

The monthly reports of all departments were included in the council packages and are on file in the office of the Municipal Clerk.

MOTION by Councilmember Ruff to accept monthly reports.
SECOND by Councilmember Harris.
CARRIED UNANIMOUSLY.

B. Minutes (Provided As Information To City Council)

1. November 18, 2008 Planning Commission Meeting
2. November 18, 2008 Planning Commission Recommendation Meeting

MOTION by Councilmember Harris to accept minutes as presented.
SECOND by Councilmember Ruff.
CARRIED UNANIMOUSLY.

4. **EXECUTIVE SESSION:** To Discuss Legal Matter, Contractual, and Personnel Matters.

MOTION by Councilmember Henderson to go out of regular session into executive session to discuss a legal matter concerning Carolina Transformer Superfund Site.

SECOND by Councilmember Hill.
CARRIED UNANIMOUSLY.

City Attorney Whitney read the following statement made by Mayor Thompson during executive session. As you may recall the City of Union was held potentially liable for sending 130 Transformers of various sizes to the Carolina Transformer Company Site in North Carolina from July 1972 until April, 1985. In 1989 leaking capacitors were found at the site and testing identified both soil and ground water contaminated with PCB's. The USEPA removed the contaminated soil, demolished the buildings on site and conducted the remediation which was completed in September, 2003 at a cost of thirty- two million dollars. January 2006 Union received notice from the USEPA that it was a PRP for contributing to the PCB contamination at the Carolina Transformer Company site. Union then joined the defense group and has now settled this claim. During a certain portion of that time the City of Union was insured with Continental Insurance Company from 12/15/68 until 12/15/76. The policy with Continental Insurance Company was canceled effective December 15, 1976 at the request of the City of Union which at that time chose to be self-insured. The City of Union was able to resolve this claim for a contribution of eighty-five thousand four hundred eight dollars and 99/100, incurring defense cost of one hundred three thousand nine hundred twenty-eight dollars and a PRP Defense Group fee of fifteen thousand dollars. After lengthy negotiations with Continental Insurance Company the City Council has agreed to accept Continental's offer of fifteen percent of the indemnity and PRP cost and also fifteen percent of the reasonable and necessary cost of defense of Union in this matter. That formula was based upon the assumption of potential property damage from Union's earliest shipment (July 23, 1972) to the completion of the remediation in September, 2003, a span of 31 years. Continental then applied its 4.5 years of coverage and this case was settled with Continental for fifteen percent of the total to resolve this claim.

MOTION by Councilmember Bailey to go out of executive session back into regular session.
SECOND by Councilmember Ruff.
CARRIED UNANIMOUSLY.

MOTION by Councilmember Henderson to accept Continental Insurance offer to reimburse the City of Union for 15% of the indemnity and PRP costs and also 15% of the reasonable and necessary costs of defense in the matter.

SECOND by Councilmember Ruff.

CARRIED UNANIMOUSLY.

5. **Business**

A. DISCUSSION/MOTION – CONCERNING FURTHER LITIGATION WITH CAROLINA TRANSFORMER SITE

Utility Director Joe Nichols discussed the Carolina Transformer Superfund Site. From 1959 to as late as 1986, the Carolina Transformer site in Fayetteville, North Carolina was used for storage, repair, maintenance, uprating, and scrapping of electrical distribution equipment associated with operations of various utilities throughout the southeast. The operations at this site resulted in PCB contamination which EPA's cost for clean-up was approximately \$33 million. The City of Union joined the Potential Responsible Party (PRP) Group in November 2006 and through discovery submitted data to the Group of our transactions at the Carolina Transformer site. A summary of legal fees paid, membership fees paid and money refunded to Union is a result to the final mediation process. The City's legal counsel has recommended that Union does not continue in any further litigation against third party participants of the settlement concerning the Carolina Transformer site.

MOTION by Councilmember Henderson to accept recommendation by legal counsel not to participate in any further litigation with Carolina Transformer.

SECOND by Councilmember Ruff.

CARRIED UNANIMOUSLY.

B. ORDINANCE – 2ND READING – REZONE 121 RAVENSCROFT STREET FROM A-4 OFFICE, RESIDENTIAL & INSTITUTIONAL TO R-6 RESIDENTIAL

The owners of the property located at 121 Ravenscroft Street are requesting that their property be rezoned from A-4 Office, Residential & Institutional to R-6 Residential. The property is adjacent to properties which are already zoned R-6 Residential and it does comply with regulation requirements for the R-6 Residential Zone.

Council passed 1st reading of the Rezoning Ordinance at its November 18, 2008 meeting.

MOTION by to Councilmember Hill to pass 2nd reading of the ordinance.

SECOND by Councilmember Harris.

CARRIED UNANIMOUSLY.

C. DISCUSSION/MOTION – REQUEST TO PROVIDE NATURAL GAS SERVICE TO SECTION OF SANTUC CARLISLE HWY.

Fourteen (14) residents on Santuc-Carlisle Highway from Monarch Highway to Wilson Road have requested gas service. The engineer's cost estimate, sketch, and the gas service petition were presented to City Council. The recommendation is to discuss the approval for the gas main installation as recommended by our engineer. The gas line will be installed by the City's Gas Department.

MOTION by Councilmember Harris to accept recommendation.

SECOND by Councilmember Ruff.

ABSTAIN by Councilmember Bailey because of a conflict of interest.

