

**CITY OF LAURINBURG
COUNCIL MEETING
JUNE 9, 2009
CONFERENCE ROOM
CHARLES W. BARRETT ADMINISTRATIVE BUILDING
305 WEST CHURCH ST.
LAURINBURG, NC
6:00 P.M.**

Minutes

The City Council of the City of Laurinburg reconvened its special meeting held on June 1, 2009, recessed on that date until June, 4, 2009, and reconvened and recessed on that date until this date and time, June, 9, 2009 at 6:00 p.m., in the conference room of the Charles W. Barrett Building with the Honorable Matthew Block, Mayor, presiding. The following Councilmembers were present: Rembert DeBerry, Amanda B. Faulk, Curtis B. Leak and Thomas W. Parker, III. Absent was Councilmember Herbert M. Rainer, Jr.

Mayor Block called the meeting to order at 6:05 p.m. Councilmember Parker gave the invocation.

Also present were: Dolores A. Hammond, Interim City Manager; Jenny Tippett, Deputy City Clerk; Cindy Carpenter, Finance Director; Robert Bell, Human Resources/Risk Management Director; Stacey McQuage, Public Utilities Director; Harold Haywood, General Services Director; and John Evans, Police Chief.

AGENDA FOR JUNE 16, 2009 COUNCIL MEETING

A discussion ensued concerning the agenda for the June 16, 2009 council meeting.

Mayor Block stated that there were several public hearings scheduled for the meeting. He added that the first is for a request to rezone from Residential-6 to General Business property on Turnpike Road. He added that the Planning Board recommended that Council deny the request.

The Interim City Manager explained that the City thought that Huntly Street was closed during redevelopment of the Cooper and Britt Street areas but discovered recently that the street had not been closed. She added that there had been no opposition expressed concerning the street closing.

Mayor Block stated that the next public hearing on the agenda was to hear public comment on the proposed budget.

The Interim City Manager explained that the delegation on the agenda is to consider a request by a gentleman who is purchasing property at 602 Jackson Street and is requesting waiver of lot cutting fees of \$1,500.00.

A discussion ensued concerning whether a lien had been placed on the Jackson Street property.

Councilmember Leak requested that the Interim City Manager have at the council meeting copies of the letters sent to the property owner of 602 Jackson Street.

Mayor Block requested that staff determine if a lien had been placed on the subject property.

A discussion ensued concerning the process of putting a lien on property.

The Interim City Manager explained that the McKay Street bid award is for inflow and infiltration improvements on McKay Street. A discussion ensued concerning the submitted bids.

The Interim City Manager explained that the right-of-way mowing is on the agenda to determine if the contract will be included in the 2009-2010 budget. She added that the areas to be mowed are the rights-of-way of US Bypass 401 from Highland Road to Blue's Farm Road. Upon question by Councilmember Leak, the Interim City Manager stated that the reimbursement from the State would be around \$5,000.00. She added that North Carolina Department of Transportation (NC DOT) planned to mow the areas at least four (4) times per year. She further added that DOT does not mow from fence to fence as is specified in the bid package. She explained that staff would have to coordinate mowing with DOT.

The Interim City Manager stated that the Municipal Records Retention and Disposition Schedule had been updated by the North Carolina Department of Cultural Resources and that Council must adopt the updated schedule.

The Interim City Manager explained that the Assistant City Attorney wanted to update Council on the Carolina Transformer litigation.

The Interim City Manager explained that the request to rezone property at 901 Washington Avenue had been postponed at the request of the petitioner.

The Interim City Manager explained that the request to rezone from Residential-6 to Office/Institutional property located at 901 Alexander Avenue is to allow St. James Holiness Church to construct a picnic shelter.

The Interim City Manager explained that the request to rezone approximately 7.5 acres from Residential-15 to General Business had been postponed at the request of the petitioner.

The Interim City Manager explained that if Council elects not to give merit pay and merit pay bonuses, a resolution must be passed to amend the City's Personnel Policy to state that merit pay and merit pay bonuses will not be funded this year.

