

**CITY OF LAURINBURG
COUNCIL MEETING
COUNCIL ROOM
303 WEST CHURCH ST., LAURINBURG, NC
FEBRUARY 26, 2007
1:00 P.M.**

Minutes

The City Council of the City of Laurinburg reconvened its February 20, 2007 regular meeting on February 26, 2007 in the council room of the Municipal Building with the Honorable Ann B. Slaughter, Mayor, presiding. The following Councilmembers were present: Rembert DeBerry, Curtis B. Leak, Thomas W. Parker, III and Herbert M. Rainer, Jr. *Councilmember Lisa D. Griswold arrived at 2:35 p.m.*

Also present were: Craig F. Honeycutt, City Manager, Dolores A. Hammond, City Clerk, and City intern Lenora Dawson.

Management Team Members, William A. Riemer, Community Development and Administration Director; Robert Malloy, Police Chief; Cindy Carpenter, Finance Director; Bob Bell, Human Resources Officer; Robert Ellis, Water and Wastewater Treatment Director; Harold Smith, Fire Chief; Stacey McQuage, Public Utilities Director; Ronald Pierce, Electrical Utilities Director; and Harold Haywood, General Services Director arrived at 3:00 p.m.

Councilmember DeBerry gave the invocation.

Mayor Slaughter stated that the purpose of the meeting is to discuss the City of Laurinburg's Five-Year Plan and then turned the meeting over to the City Manager.

The City Manager stated that he had been asked by Councilmember Leak to have Council and the City Manager meet before having the Management Team presentations.

Councilmember Leak stated that he thought it was a good idea to have Council meet with the City Manager in order to discuss issues that he feels should be between the City Manager and City Council.

There was consensus to have the Management Team presentations later in the meeting.

Councilmember Leak stated that there is a vacant position in the fire department. He then explained that he felt that this was a good opportunity to discuss hiring a full time fire chief.

The City Manager explained that the position has been filled.

A discussion ensued concerning the need to consider a full-time fire chief in the future.

There was consensus that at this time the fire department is running smoothly.

Councilmember Leak also expressed concern about communications and emphasized that City Council should be aware of situations before they hit the media.

A discussion then ensued concerning litter and the conditions of some of the neighborhoods in town where unsightly trash has accumulated.

There was consensus that the City Manager draft a letter to the Housing Authority Director and to the Four County Director encouraging that citizens who receive public assistance for housing be held accountable for the appearance of the property.

There was also consensus that staff research and consider drafting a stronger nuisance ordinance for Council review.

The City Manager explained that during the Citizen Input session this year the sessions focused on the strengths, weaknesses, opportunities and threats of the City of Laurinburg. He also explained that in developing the Five-Year Strategic Plan not only the information from the citizen input sessions was used but also information from the Chamber's Economic Summit as well as the Westminster Presbyterian Church Summit.

He stated that it was interesting in that during the three sessions the City's strengths outweighed its weaknesses.

He further explained that the main issues identified during the three input sessions address the City's need for a cleaner community, to secure more retail and commercial development, and provide more economic and educational opportunities for citizens.

He then stated that further interests during the sessions were to continue support of the Base Realignment and Closure (BRAC) efforts, to continue to work with the Laurinburg/Scotland County Chamber of Commerce and Scotland County to develop a spec building for potential industry, to create a Grant Writer/Community Development position at the Chamber, to update the area's marketing plan to better incorporate the community's strengths and to specify a use for the Old Market Furniture Building.

Councilmember Parker stated that there are issues listed as strengths as well as weaknesses and that he did not understand this concept.

The City Manager gave examples such as: the strength of a strong downtown, but the weakness is deteriorating buildings and a strong educational system, but a lack of an educated workforce and technical training. Other examples are a good road system, but the community needs Interstate 74, the widening of Highway 401 North and a commitment to economic development, but a need for a spec building, a grant writing position and how to cut back on the loss of jobs.

He further explained that recreation was a concern expressed at the input sessions.

Councilmember Parker questioned the lack of recreational opportunities.

The City Manager explained that recreation was listed because there is not a pool, community center, greenways or an aquatic center.

