



# Minutes of the Burlington City Council Meeting Virtual Meeting 7:00pm – Tuesday, July 21, 2020

The City Council of the City of Burlington held a regularly scheduled meeting remotely beginning at 7:00pm on July 21, 2020. Due to the Coronavirus Pandemic, this meeting was convened remotely using the Zoom Webinar platform.

Mayor Ian Baltutis presided.

### **Council Members Present:**

Mayor Ian Baltutis  
Mayor Pro Tem Kathy Hykes  
Council Member Robert Ward  
Council Member James Butler  
Council Member Harold Owen

### **Staff Present:**

City Manager Hardin Watkins  
City Attorney David Huffman  
Interim City Clerk Beverly Smith

**Council Members Absent:** None

**CALL TO ORDER:** Mayor Ian Baltutis

**INVOCATION:** Mayor Ian Baltutis

The invocation was offered by Mayor Baltutis.

**PROCLAMATION:** In Honor of Times-News Sports Editor - Bob Sutton

A Proclamation was issued to Bob Sutton by Council Member Owen.

Bob Sutton was in attendance and expressed appreciation for the recognition. He stated he was honored to have a day proclaimed as Bob Sutton Day on July 22, 2020 in the City of Burlington.

Council Members expressed appreciation and gratitude for Mr. Bob Sutton and his devotion and coverage of the Burlington community.

**CODE OF ETHICS DISCLOSING CONFLICTS OF INTEREST:** Interim City Clerk, Beverly Smith

There were no conflicts reported.

### **APPROVAL OF MINUTES:**

- May 4, 2020 Work Session
- May 5, 2020 City Council Meeting
- May 19, 2020 City Council Meeting

Upon a motion by Council Member Ward, seconded by Council Member Owen, it was resolved unanimously to approve the foregoing minutes.

**ADOPTION OF AGENDA**

Upon a motion by Mayor Pro Tem Hykes, seconded by Council Member Butler, it was resolved unanimously to adopt the agenda.

**CONSENT AGENDA:**

- A. To set a date of public hearing for September 1, 2020, to consider the Lease and Use Agreement between the City of Burlington and the Burlington Baseball Club, Inc.
- B. To adopt a Resolution approving the Link Transit System’s Public Transportation Agency Safety Plan (PTASP) and System Safety Plan (SSP) per the North Carolina Department of Transportation guidelines.

**Resolution#20-08**

**Resolution of the Link Transit System  
Public Transportation Agency Safety Plan (PTASP)**

WHEREAS, the Link Transit System is the recipient of Federal and State funds to provide public service to the general public; and

WHEREAS, as an operator of a public transportation system that receives Federal financial assistance under 49 U.S.C. Chapter 53, the Link Transit System is required to develop a Public Transportation Agency Safety Plan based on the Safety Management System approach; and

WHEREAS, the Link Transit System PTASP identifies safety performance measures and targets based on the safety performance criteria established under the National Public Transportation Safety Plan (49 CFR 673.11(a)(3)) to be reported to the local Metropolitan Planning Organization (MPO) and the North Carolina Department of Transportation- Public Transportation Division (NCDOT-PTD) (49 CFR 673.15); and

WHEREAS, the Link Transit System PTASP was developed using the prescribed template provided by both the Federal Transit Administration (FTA) and the NCDOT-PTD and will be updated periodically, at a minimum of once a year for updates provided to the MPO and NCDOT-PTD; and

WHEREAS, the Link Transit System PTASP and any subsequent updates will be certified with FTA through the annual Certifications and Assurances process.

NOW THEREFORE BE IT RESOLVED that the Burlington City Council adopt the Link Transit System PTASP to adhere to the requirements identified in 49 CFR Part 673.

Adopted this 21<sup>st</sup> day of July 2020.

- C. To adopt the Urgent Repair Program Assistance (URP) and Procurement and Disbursement policies as a final requirement to receive grant funding from the North Carolina Housing and Finance Agency for URP20.