Councilmember Henderson posed several questions to Utility Director Joe Nichols regarding the request to provide natural gas service to a section of Santuc-Carlisle Highway. Councilmember Henderson feels that the City of Union needs to get a commitment from residents stating that they will sign up for gas if the City runs the gas line because of the cost to run the line. Councilmember Ruff feels that the fourteen (14) residents that signed the petition wants to sign up for gas. Mayor Thompson recommends that Council table item until information is obtained as to how many residents will sign up for gas service.

AMENDED MOTION by Councilmember Ruff to table item until further information is received as to how many residents are willing to sign up for gas.

SECOND by Councilmember Hill.

CARRIED UNANIMOUSLY.

D. DISCUSSION/MOTION – RENEWAL OF ASSISTANCE FOR 2008/2009 WINTER HEATING BILLS

City Council is concerned about the impact heating bills have upon our elderly and low-income customers. City Council and staff have heard many hardship stories. City Council may wish to make \$6,000 available in Community Change funds to supplement The Salvation Army's FEMA funds in support of the Emergency Food and Shelter Program. The funds may be used to assist City utility customers who qualify or as the City Council may otherwise direct. Ordinarily, these funds will be available for bills received January 1, 2009 thru April 30, 2009. Use of these funds to help with heating bills is in keeping with what we have always said funds will be used for. The Salvation Army and Carolina Community Actions have indicated that they are willing to qualify applications for the assistance as appropriate. Letters from the agencies to qualify applicants were presented. In the event \$6,000 in Community Change funds is exhausted prior to winter's end, a further \$20,000 in Utility Funds Retained Earnings is budgeted as a supplement for this use as well. Should council agree to renew the release of Community Change funds to assist City Utility customers, a motion is required.

MOTION by Councilmember Ruff to agree to renew the release of Community Change funds to assist City Utility customers.

SECOND by Councilmember Henderson.

CARRIED UNANIMOUSLY.

E. AWARD BID– WATER/SEWER SYSTEM IMPROVEMENTS – ADVANCED TECHNOLOGY CENTER – HWY. 176, PINE STREET, SPRING STREET AND ARTHUR BOULEVARD

Bids were received on December 9, 2008 at City Hall for water and sewer system improvements for the Advanced Technology Center on Hwy. 176, Pine Street, Spring Street and Arthur Blvd. A summary of the bids and recommendation from our consultants were presented to Council. The recommendation is to accept bid from Tri-County Utilities, LLC in the amount of \$81,177.00 subject to bidder's qualifications submitted.

MOTION by Councilmember Henderson to accept recommendation from consultants to award bid to Tri-County Utilities, LLC.

SECOND by Councilmember Bailey.
CARRIED UNANIMOUSLY.

F. **APPOINTMENT – BUILDING BOARD & ZONING BOARD OF APPEALS**

City Council must fill one (1) vacancy on the Building Board of Appeals for an un-expired term. The Building Board of Appeals hears appeals on Building Code Regulations.

City Council must fill two (2) vacancies on the Zoning Board of Appeals. The Zoning Board of Appeals hears and decides on appeals for variances and special exceptions and works closely with the City of Union Planning Department on these matters. These positions were solicited by public notice in the Union Times. City staff recommends that Council appoint qualified candidates to fill these most important board vacancies. Mr. Tradd Bruce submitted his name for the Building Board of Appeals. Mr. Wiley Sheorn, III and Mr. Jerry Arnold Willard, Jr. submitted their names for the Zoning Board of Appeals.

MOTION by Councilmember Ruff to appoint Tradd Bruce to the Building Board of Appeals.

SECOND by Councilmember Bailey.
CARRIED UNANIMOUSLY.

MOTION by Councilmember Harris to appoint Wiley Sheorn, III and Jerry Arnold Willard, Jr. to the Zoning Board of Appeals.

SECOND by Councilmember Hill.
CARRIED UNANIMOUSLY.

6. **ANNOUNCEMENTS BY MAYOR AND COUNCIL:**

Mayor Thompson announced that Mr. Ralph Woodward, Union Housing Authority Commissioner, passed away on yesterday, Monday, December 15, 2008. Visitation for the family will be tonight from 6:30 p.m. until 8:30 p.m. Funeral services will be held tomorrow, Wednesday, December 17, 2008 at 11:00 a.m. at First Baptist Church across from the Piggly Wiggly. Burial will be in Union Memorial Gardens. In lieu of flowers, the family is asking that donations be made to Union True Care Humane Society. The Mayor asked that everyone remember Mr. Woodward's family in prayer.

7. **PUBLIC COMMENT:**

A. Please address the Mayor and Council from the lectern and state your name and address for the record.

Tom Lucans, T&L Racing, 213 Thompson Boulevard addressed Council. Mr. Lucans is requesting an extension on a rental agreement (no later than April 31, 2009) between T&L Racing and the City of Union. Mr. Lucans also spoke on behalf of Mr. Thomas O'Shields of Boulevard Screen Printing.

Mayor Thompson states that the item may be put on the February regular meeting agenda by contacting the City Clerk.

8. **ADJOURNMENT:**

MOTION by Councilmember Harris to adjourn.
SECOND by Councilmember Ruff.
CARRIED UNANIMOUSLY.

Regular Council Meeting
Tuesday, December 16, 2008

Council meeting adjourned at 7:20 P.M.

Gloria J. Rogers, Municipal Clerk

Minutes approved _____ 2009