A discussion ensued concerning the 2009-2010 Schedule of Fees, including the fee charged for yard sales.

Mayor Block stated that the yard sales on South Main Street every weekend do not provide a good appearance.

The Interim City Manager explained that the 2009-2010 budget ordinance needs to be approved by June 30, 2009, and that, if Council wishes at the June 16th meeting, it can table the ordinance if the budget is not finalized.

A discussion ensued concerning the proposed tax consolidation with Scotland County. Councilmember Leak explained that he would not like to make a decision on the matter until a new City Manager is hired.

A discussion ensued concerning the financial aspects of consolidation. Councilmember Parker explained that it did not appear to be a financial wash to him.

Mrs. Carpenter stated that there is \$9,000.00 in fixed costs allocated to the Tax Department that would have to be allocated to other departments if the City consolidates with Scotland County. She added that if the County's collection rate is less than the City's collection rate, there could be a loss in revenue for the City. She further added that using the County's collection rate in 2008, the City would have seen a loss in revenue of approximately \$22,000.00. She briefly discussed the collection procedures that would be used if consolidation occurs.

The Interim City Manager stated that the City Attorney and the County Manager had discussed adding collection of back taxes to the proposed contract as well as the City being able to review billing to ensure City codes had been applied properly.

A discussion ensued concerning collection of back taxes.

The Interim City Manager stated that the County did not want to take over collection of the City's lot cutting fees and

special assessments. She added that in order for consolidation to be accomplished this year, a decision needs to be made quickly. She further added that discussion of tax consolidation came up as a means to help the citizens have "one-stop" payment for taxes.

Mrs. Carpenter discussed the schedule of fees included in the contract. She added that she and the Interim City Manager were conducting research to determine if the schedule of fees in the previous contract were still valid.

The Interim City Manager stated that she had spoken with the County Manager, and the County was willing to negotiate if the fee schedule needed to be revised.

Mr. McQuage discussed using plastic versus copper taps for $\frac{3}{4}$ inch residential water taps in an effort to keep the increase in tap fees to a minimum for citizens.

A discussion ensued concerning durability of the plastic piping. Mr. McQuage explained that the plastic will be appropriate and that, if it is broken, it is easily and inexpensively replaced.

Councilmember Parker stated that he felt that tap fees should be higher outside the City limits than inside because it is a privilege for county residents to receive City water.

A discussion ensued concerning tap fees outside the City limits. It was consensus of Council to double tap fees for County residents.

The Interim City Manager explained that the Schedule of Fees will be presented to Council for approval. She added that in addition to the tap fees, the fee for copies of Fire Department reports will be reduced to \$.25 per page.

The Interim City Manager explained that Mrs. Sallie Jones' term on the Planning Board expires June 30, 2009. She added that Mr. Bill Peele, City Zoning Officer, will check with Mrs. Jones to see if she is willing to serve another term. She further added that if Mrs. Jones does not wish to serve another term, Council will need to advertise for citizens interested in serving on the Planning Board.

A discussion ensued concerning appointment to the Laurinburg/Maxton Airport Commission. Councilmember Leak stated that he would like someone from the City Council to be a member of the Laurinburg/Maxton Airport (LMA) Commission. He added that since Mayor Block and Councilmember Parker had attended the fly-in in Washington, he would like them to consider an appointment to the LMA Commission. He further added that the Town of Maxton has a council member on the Commission.

The Interim City Manager explained that she had spoken with the Interim Executive Director of LMA, and Ms. Gentry told her that Mayor Dean was not going to ask for reappointment to the Commission.

Councilmember Leak stated that he would like Mayor Block and Councilmember Parker to let Council know on June 16, 2009 if either is willing to serve on the Commission. He added that whoever is appointed, he would be willing to attend a meeting if the appointee is unable to attend.