**City of Burlington  
Community Development Division  
Urgent Repair Program 2020  
Procurement and Disbursement Policy**

**PROCUREMENT POLICY**

1. To the maximum extent practical, the City of Burlington (the City) promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency's Urgent Repair Program (URP). Bids are invited from Contractors who are part of the City's Approved Contractors List as advertised on the Community Development website. (To be on the list, a contractor must complete an application, have their recent work inspected, reviewed and approved by the City of Burlington's Rehabilitation Specialist and submit proof of insurance.) Any contractor listed with and approved by the City and in good standing will receive automatic approval status on the contractor list.
2. All contractors listed in the Approved Contractors List shall be invited to bid on each job and the lowest responsive and responsible bidder shall be selected for the contract. "Responsive and responsible" means (a) the contractor is deemed able to complete the work in a timely fashion; (b) the bid is within 15%, in either direction, of the City's cost estimate; and, (c) there is no conflict of interest (real or apparent).
3. Although bid packages may be bundled for multiple job sites, the bids for multiple job sites shall be considered separate and apart when awarded and shall be awarded to the lowest responsive and responsible bidder(s) for each job site.
4. Bid packages shall consist of an invitation to bid, work write up(s) and bid sheet(s) for each job.
5. Bids must include a cost-per-item breakdown with line item totals equaling the submitted bid price. Discrepancies must be reconciled prior to a contract being awarded.
6. Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by all parties to the original contract and two representatives of the City. The change order must also detail any changes to the original contract price.
7. No work may begin prior to a contract being awarded and a written order to proceed provided to the contractor. In addition, a pre-construction conference and "walk thru" shall be held at the work site prior to commencement of repair work.
8. The City reserves the right to reject any or all bids at any time during the procurement process.
9. In the event of a true emergency situation, the City reserves the right to waive normal procurement procedures in favor of more expedient methods, which may include seeking telephone quotes, faxed bids and the like. Should such methods ever become necessary the transaction will be fully documented.

10. All sealed bids will be opened publicly at a time and place to be announced in the bid invitation. All bidders are welcome to attend.

### **DISBURSEMENT POLICY**

1. All repair work must be inspected by (a) the City's Rehabilitation Specialist, and (b) the homeowner prior to any payments to contractors. If all work is deemed satisfactory and all other factors and written agreements are in order, payment shall be issued upon presentation of an original invoice from the contractor. Contractor should allow 21 business days for processing of the invoice for payment.
2. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of payment. If the contractor fails to correct the work to the satisfaction of the City's Rehabilitation Specialist, payment may be withheld until such time the work is satisfactory. (Contractors may follow the City's Urgent Repair Program Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy).
3. The City assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
4. All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.
5. All contractors must sign a Section 3 form provided by Community Development staff prior to disbursement of funds.

The Procurement and Disbursement Policies are adopted this the 21<sup>st</sup> day of July 2020.

Upon a motion by Council Member Ward, seconded by Mayor Pro Tem Hykes, it was resolved unanimously to approve the foregoing consent agenda.

### **PUBLIC HEARINGS:**

#### **Item 1: Resolution Installment Financing:**

Mayor Baltutis announced a public hearing has been set to receive public comments and consider adopting a Resolution for proposed installment financing pursuant to NCGS § 160A-20(g).

Director of Finance and Risk Management Peggy Reece provided an overview of the proposed financing installment agreement. She reported staff recommends adopting the proposed Resolution making certain findings and determinations regarding financing of various capital projects for the City of Burlington pursuant to an installment financing agreement, selecting the lender, Truist, and requesting the Local Government Commission to approve the financing agreement.

The public hearing was held and there was one comment submitted via email on July 21, 2020 by the following:

George Adams, 317 Bidney Lane, Burlington, NC, provided written comments by email prior to the public hearing expressing his objection to the incurrence of the proposed debt by the City.

There were no other comments made at the public hearing or received by the City prior to the date of the public hearing or within the 24-hour period following the public hearing.

The public hearing was closed.