A discussion ensued concerning present recreational opportunities in the community such as soccer, softball, baseball, other activities, and playgrounds.

The City Manager explained that the input sessions were broken down into three areas that are economic development, educational opportunities, and intangibles. The following strategies were presented:

STRATEGIES FOR ECONOMIC DEVELOPMENT:

1. Continue to support local BRAC efforts by attending meetings and getting community involved in process. Work with County, Chamber and educational members to promote Scotland County and Laurinburg as alternative for new re-locates along with improving access to Fayetteville (US 401 widening). Focus with County and Chamber on how to promote community as "defense friendly" community.
2. Work with Chamber and County on new economic initiatives and find equitable ways of funding the initiatives:
 - A) Spec building

- B) Grant Writer/Community Development position
- C) Updated marketing plan to better coordinate and brand community

3. Continue pursuing I-74 completion with local legislative delegation and Federal delegation. Work jointly with Chamber, TDA, regional partners such as the Lumber River RPO to make this the #1 priority for the region. Focus on I-74 as economic development tool for tourism and industrial recruitment.
4. Continue close relationship with County and Chamber to promote community; keep job retention and job creation as a top priorities in our community. Focus not solely on industrial recruitment but small business and retail job creation as well. Continue to promote LMA and Certified Mega Site.
5. Promote Laurinburg Downtown Revitalization Corporation (LDRC) and downtown and come up with specific use and funding for Old Market Furniture Building.

GOOD EDUCATIONAL OPPORTUNITIES:

1. Continue to promote St. Andrews Presbyterian College (SPAC) and work closely with them on projects and promotions for community. Work with SAPC as an economic development resource.
2. Obtain funding for Richmond Community College (RCC) campus at Old Hospital site. Work with RCC to promote fundraising and grants for completion of project.
3. Continue to support County School system
4. Continue to work with RCC/SAPC and local school system in promoting Scotland County as destination of choice with BRAC.

INTANGIBLES:

1. To deal with apathy and negativism, work to promote the community better and to get out better information to our citizens.
2. Involve the church and civic community more in local government. Have them become advocates for City.

At this time there were no questions regarding the above-mentioned strategies.

Jim Frank Henderson, Laurinburg/Scotland County Area Chamber of Commerce (Chamber) President, arrived at 2:15 p.m. and informed Council that the Chamber had been working with Leon Martin, Executive Director with the Southeastern Economic Development Committee, to secure a grant in the amount of \$12,000.00 to be used in conjunction with an Economic Development Administration grant to fund the Buxton project. This is the same project that was proposed to be funded by the City Council, the Chamber, and Scotland County last year. He then announced that the Chamber has been awarded this grant and that it will give the funds to help with the Buxton project. He stated that Buxton is a firm that will assess the community's retail business concerns and submit names of companies suited for the area.

A discussion ensued concerning BRAC and Ft. Bragg jobs. Mr. Henderson informed Council that the Economic Development Team will meet with contractors at Ft. McPherson, Georgia in May.

Councilmember Parker stated he would like to know who will be responsible for the salary of the proposed Chamber Economic and Community Development Director (ECD) and the accountability of that position.

The City Manager stated that at this point the request from the Chamber is that the City and County share the cost of this position. He explained that a proposed advisory committee has been selected to oversee the activities and work priorities for the ECD and the proposal is that the committee consist of:

- a. Current Chamber Board Chairman

- b. Current Economic Development Vice-President of the Chamber
- c. Scotland County Manager
- d. Laurinburg City Manager
- e. Chamber President

Councilmember Parker expressed concern about the equality of the committee. He stated that if the City and County choose to fund this position that having three chamber members on the committee does not seem to be an equitable distribution.

Councilmember Griswold arrived.

The City Manager explained the expectations of the ECD and that the person would submit monthly written reports to the City, County and the Chamber. He/she would also present quarterly reports to the Laurinburg City Council and the Scotland County Board of Commissioners. This person would also work with the Laurinburg Downtown Revitalization Corporation (LDRC) and the Scotland County Tourism Authority (TDA).

Councilmember Leak expressed concerned that in voting on issues, with three positions on the advisory committee being held by the Chamber, the City and County's interest may not be reflected by the vote.