The Interim City Manager stated that Daniel Sheehan, of the Marlowe Company, called and informed her that Congressman Kissell has submitted a request for \$850,000.00 for Scotland County's emergency operations center. She added that Mayor Block sent a letter today to Congressman Kissell requesting funding assistance for the City with the purchase of the Westpoint Stevens water/wastewater treatment facility, LMA runway repairs, and with the County emergency operations center.

Further discussion ensued concerning a council member being appointed to the LMA Commission. Councilmember Faulk expressed concern that whoever is appointed needs to be able to attend the meetings and have strong business sense.

LAUCHWOOD DRIVE IMPROVEMENTS

Mr. McQuage provided an update on the status of Lauchwood Drive. He stated that there will be a roundabout at the Hospice end which will have plantings that the City must maintain, while the end at Captain D's will be a concrete median. He added that DOT is adding a lot of storm drainage.

The Interim City Manager stated that she has not heard back from DOT about the "No Parking" signs along the service road in front of the Clinton Inn and McDuffs.

LAURINBURG DOWNTOWN REVITALIZATION CORPORATION

A discussion ensued concerning the former City Manager's decision to forgive the Laurinburg Downtown Revitalization Corporation's remaining debt for the 2007 Streetscape Project. Councilmember DeBerry expressed concern that this matter was handled by the former City Manager without it being brought before Council.

BUDGET AMENDMENT

The Interim City Manager stated that she was informed by the Finance Officer that there would be an ordinance amending the 2008-2009 budget to be added to the agenda.

Mrs. Carpenter stated that she had shown in the proposed budget the possibility of budget amendments and that she has been closely monitoring the line items. She added that she knew for certain that a budget amendment would have to be done for the Power Purchase line item in the Electric Production budget. She further added that it will be offset by revenue in the Charges for Utilities line item in the Electric Fund Revenue.

The Interim City Manager explained that she authorized replacement of the Finance Director's computer because it kept freezing and that Mrs. Carpenter was unable to work on the budget. She added that there was money in the current year's budget and that \$1,800.00 will be added to the estimated expenditures in the Finance Department.

DENTAL INSURANCE

A discussion ensued concerning showing the dental insurance as a separate line item from health insurance. Mrs. Carpenter explained that it would be difficult to break out the different components of the health insurance due to the system.

Upon question by Councilmember Leak, Mrs. Carpenter explained that dental insurance had been provided to employees for at least 20 years.

Upon questions by Mayor Block, Mr. Bell explained that the dental insurance includes two (2) cleanings and checkups per year, x-rays, and pays 50% of any work that is necessary up to \$1,000.00. He added that most employees use the dental insurance; however, in order to get specific records of usage, he would have to request that information.

A discussion ensued concerning what dental insurance is provided to employees of other governmental entities in the area.

DOWNTOWN TRASHCANS

A discussion ensued concerning the downtown trashcans. Upon question by Mayor Block, Mr. Haywood stated that some of the trashcans in the downtown area would have to be relocated in order for the one-arm bandit to reach them.

Mayor Block explained that although he sees the convenience of the one-arm bandit, the proposed trash cans do not promote the desired historic atmosphere downtown.

Councilmember Faulk explained that it seems more efficient to move the downtown trash collection from the Beautification Department to the Sanitation Department.

A discussion then ensued concerning littering downtown.

LOT CUTTING FEES

The Interim City Manager stated that she had spoken with the Assistant City Attorney regarding collection of lot cutting fees. She stated that the Assistant City Attorney said the City can only collect lot cutting fees in the same manner as it collects taxes. She added that the lot cutting fees cannot be included with utilities. Following a brief discussion, the Interim City Manager stated that she would double-check with the Assistant Attorney on this matter.

RECESS

At 7:21 p.m., motion was made by Councilmember DeBerry, seconded by Councilmember Leak, and unanimously carried to recess the meeting to the council chambers of the Municipal Building located at 303 West Church Street.

Mayor Block called the recessed meeting to order at 7:31 p.m.