Upon a motion by Council Member Butler, seconded by Council Member Ward, it was resolved unanimously to close the public hearing.

### **Resolution#20-19**

#### **RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE FINANCING OF VARIOUS CAPITAL PROJECTS FOR THE CITY OF BURLINGTON, NORTH CAROLINA PURSUANT TO AN INSTALLMENT FINANCING AGREEMENT, SELECTING THE LENDER AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT**

BE IT RESOLVED by the City Council (the “City Council”) of the City of Burlington, North Carolina (the “City”) as follows:

Section 1. The City Council does hereby find and determine as follows:

(a) There exists in the City a need to finance the costs of (i) renovating a historic carousel and constructing a carousel building to house the carousel, (ii) acquiring a fire engine and various other vehicles and equipment for use by the City, (iii) constructing, renovating and equipping various improvements to existing facilities of the City, including, but not limited to, City Hall and various fire stations and (iv) providing various streetscape and ballfield improvements (collectively, the “Project”).

(b) After due consideration, the City has determined to enter into an installment financing agreement (the “Agreement”) in an aggregate principal amount not to exceed \$9,500,000 to provide funds, together with any other available funds, to (i) pay the costs of the Project and (ii) pay certain financing costs in connection therewith.

(c) The City has solicited and received proposals from various financial institutions to provide the financing for the Project and, upon careful review and consideration thereof, desires to accept the proposal of Truist Bank (the “Lender”);

(d) Pursuant to the Agreement the Lender will advance to the City an amount sufficient, together with any other available funds, to pay the costs of the Project and associated financing costs, and the City will repay the advancement in installments with interest (the “Installment Payments”).

(e) In order to secure its obligations under the Agreement, the City will execute and deliver a deed of trust or security agreement (the “Security Instrument”) granting a lien on or security interest in or all a portion of the Project being financed, together with all improvements and fixtures located or to be located on any of the sites of the Project being financed.

(f) It is in the best interests of the City to enter into the Agreement and the Security Instrument in that such transaction will result in providing financing for the Project in an efficient and cost effective manner.

(g) Entering into the Agreement is preferable to a general obligation bond and revenue bond issue in that (i) the City does not have the constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the City has not retired a sufficient amount of debt in the preceding fiscal year to issue a sufficient

amount of general obligation bonds for the financing of the Project without an election; (ii) the nature of the Project does not allow for the issuance of revenue bonds to finance the costs of the Project; (iii) the costs of the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to commence acquisition and construction of the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the commencement of acquisition and construction of the Project by several months; and (v) there can be no assurances that the Project would be approved by the voters and the necessity of such Project dictates that the Project be financed by a method that assures that such Project will be acquired and constructed in an expedient manner.

(h) It has been determined by the City Council that the financing of the Project through the Agreement is reasonably comparable to the costs of issuing general obligation bonds or notes or other available methods of financing and is acceptable to the City Council.

(i) Counsel to the City will render an opinion to the effect that the proposed Agreement is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(j) The debt management policies of the City have been carried out in strict compliance with law, and the City is not in default under any obligation for repayment of borrowed money.

(k) No tax rate increase is expected to be necessary to pay the Installment Payments under the Agreement.

Section 2. The proposal of the Lender to provide financing through the Agreement for the purpose of providing funds, together with any other available funds, to pay the costs of the Project and associated financing costs is hereby accepted, subject to further approval of the particular documentation related thereto by the City Council. The City Manager and the Director of Finance and Risk Management of the City are each hereby authorized and directed to execute and deliver such documentation as may be necessary to accept the proposal of the Lender.

Section 3. The City Council hereby authorizes and approves the filing of an application with the Local Government Commission for approval of the Agreement and requests the Local Government Commission to approve the Agreement and the proposed financing in connection therewith.

Section 4. This resolution shall take effect immediately upon its adoption.

Upon a motion by Council Member Owen, seconded by Mayor Pro Tem Hykes, it was resolved unanimously to adopt the foregoing Resolution.