Councilmember Griswold expressed that if the City and County are funding a position that the Chamber should not have more members on the committee - especially when the Chamber is not contributing to the funding of the position.

Upon question by Councilmember Griswold, the City Manager stated that the person in the ECD position would be a grant writer, a liaison between LDRC, TDA, the Chamber, and the City and County in Economic Development issues, and serve as backup to the Chamber President on industrial recruitment when the Chamber President is out of town. He stated that the position would be housed at the Chamber, and the person would answer to the Chamber President.

The Management Team arrived at 2:45 p.m.

A discussion continued about the equality of the Committee and the proposed salary of the Economic and Community Development Director for budgeting purposes.

Mayor Slaughter called for a break at 3:00 p.m.

The meeting resumed at 3:15 p.m.

The consensus among Councilmembers regarding the makeup of the committee is to have the City and County Managers, a member from LDRC, a member from the TDA, and a member from the Chamber.

A second consensus on the ECD position is that the City's portion of the salary would be \$32,500.00 including benefits and that there be an evaluation of the benefits of the position after a two-year period because grant cycles run along those two-year lines.

The City Manager stated that he would take the information to the Chamber.

The City Manager stated that there have been some concerns over electric fund transfers to the general fund. He explained that there may need to be a change to the policy if Council so chooses. He then stated that this budget year only \$50,000.00 was transferred from the electric fund to the general fund which was a substantial decrease from previous years. He then explained that there was also a concern about the City's fiber optic system. He suggested that the City could have a separate line item for this fund to differentiate revenues and expenses.

Following further discussion, there was no action taken on the fund transfers or separate line item issues at this time.

CHRISTMAS LIGHTS

The City Manager explained that the Chamber had purchased the original Christmas lights and that they are no longer willing to purchase lights. He also explained that the Mayor had mentioned that the current lighting seemed “tired” and that some solution needed to be taken to make our Christmas lights look better during the Christmas season. He also explained that LDRC was considering purchasing new bows for the wreaths that encircle the downtown area lights. He stated that Ronald Pierce, Electric Utilities Director, would present Council with information regarding Christmas lights.

Mr. Pierce stated that he had researched the cost to purchase new lights, rewire and paint the existing lights, and to purchase garland to wrap around the poles where the lights are located.

He explained that lights are expensive and that there are 62 light fixtures located between Church St. and South Main St. and then from Railroad St. to McGirt’s Bridge Road. He provided Council with several options from purchasing new lights over a three-year period to purchasing a portion of new lights before the end of February (due to a 33% discount offered to purchase them within that time frame).

Following discussion, there was consensus among Council members that Mr. Pierce paint and rewire the 42 existing fixtures, that LDRC purchase the bows for the downtown area wreaths that encircle the lights, and that 20 new light fixtures should be ordered as soon as possible in order to take advantage of the discount offered. Consensus was to not purchase garland to wrap the poles and that the new fixtures be Christmas bells.

PIGGYBACK BIDDING

Councilmember Griswold had expressed concern about the City piggybacking bids instead of formally bidding for equipment needed for the City.

Cindy Carpenter, Finance Director, explained that the piggyback bidding process allows cities to request bids from other cities’ vendors within a one-year period to take advantage of the low cost at that time. She then explained that if the specifications meet the criteria of the previous bid item that it saves the City money. She further explained that it is sometimes considered “bulk” purchasing; therefore, the cost is less expensive than if bidding the item individually. She concluded by stating that, “bottom line”, it saves the City money.

NON-PROFIT FUNDING POLICY

The City Manager explained that discussion on a policy for non-profit funding is the result of an organization (Storytelling) requesting funding from the City. He stated that Council had asked him to draft a proposed policy. He then explained that he had drafted a proposed policy for non-profit funding that would allow funding for economic development purposes only.

Mayor Slaughter stated that previously Council had decided that the City would not fund non-profit organizations.

Councilmember Leak expressed concern that if funding is given to non-profit organizations that it opens the door for more organizations to request funding.

Councilmember Griswold stated that she personally feels that you cannot fund some organizations and not others and has a concern about what organizations to fund. She then stated that any request for funding might have some economic development advantage; therefore, the City could be funding numerous organizations.