Additional staff present at this time included: Ronald Pierce, Electrical Services Director; Harold Haywood, General Services Director; Harold Smith, Fire Chief; John Evans, Police Chief; and Marcus Smith, IT Director.

A discussion ensued concerning collection of lot cutting fees and the process of placing a lien on property. Mrs. Carpenter explained that the Tax Collector collects the lot cutting fees as she does taxes by utilizing wage garnishment, debt setoff, and attaching bank accounts. She added that collecting from estates and from bankrupt individuals is very difficult.

Upon question by Councilmember Parker, the Interim City Manager stated that other cities collect lot cutting fees in the same manner as the City.

Councilmember Leak suggested that this matter be discussed further at a fall retreat.

SCHOOLLINK

Upon question by Councilmember Leak, the Interim City Manager stated that Schoollink owes the City \$196,000.00.

A discussion ensued concerning the debt owed the City by Schoollink and the debt owed Schoollink by the City including interest and penalties. The Interim City Manager explained that the Assistant City Attorney wants to gather all of the facts concerning the debts and then write Schoollink inquiring as to when Schoollink will pay the City.

Further discussion ensued concerning the Schoollink matter. Mr. Harold Smith explained that the majority of the debt owed by Schoollink is from the service provided to the County schools. He added that it is difficult to determine when e-rate paid the school system in order to determine when Schoollink should have paid the City.

BUDGET

Police Department

Chief Evans stated that he had reduced the Police Department's budget by \$157,230.00 and that it has all been in operations. He explained that uniforms for the Police Department include bulletproof vests which must be replaced every five (5) years and cost \$585.00 each. He added that included in the Uniform line item are shoes, leather gear, raincoats, badges, hats, belts and holsters. He further added that officers need to look sharp and crisp in order to present a strong presence.

Upon question by Mayor Block, Chief Evans explained that uniforms are normally replaced every year with each officer receiving four (4) uniforms. He added that in the 2009-2010 budget year, uniform replacement would be on an as-needed basis. He further added that, due to safety concerns, the five-year replacement schedule for bullet-proof

vests must be adhered to.

Chief Evans stated that every officer is certified either in radar, intoxilizer, or field sobriety and must be recertified each year. He explained that DCI training recertification is required every year. He added that the State is now requiring a \$100.00 recertification fee for each officer each year, and certification for a new officer is \$200.00.

Chief Evans stated that he had reduced the Maintenance and Repair Equipment line item by \$4,200.00. He expressed concern about the reduction in this line item because it includes repairs to everything inside a patrol car and the equipment located at dispatch and radios. He further explained that VHS tapes are becoming extinct and that each police car has a VCR. He added that it costs \$93.00 per hour to repair the VCRs. He cautioned that he did not feel he could run an efficient department with the cuts made in this line item but that, in order to meet Council's requirement to reduce the budget by 5% of estimated expenditures, this line item was one of the few line items he could reduce.

Chief Evans explained that he had reduced the Drug Fund line item. He explained that this line item is used to pay informants for information leading to arrests and recovery of stolen items and includes care (food and veterinary care) for the three (3) canines.

Chief Evans stated his biggest operating line item is the Maintenance and Repair Automobiles line item. He stated that he has six (6) vehicles with 90,000 plus miles, and therefore maintenance of those vehicles will increase. He added that the price of gasoline is going back up, and he is concerned that, before the end of the 2009-2010 budget year, he will need to ask Council for additional money for this line item.

Chief Evans stated that the Equipment Replacement line item should be \$62,042.00 and that this is offset by a Stimulus Fund grant for equipment.

Upon question by Mayor Block, Chief Evans stated that approximately 70% of the Maintenance and Repair Equipment line item is for gasoline.

A discussion ensued concerning the price of gasoline and the storage capacity of the City.

A discussion ensued concerning the Police Department shifts and the peak hours for crime and arrests.