**Item 2: CDBG 5-Year Consolidated Plan – 2020 Annual Action Plan:**

Mayor Baltutis announced a public hearing has been set to receive public comments and consider approval of the CDBG 5-Year Consolidated Plan/2020 Annual Action Plan.

Community Development Administrator Sonye Randolph presented the request to Council to consider approving submission of the CDBG 5 Year Consolidated Plan and the 2020 Annual Action Plan to HUD at the close of the public hearing. She introduced consultants Erich Chatham and Spencer Christian of Civitas, SC, LLC.

Erich Chatham presented the 2020-2024 Consolidated Plan and Annual Action Plan for the City of Burlington. He reported the process is ongoing and includes adoption of a consolidated plan each five years. He stated this is a requirement by HUD for all grantees of the Community Development Block

Grant program. He provided an overview of the plan and needs of the community to establish the priority and goals for the next five years. The following summary was shared of proposed projects.

**COMMUNITY DEVELOPMENT PROGRAM  
SUMMARY OF PROPOSED PROJECTS  
2020 ANNUAL ACTION PLAN**

Community Development Block Grant (CDBG) Program

Project Name: Administration  
Proposed Expenditure: \$113,076  
Project Description: Relocation and costs of administering CDBG program.

Project Name: Public Facilities & Infrastructure  
Proposed Expenditure: \$417,380  
Project Description: The City will invest in its public facilities and infrastructure which includes the acquisition, construction, reconstruction, rehabilitation, or installation. This includes all improvements and facilities that are either publicly owned or that are traditionally provided by the government or owned by a nonprofit and operated so as to be open to the general public. This includes the following:

- Public improvements to streets, sidewalks, playgrounds, water and sewer lines, flood and drainage improvements, utilities (not maintenance, or operation and must be located in an LMI service area)
  - \$367,380
  - The specifics for these funds are to be determined with City Council guidance
- Nursing homes, hospitals, domestic violence shelters, homeless housing, halfway houses for drug offenders or parolees, non-profit buildings and other public facilities, group homes for the disabled and shelters for disaster victims (must serve at least 51% LMI individuals, who are Burlington residents).
  - Grant Request of \$50,000 from CityGate Dream Center – Facility Improvement

Project Name: Construction Training Program  
Proposed Expenditure: \$65,000  
Project Description: The City will invest \$65,000 of CDBG funds in the North Carolina Construction Training Partnership Program to provide job training in the construction industry and housing assistance for low-income area residents. The program is the continuation of a cooperative venture between the City, the North Carolina Housing Finance Agency (NCHFA) and the North Carolina Home Builders Association (NCHBA). NCHBA will recruit the trainees and conduct the job training and development activities. Class instruction includes hands-on rehabilitation training, RRP certification, green building skills, and building maintenance instruction. The training consists of a spring and fall class with approximately 10-20 participants. The class participates in hands-on rehabilitation activities through the City's housing rehabilitation program. The projects the class works on are reviewed for environmental standards through the scattered site housing rehabilitation process. NCHFA will provide funds of \$65,000 for hard construction costs for eligible affordable housing rehabilitation projects identified and undertaken by the City.

Project Name: Public Services  
Proposed Expenditure: \$148,000

Project Description: The City will use funds to provide public services (Including labor, supplies, materials and other costs), provided that the service is either a new service, or a quantifiable increase in the level of service. Organizations must also serve Burlington residents and at least 51% of the clients must be LMI. This includes the following requests this fiscal year:

Name	Funding Requested	Proposed Activity
United Way of Alamance County	\$ 15,000	Tax Prep for Elderly & LMI
North Park Library Materials	\$ 10,000	Replacement of books, periodicals and other media
Residential Treatment Services of Alamance	\$ 15,000	Case Management Salaries
CityGate Dream Center	\$ 15,000	Youth Center Salaries
The Exchange Club's Family Center in Alamance County	\$ 9,000	Abuse Prevention Classes in East Burlington
Allied Churches	\$ 25,000	Serenity Home Operations
Burlington Development Corporation	\$ 15,000	Daycare for LMI Individuals
City's Youth Solutions	\$ 44,000	Salary and Programming

Project Name: Emergency Repair Rehab  
 Proposed Expenditure: \$37,692  
 Project Description: The City will invest funds into small and emergency rehab repairs for low-to-moderate income households for homeowners using emergency forgivable loans. Individuals must remain in their home for an affordability period of 5 years and be LMI.