Following further discussion, Councilmembers Leak, Griswold, DeBerry and Rainer expressed their desire that non-profit organizations not be funded. Councilmember Parker was the only dissenting member.

The City Manager questioned Council concerning those organizations that request to be on the agenda to request funding and how Council would like him to handle the request.

Consensus among Council was to inform the organization that Council does not fund non-profit organizations, but if the organization insists on addressing Council about the issue that they be allowed to appear before Council for further discussion.

The City Manager stated that he would contact someone from the Storytelling event and let them know that Council's decision is to not fund non-profit organizations.

RECYCLING

The City Manager stated that Council had requested an update on the recycling program since it was changed to every other week pick up. He explained that, since beginning the every other week program, recycling is down about .6% at this point from last year. He then explained that if Council would like to change the program that staff needs direction for the upcoming budget process.

A discussion ensued about the amount of savings and additional costs for staff and the purchase of a new truck.

There was consensus among Council to continue the program as is (every other week) at this time.

Upon question by Councilmember Leak, the City Manager stated that earlier during the meeting staff was instructed to research a stronger nuisance ordinance for Council review.

The City Manager asked if Councilmembers had any concerns or questions before moving on to the Five-Year Plan or any concerns about the Strategic Plan.

Councilmember Griswold expressed concern about whether police officers are being treated fairly in the department and stated that, with the hiring of a new police chief, she hopes that he will investigate this issue and take appropriate action if it is warranted.

Mayor Slaughter called for a break at 4:20 p.m.

Councilmember Rainer left the meeting.

The meeting resumed at 4:30 p.m.

FIVE-YEAR PLAN

The City Manager stated that this year the previous ten-year plan had been scaled down to five years in order to have a more manageable timeframe. He then thanked the Management Team for the work done on the plan and especially thanked Cindy Carpenter for her work and for compiling all of the information.

He proceeded by stating that in reviewing the information and trends that the City should see about a 7% increase of total revenue in all funds for the 2007-2008 fiscal year (FY) proposed budget over last year. He then stated that the projections after 2007-2008 (FY) are projected at 3% annually. He explained that this is due to increases the City has had in the electric fund with a rate increase from the North Carolina Eastern Municipal Power Agency (NCEMPA) in December 2006, and increased revenue from the City's growing water and sewer usage. He then explained that after the 2007-2008 FY proposed budget, the revenue projections are only 3%, which is lower than the inflationary rate. He further explained that while costs continue to rise (salaries, insurance, gas, etc.); the City's revenues are generally not keeping up with these costs. He stated that the City must be mindful of all expenditures and continue to address areas where the City can increase revenue through new sources (fiber/broadband) and use technology to keep the City's costs low.

He continued by stating that projects which continue to drive the City's upcoming and future years' budgets are projects that deal with the City's inflow and infiltration (I&I) problem in the City's sewer system. He also stated that the City needs to fully address the direction with Phase II storm water requirements and also needs to address how to fund the program.

He further explained that the Chamber has requested additional funding to help with the new economic development initiatives to which the City is considering a \$30,000.00 commitment. The City has needs to look at its facilities as it is growing out of room to house employees.

In addition, he stated that tipping fees are being discussed with potential increases being as much as \$4.00 per ton

(\$2.00/county; \$2.00/State). He then stated that at this point a tax increase is not recommended for the upcoming fiscal year.

He further stated that Laurinburg is moving forward with a commitment to working with Scotland County and the Chamber to further economic development with industrial and retail recruitment. He explained that, as mentioned before, there is a lot to be thankful as the City's strengths outweigh the weaknesses. He said that the City is a "can do" community and that he applauds the City and County leaders for thinking strategically and for doing the right things to move the community forward.

He reminded Council that in reviewing the Five-Year Plan that it is a planning tool for upcoming budget preparations and not meant as a final presentation. He explained that the City must be able to look at the historical data from the audits and try to forecast where the City is financially and where it is headed. He also explained that it is important to use the information in deciding what programs and projects that Council wants to pursue and in what timeframe.