Public Works Administration

The Interim City Manager explained that Harold Haywood has five (5) departments in the General Fund and in Solid Waste. The Public Works Administration Department provides administrative services to all of these departments.

Mr. Haywood explained that he had reduced the Contracted Services line item which included upgrades to the Work Order System. He added that he reduced the Dues and Subscriptions line item by eliminating the Polk Directory and a subscription to *The Laurinburg Exchange*.

Fueling Facility

Mr. Haywood explained that he reduced the Maintenance and Repair Equipment line item in order to meet Council's required 5% budget reduction.

Garage

Mr. Haywood explained that he had reduced the Departmental Materials and Supplies line item and the Contracted Services line item to meet Council's required 5% budget reduction.

Animal Control

Mr. Haywood explained that he reduced the Contracted Services line item which included upgrades to the Work Order

System in order to meet Council's required 5% budget reduction.

Building Maintenance

Mr. Haywood explained that he reduced the Uniforms line item and the Departmental Materials and Supplies line item in order to meet the required 5% reduction in budget.

Upon questions by Mayor Block, Mr. Haywood explained that the Salary line item increased because he had moved an employee from Sanitation to Building Maintenance. He explained that the Building Maintenance worker cleans the Public Works building, picks up litter on the Public Works' grounds, answers the telephone, and also fills in on the sanitation trucks as needed.

Solid Waste

Mr. Haywood explained that the Uniform line item, the Travel and Schools line item, the Advertising line item, the Automotive Maintenance and Supplies line item, and the Departmental Materials and Supplies line item were reduced in order to meet Council's directive to reduce the budget by 5%.

Upon questions by Mayor Block and Councilmember Parker, Mrs. Carpenter stated that the beginning salary for a Sanitation worker is \$22,638.00 after the 6-month probationary period.

Upon question by Mayor Block, Mr. Haywood stated that since the City began using the one-armed bandit for trash collection, the number of employees has decreased from 27 to 19.

A discussion ensued concerning the price of gasoline and diesel.

Mr. Haywood then discussed the following items:

- The Contracted Services line item includes GPS monitoring on sanitation trucks.
- He needs to replace one of the knuckleboom trucks (Equipment Replacement). In order to be more efficient, he plans to phase in an automatic leaf machine that would be operated by one person and reduce labor through attrition.

A discussion ensued concerning dumpster sales and rentals.

A discussion ensued concerning revenue from the sale of recyclable material.

Streets and Highways

Mr. McQuage discussed the following:

- In the Salaries and Wages line item, he reduced by one (1) employee.
- Replacement of one (1) of the tractors with a flail mower with an estimated cost of \$57,000.00.
- The City has committed to installing sidewalks on Lauchwood Drive which is shown in line item Other Improvements. He cautioned that \$150,000.00 had been removed from the Other Improvements line item that would pay for street paving. He added that the City had not completed any street paving in several years.
- He would like to have \$45,000.00 in the Maintenance and Repair Equipment line item for the 2009-2010 budget year, the same amount as the previous budget year.
- Budgeting \$25,000.00 in the Departmental Materials and Supplies will limit the amount of pavement repairs that could be done.
- The Contracted Services line item is for the mosquito program. He explained that in order to fully fund

the program, \$12,000.00 to \$15,000.00 would be needed depending on how long the mosquito season runs.

Following discussion, it was consensus of Council to:

- Add \$12,000.00 to the Contracted Services line item.
- Put \$33,000.00 in the Contingency line item for equipment replacement.

Storm Drainage

A discussion ensued concerning contracting a ditch crew versus hiring a ditch crew.

Following further discussion, it was consensus to add an additional \$17,000.00 to the Contingency line item for contracting ditch cleaning.

Water Distribution

Mr. McQuage explained the following in Water Distribution:

- Reduced Travel and Schools line item to \$2,600.00 which he feels will be enough to keep his personnel certified.
- He did not feel he could reduce the Departmental Materials and Supplies line item due to the high cost of couplings and other supplies.