Project Name: Economic Development  
 Proposed Expenditure: \$37,692  
 Project Description: The City will use funds for eligible Economic Development activities and eligible Microenterprise Assistance activities. Activities include all endeavors aimed at sustaining or increasing the level of business activity.

City of Burlington HOME Program

Project Name: HOME Rehabilitation/Development/Down Payment Assistance  
 Proposed Expenditures: HOME Program Funds \$293,772  
 CHDO Development 38,204  
 Administration 16,555  
 Total \$348,531

The specifics for these funds are to be determined with City Council guidance. Projects currently being considered include:

1. Rehabilitation: Project funds may provide traditional loans and forgivable loans for the rehabilitation of owner-occupied and rental housing units.
  2. Development: Funds may also be used to provide gap financing for developers (non-profit grants and for-profits low interest loans).
  3. Down Payment Assistance: In response to the challenges in traditional bank lending the city may offer down payment assistance to individuals which may be an Individual Development Account (IDA) or traditional down payment assistance.
  4. CHDO Assistance: Additionally, the City may reserve 15% of the HOME Program allocation for an approved Community Housing Development Organization (CHDO). Funds will be used for all CHDO-approved purposes.
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Note: HOME Program regulations require a 25% local match of all expenditures of HOME Program funds other than administrative funds. The required match for the CHDO project is included in the local funds designated for housing rehabilitation activities.

#### Alamance County HOME Program

Project Name:	HOME Rehabilitation/Development/Down Payment Assistance	
Proposed Expenditures:	HOME Program Funds	\$143,999
	CHDO Development	22,241
	Administration	9,637
	Total	\$175,877

The specifics for these funds are to be determined with City Council guidance. Projects currently being considered include:

1. Rehabilitation: Project funds may provide traditional loans and forgivable loans for the rehabilitation of owner-occupied and rental housing units.
  2. Development: Funds may also be used to provide gap financing for developers (non-profit grants and for-profits low interest loans).
  3. Down Payment Assistance: In response to the challenges in traditional bank lending the city may offer down payment assistance to individuals which may be an Individual Development Account (IDA) or traditional down payment assistance.
  4. CHDO Assistance: Additionally, the City may reserve 15% of the HOME Program allocation for an approved Community Housing Development Organization (CHDO). Funds will be used for all CHDO-approved purposes.
- 

Note: HOME Program regulations require a 25% local match of all expenditures of HOME Program funds other than administrative funds. The required match for the CHDO project is included in the local funds designated for housing rehabilitation activities.

The public hearing was held and the following persons spoke:

- Michael Graves, 210 Union Avenue, Burlington inquired about the community survey and how those comments are collected.
- Barbara Enoch-Daye, 809 Ray Street, Burlington spoke in favor of the program in development of the community.

- Greg Hargrave, 717 Cannonade Drive, Whitsett, spoke on Apple Ridge Project submitted to Community Development.

The public hearing was closed.

Upon a motion by Council Member Ward, seconded by Council Member Butler, it was resolved unanimously to close the public hearing.

Upon a motion by Council Member Butler, seconded by Mayor Pro Tem Hykes, it was resolved unanimously to approve the CDBG 5-Year Consolidated Plan and 2020 Annual Action Plan.

### **NEW BUSINESS:**

#### **Item 3: BHA – Advisory Board Appointment:**

Mayor Baltutis announced City Council will consider an appointment to the 2020-2021 Burlington Housing Authority Advisory Board.

