

SECTION 12: To allow the Town Manager to make line item adjustments within the funds. Any transfer of money between funds, however, shall be accomplished exclusively by action of the Board of Aldermen.. The 2013-2014 Fiscal Year Budget hereby establishes Funds and Departments as shown in the Budget Document.

SECTION 13: Copies of this Budget Ordinance, with detailed Fund and Department accounts, shall be furnished to the Town Clerk, to the Board of Aldermen, and to the Town Manager, to be kept by them for their direction on disbursement of funds:

SECTION 14: That a properly-noticed public hearing was held on June 11, 2013, at 6:00 p.m. in the Community Room of the Town's Fire Department Building.

Motion by Alderman _____ to adopt the 2013-2014 Fiscal Year Budget Ordinance. Seconded by Alderman _____ and carried by the following vote:

Ayes:

Nays:

Adopted this 11th day of June, 2013.

Mayor Rick Coleman

Attested:

Maria Stroupe, Town Clerk

Duke Energy acquired Progress Energy on July 2, 2012. In order to accomplish the merger, Duke and Progress had to receive approval of both the North Carolina Utilities Commission ("NCUC") and the Federal Energy Regulatory Commission ("FERC"). Under past FERC policy, mergers have been approved as long as conditions of the merger hold customers harmless. Customers are deemed to be held harmless as long as the merger does not result in costs that are greater than the customers would have incurred without the merger. In an effort to expedite FERC approval of the merger, Duke entered into merger settlement agreements with its wholesale customers that provided for Duke to absorb any merger-related costs in excess of merger-related savings for the period leading up to the merger and for five years following the merger. The City of Dallas, North Carolina ("the City") entered into a Merger Settlement Agreement on April 24, 2012, along with Duke's other wholesale customers.

At the time of the Merger Settlement Agreement, Duke had not yet finalized its merger terms and conditions with the NCUC staff for treatment of its retail customers. The NCUC approval was received thereafter with various terms and conditions for savings that would apply to Duke's retail customers. Upon closing of the merger, Duke replaced Bill Johnson as CEO of the combined company. This caused a reopening of the merger arguments and resulted in additional guaranteed savings to Duke's retail customers.

Although Duke is not offering total parity with the retail terms and conditions, it is extending certain guaranteed savings to its wholesale customers. The Merger Settlement Agreement is being amended to reflect these additional savings and associated terms. In addition, the Power Purchase Agreement is being amended to reflect some of the terms spelled out in the Amended Merger Settlement Agreement. The following describes the terms of the Amended Merger Settlement Agreement and the amendments to the Power Supply Agreement.

Amended Merger Settlement Agreement

Under the terms of the Amended Merger Settlement Agreement, Duke will identify merger related savings each year based on models of its costs of fuel and purchased power if the system had been dispatched on a stand-alone basis as compared to the actual dispatch of the combined company. Duke is guaranteeing that the savings will be at least \$650 million over the 5 year period beginning on the date of the merger. Duke will calculate the merger-related costs for each year. To the extent that such costs are less than the merger-related savings, the costs will be included in the formula rates. If the costs are greater than the merger-related savings, then the costs will be capped at the level of the merger-related savings. Merger-related costs incurred prior to the date of the merger will not be included in the formula rates as there were no offsetting merger-related savings.

The Amended Merger Settlement Agreement specifies additional merger-related savings and excludes certain merger-related costs from the formula. Additional merger-related savings are \$38.6 million in system-wide fuel and purchased power savings from the joint dispatch of the Duke and Progress systems. These additional savings will not be subject to offset by merger-related costs. Excluded merger-related costs are severance costs associated with Bill Johnson's termination and certain

specific legal expenses, as well as additional benefits that were provided to the retail jurisdiction.

The Amended Merger Settlement Agreement also provides for additional hold harmless protections in the event that the Duke and Progress operating companies are merged within the first 10 years after the merger.

Although not all of the Amended Merger Settlement Agreement terms are directly reflected in the amended Power Purchase Agreements, the Amended Merger Settlement Agreement specifically notes that all its terms and conditions will be reflected in the formula rate under the Power Purchase Agreements and that if any provisions conflict, the Merger Settlement will take precedence.

Amended Power Purchase Agreement

The primary purpose for amending the power purchase agreement was to reflect the hold harmless provisions that Duke had told FERC it would commit to provide. The amendment sets forth the commitment to reflect the same level of joint dispatch savings that are guaranteed to Duke's retail customers, the offset for merger-related costs, and the methodology for calculating the net costs to be included in the formula rates.