He thanked Council for its commitment to the citizens of Laurinburg and for the positive direction and vision Council has for the community. He concluded his presentation by stating that, with this updated Five-Year Plan, it will allow the City to work together to move the community in a progressive and financially sound direction.

FINANCIAL TREND ANALYSIS

The City Manager provided information page by page regarding the Financial Trend Analysis for the City of Laurinburg. (Plan is available in the City Clerk's Office).

A discussion ensued on the tax collection rate as well as how unpaid taxes are collected.

FIVE-YEAR FORECAST

The City Manager stated that in looking at revenues, the City is looking at a 7% increase for 2007-2008 FY and then after that a 3% annual increase.

Upon question by Councilmember Griswold, the City Manager stated that a separate enterprise fund is still being considered for fiber and broadband revenues and expenditures.

Cindy Carpenter explained that these items are now included in the electric fund. She explained that revenues and expenses are now being tracked and that if separate funds are established that this trend can be continued.

The City Manager stated that one of the issues staff has looked at is the unit cost in water and sewer. He explained that the City does not qualify for many grants because the City does not have a high unit cost for either water or sewer. He then explained that the City has a lot of I&I needs. He further explained that to qualify for grants or to complete projects the City might have to increase water and sewer rates.

GENERAL FUND

Police Department

Chief Robert Malloy explained that there has been some conversation about Consumer Billing, Human Resources, and Finance moving from the present location and that he has projected costs to upgrade the current facility in order to house the Police Department. He further stated that other additional requests are to purchase night goggles and a new radio system for the department.

Upon question by Councilmember Leak, the Chief stated that there would be two officers sworn into office in a day or so and that there are three positions open that have not been filled.

Fire Department

Harold Smith explained that projected needs for the Fire Department are replacing the floors, purchasing laptop computers, and purchasing computer software designed for Fire Departments.

He then explained that a fire engine needs to be replaced in the next two years and that the department will start applying for a grant this year in order to purchase this equipment. He continued by stating that if the grant is not awarded to the City this year, then it will be resubmitted again the following year. He explained that if the second grant submitted is not awarded then the City would need to consider purchasing the equipment without the benefit of grant funding. He further explained that the communications room at the North Fire station needs to be expanded.

He continued by explaining that the \$100,000.00 proposed fire station deals with the number of hydrants added to the South end of town. He stated that, for ISO ratings (insurance ratings), if there is not a fire station located in proximity to a certain number of hydrants that the Fire Department could lose points in its rating.

He addressed revenue generation for the Fire Department. He explained that the Fire Department does not charge for its inspections or any re-inspections to commercial establishments and that by charging fees more revenue could be generated in the department. He then explained that the department charges for false alarm calls and generates some revenue from that aspect but not enough to cover costs to respond to false alarms. He stated that most communities have inspection fees in its fire departments.

Following discussion concerning a possible rate structure inspection fees, **there was consensus among Councilmembers that Mr. Smith provide more information and structure a proposed inspection fee to present during the upcoming budget workshop sessions.**

The Finance Director stated that another way to generate more revenue is to look at the privilege license structure and to formulate another fee structure in which to generate more revenue. She stated that the current total revenue for privilege is \$20,000.00.

No decision was made regarding privilege license fees.

Human Resources

Bob Bell stated that this department has no new programming but that, based on the proposed relocation of the human resources, finance, and consumer billing departments, a training room needs to be dedicated for safety and other types of training required for the City.

Rescue

The Rescue Squad Commander could not attend. The Finance Director explained that the rescue squad is proposing to purchase a Quick Response Vehicle (QRV) and other equipment in order to keep the squad in compliance with required standards.

Governing Board

Dee Hammond explained that her proposal is just another step toward the world of technology. She explained that purchasing imaging software will allow departments to scan information into the system in order to better research information and to provide information to citizens and staff in a more efficient and timely manner. This will cut down on the filing of paperwork and the time it takes to look for requested information. She explained that Council would have to adopt a policy for electronic records and would also have to submit to the North Carolina Division of Archives & History a request to amend the City's retention and disposal program schedule in order to dispose of paper records and to maintain the electronic version.

She then explained that each department using this equipment and program would share the cost.