Public Information Specialist John Vernon announced an appointment was inadvertently left off due to it being a partial appointment. He reported the applicants have been provided for consideration.

Upon a motion by Mayor Pro Tem Hykes, seconded by Council Member Ward, it was resolved unanimously to appoint LeShauna Austria to the Burlington Housing Advisory Board with a term that expires June 30, 2023.

#### **Item 4: Temporary Closing City Parking Lot #1 – United Way – Spirit of Alamance Food Drive:**

Mayor Baltutis announced City Council will consider temporarily closing a portion of City Parking Lot #1 beginning on Wednesday, August 5, 2020, until Friday, August 7, 2020, for the United Way of Alamance to host a “Spirit of Alamance Food Drive” special event, contingent upon meeting all requirements of the City of Burlington Special Events Permit Application process.

Recreation Supervisor, Special Events Emily Crowley presented the proposed special event plans for the United Way of Alamance County.

United Way of Alamance event organizer Anne Connolly provided a brief overview of the plans for the event. She reported over 3,200 pounds of food was collected and was donated to SAFE and Salvation Army.

Upon a motion by Council Member Butler, seconded by Mayor Pro Tem Hykes, it was resolved unanimously to approve the temporary closing of City Lot #1 during the food drive contingent upon meeting all requirements of the special events process.

#### **Item 5: Water and Sewer Policies and Procedures and Payment Plan**

Mayor Baltutis announced City Council will consider adopting Water and Sewer Policies and Procedures and Payment Plan for water and wastewater services subject to EO 124 and EO 142 to be effective immediately as written.

Director of Finance and Risk Management Peggy Reece presented the proposed Water and Sewer Policies and provided an overview of the payment plan proposed by the City of Burlington. She reported staff recommends approval and adoption of the Water and Sewer policies to begin collecting on past due amounts subject to NC Governor Executive Order (EO) 124 and EO 142 to be effective as written.

Upon a motion by Council Member Owen, seconded by Mayor Pro Tem Hykes, it was resolved unanimously to adopt the proposed Water and Sewer Policies and Procedures and Payment Plan for Water and Wastewater Services subject to EO 124 and EO 142 effective upon City Council approval.

### **PUBLIC COMMENT PERIOD**

Rev. Donna Vanhook, 317 Caswell Street, Burlington, spoke on Mayor's involvement with Graham monument, City Manager and Police Chief attendance to conversation on race and equity, and inquired about the status of complaint she filed on City Manager Watkins.

Barbara Enoch-Daye, 809 Ray Street, Burlington inquired about the status of a stop light at Dudley Street and Rauhut Street and commented on the development of east Burlington.

Michael Graves, 210 Union Avenue, Burlington spoke on law enforcement, police reform, police training, budget for public safety, the appointments action for Burlington Housing Authority, and a personal concern with the Mayor.

Interim City Clerk, Beverly Smith read a public comment received via email on July 21, 2020 at 9:06am from George Adams, 317 Bidney Drive, Burlington. The email addressed an article in the Times News on Burlington budgeting for various items and CDBG annual plan.

### **CITY COUNCIL COMMENTS**

Mayor Baltutis announced the following upcoming events:

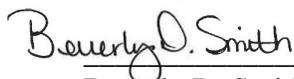
- Art Event in Downtown Burlington at July 24, 2020 from 5pm-9pm
- United Way Food Drive
- 2020 Census
- Election in 2020 – Elmira Community Center adding a one stop early voting location, vote by mail begins September 4, 2020, poll workers are needed - Contact the Alamance County Board of Elections.
- ABSS starting school on August 17, 2020 under Plan C

Council Member Owen inquired about the Burlington community face mask giveaway.

Emily Crowley provided the dates, times and locations for the upcoming free face mask distribution events scheduled to further help protect the community from the spread of COVID-19.

### **ADJOURN**

Upon a motion by Council Member Owen, seconded by Council Member Butler, it was resolved unanimously to adjourn at 8:13pm



Beverly D. Smith, NCCMC  
Interim City Clerk