In addition to the hold harmless commitments, Duke proposed a few amendments to reflect resolution of certain issues that have arisen in the operation of the formula rates. First, to recognize municipalities' issues with budgeting around annual true-ups, Duke is allowing the choice of three payment options. There are two extended payment options which will allow the City to defer payment of any true-up either for a 6 month or 11 month period. The City must choose which deferred payment option it prefers by June 1, 2013. The other option is the current lump-sum payment option. Each year, the City will have a limited time period to choose the lump-sum or deferred payment option. The amendment spells out the time periods for choosing the payment options and sets forth provisions for interest on the unpaid balances and limits on the total amount that can be deferred.

Second, due to new EPA requirements, the City has to retrofit its existing diesel generators in order to allow operation for the hours required under the PPA. The amendments to the PPA waive the penalties for not meeting the required hours of operation until May 1, 2014--the date on which retrofits are required to be completed.

The last substantive amendment to the PPA is a change in the offsets for meeting the City's renewable energy portfolio standards ("REPS") and thus setting the charges from Duke for REPS. Prior offsets were given for the City's allocation of power from the Southeastern Power Administration ("SEPA"). Additional offsets for demand-side management, energy efficiency measures, and other hydro facilities are recognized in the amendment.

Other amendments to the PPA are clerical in nature.

**Capital Project Ordinance
Fund 13 Dept. 4100
Town Hall Improvements**

Purpose: This Capital project Ordinance is established to identify and account for the Revenues and Expenditures associated with the Town Hall Improvement Project.

Expenditures: The Finance Officer is allowed to make line item adjustments within this Fund.

<u>Account #</u>		<u>\$ Amount</u>
5700	Miscellaneous	825.00
6401	Title Insurance Policy	2,175.00
0410	Professional Services: Engineering	1,320.00
7540	Capital Outlay: Entrance Steps	9,000.00
7541	Capital Outlay: Cabinets & Workspace	7,500.00
7542	Capital outlay: Lot Resurfacing	14,500.00
	TOTAL:	\$35,320.00

Revenues:

<u>Account #</u>		<u>\$ Amount</u>
3850	Proceeds from capital financing	30,000.00
3910	Contribution from Water/Sewer Fund	2,175.00
3920	Contribution from general Fund	3,145.00
	TOTAL:	\$35,320.00

Motion by Alderman _____ to adopt this Ordinance, seconded by Aldermen _____, and carried by the following vote:

Yays:

Nays:

Adopted this _____ day of June, 2013

Rick Coleman, Mayor

Attest: _____
Maria Stroupe, Town Clerk

**Capital Project Ordinance
Fund 22 Dept. 8100
Water Distribution System Improvements**

Purpose: This Capital project Ordinance is established to identify and account for the Revenues and Expenditures associated with the Water Distribution System Project.

Expenditures: The Finance Officer is allowed to make line item adjustments within this Fund.

<u>Account #</u>		<u>Orig. Budget</u>	<u>As Amended</u>
1112	Debt Issuance & Administrative costs	0	\$ 4,000.00
0410	Professional Services: Engineering	\$ 279,685.00	279,685.00
0420	Professional Services: Surveying	93,685.00	93,685.00
0430	Professional services: Bond Counsel	7,500.00	7,500.00
0440	Professional Services: Financial Consultant	25,000.00	25,000.00
7530	Capital Outlay: Water Line Construction	2,796,856.00	
	Phase I: \$1,154,800.00		979,485.00
	Phase II: 801,570.00		1,464,065.00
	Phase III: 840,486.00		872,210.00
9500	Private Lateral Reimbursement Program	<u>70,000.00</u>	<u>70,000.00</u>
	TOTAL:	\$3,272,726.00	\$3,795,630.00

Revenues:

<u>Account #</u>		<u>Orig. Budget</u>	<u>As Amended</u>
3870	Proceeds from Capital Financing	\$3,032,500.00	\$3,566,200.00
3910	Contribution from Water/Sewer Fund	<u>240,226.00</u>	<u>229,430.00</u>
	TOTAL:	\$3,272,726.00	\$3,795,630.00

Motion by Alderman _____ to adopt this Ordinance, seconded by Aldermen _____, and carried by the following vote:

Yays:

Nays:

Adopted this _____ day of June, 2013

Rick Coleman, Mayor

Attest: _____
Maria Stroupe, Town Clerk