Community Development

Bill Riemer explained that Building Maintenance is requesting a storage building in order to provide additional space to departments in the Barrett Building. He stated that there is no space left to put anything. He then explained that the roof at the police department should be replaced because it continually leaks and that, even though repairs have been made, the repairs have not alleviated the problem. He stated that the lift at the Barrett Building has been experiencing numerous problems and that this will need to be addressed in order to remain in compliance with regulations requiring that access be provided to all individuals.

He addressed the Beautification Department and stated that the department continues to take down trees that have major deterioration problems and to replant trees where the trees have been taken down.

He then addressed the Planning Department and re-informed Council about the position of a Storm Water Enforcement Officer who would implement the requirements from the State dealing with required storm water programs.

He also discussed the Cemetery Department and addressed the issue of expanding Hillside Memorial Park.

Councilmember Griswold complimented the brick section that has been added to the cemetery.

Councilmember Leak discussed the safety at the City's cemeteries and whether lighting should be located in the cemeteries.

Bill Riemer stated that most of the lighting comes from the streetlights located along the area and there has not been much vandalism in the City's cemeteries.

Councilmember DeBerry expressed concern about the condition of Hillside Avenue at the old cemetery (Hillside Cemetery). He also expressed concern about the condition of some of the businesses located near the cemetery.

A discussion ensued concerning the area surrounding the old cemetery. The City Manager stated that Hillside Avenue is a State road and that he will submit a request to the State concerning the improvement of that adjoining street.

Upon question by Councilmember Parker, the City Manager explained that all the trees requested in the City's Annual Tree Giveaway Program have been given away. Regarding the inquiry about trees being planted along Highway 401- especially in the State's right-of-way area, the North Carolina Department of Transportation's (DOT) requirement is to approve a planting plan and the type of trees to be planted. He explained the City is now on DOT's list for beautification improvements.

PUBLIC WORKS

Street and Highways/Storm Drainage

Stacey McQuage explained that he has taken resurfacing money out of the upcoming proposed budget and included street paving if Council so chooses.

Following discussion concerning Council's desire to have all dirt streets paved, **there was consensus among Councilmembers to allocate the funding to street paving and for Mr. McQuage to prioritize the paving of dirt streets.**

The City Manger then discussed alternatives/options for the General Fund.

Electric Fund

Ronald Pierce explained that the Automated Metering Reading program has begun and will continue until all metering is installed. He then explained that monies are being proposed to continue fiber expansion along. He also mentioned the agreement with Southeastern Utilities Development to co-own a project to extend fiber to all schools in the county.

Water/Sewer Fund

Water Treatment Plant

Robert Ellis explained that the City has not changed its position on being proactive in trying to have an adequate amount of wells. He stated that some of the wells are reaching the age of 30 years and the City needs to make sure there are enough wells in place in case one of the older ones fails.

Wastewater Treatment Plant

He then explained that the largest concern for the Wastewater Treatment Plant is in securing a generator for emergency needs.

Upon question by Councilmember Leak regarding a reservoir, Mr. Ellis explained that there was not enough flow to determine what the withdrawal of water would be. He continued by stating that, in the meantime, someone else had purchased the property that was previously being looked at.

Customer Services

Cindy Carpenter explained that all proposed funding in this department is for the Automated Metering reading project.

Water Department

Stacey McQuage stated that proposed funding is for water loop lines and capital improvements to waterlines.

The City Manager then discussed alternative/options for the water/sewer fund.

Solid Waste

Harold Haywood explained that there is no new programming proposed but there are proposed funds for capital improvements.

The City Manager stated that there would be an increase in tipping fees from Scotland County as well as the State in the upcoming budget year.

Other

The City Manager stated that Council needs to consider a time and date to review the proposed Pay and Classification Plan for the City.

There was consensus among Council to meet at 5:30 p.m. on March 20, 2007 before its regular Council meeting to discuss the proposed pay and classification plan.

ADJOURNMENT

Motion was made by Councilmember DeBerry, seconded by Councilmember Griswold, and unanimously carried to adjourn the meeting.

The meeting was adjourned at 5:50 p.m.

Ann B. Slaughter, Mayor

Dolores A. Hammond, City Clerk