A discussion ensued concerning the Equipment Replacement line item, the Equipment line item and the offsetting revenue line item for the expansion at the prison. Mr. McQuage explained that the City should expect approximately \$32,000.00 in payment from the prison.

A discussion ensued concerning fire lines.

Cross Connection

Mr. McQuage explained that repairs to the software for the Backflow Program are included in the Contracted Services line item. He added that he is looking into purchasing new software.

Sewage Collection

Mr. McQuage discussed the following:

- He had reduced the Travel and Schools line item by \$1,000.00.
- The City's permit requires that the sewer right-of-way be maintained.
- The Sewer Construction line item was reduced by \$20,000.00 which will limit sewer construction.

Councilmember Parker expressed concern that the sewer right-of-way crew be contracted, not seasonal employees, in order to keep the unemployment costs down.

Non-Departmental-General Fund

The Interim City Manager explained that the Continuing Education and Training line item was reduced by eliminating the Diversity Training for all employees.

Upon question by Mayor Block, the Interim City Manager stated that the \$40,000.00 Contribution to the Chamber for

the Spec Building was a one-time payment and was paid this budget year.

Upon question by Councilmember Faulk, Mrs. Carpenter explained that the Humane Society's budget increased by 7%.

Discussion ensued concerning the following line items in Non-Departmental (General Fund)

- Concessions and Rentals
- Elections
- Loan (roll-out carts and demolition of the old hospital)
- Contribution to Chamber (The Interim City Manager explained that the Executive Director of the Chamber had no problem with the City's four (4) memberships coming from the \$12,500.00 contribution.)
- Workers' Compensation
- Insurance Deductible Paid (Mr. Bell explained that this is the policy premium for excess coverage for Workers' Compensation.)

Contingency-General Fund

Mrs. Carpenter explained that the amount in this line item is the amount necessary in order to balance the budget. She added that the items identified thus far out of this line item are \$21,000.00 for roof at the Municipal Building, \$10,000.00 for tree removal, and \$50,000.00 for equipment in Streets and Highways.

A discussion ensued concerning tax revenue. Mrs. Carpenter explained that there are two (2) possible tax exemptions that could affect the City's tax revenue. She further explained that one bill would allow senior citizens a \$2,000.00 exemption on the valuation of their vehicles, and the bill allows disabled veterans an exemption on property taxes.

Upon question by Councilmember Parker, Mrs. Carpenter stated that the tax valuation was \$66,646,665.00 and that the City's collection rate currently is 96.97%.

Electric Administration

Mr. Pierce discussed the following:

- Automotive Materials and Supplies line item was reduced due to salvaging parts from an old vehicle.
- Contracted Services reduced as it was not anticipated the services of the Electrical Consultant would be needed as much as originally anticipated.

Electrical Operations and Improvements

Mr. Pierce discussed the following:

- Because of OSHA regulations, new flame-retardant uniforms had to be purchased to meet requirements, as shown in the Uniforms line item.
- Preventative maintenance necessary on various vehicles and equipment.

Upon question by Mayor Block, Mr. Pierce explained that the work on the line trucks must be done by a certified hydraulic mechanic and cannot be done by the City's mechanics.

Mr. Pierce then discussed the following:

- Concern about the single bucket truck and replacing the engine. The truck is scheduled to be replaced

in 2013.

- Replacement of 55-foot bucket truck with 2004 Freightliner located in Danville, VA with warranty.

A lengthy discussion ensued concerning the process of acquiring the 55-foot bucket truck with a jib and a 45-foot tower truck. It was consensus of Council for Mr. Pierce to provide more information to Council concerning the replacement of the two (2) trucks.

A discussion ensued concerning replacement of generators and scrapping of the old generators.

Mr. Pierce then discussed a program new meter control system being used in Rocky Mount that he would like to explore. He added that it would fall under the stimulus package and possibly not cost the City anything.

A discussion ensued concerning the Datamatic meters. The Interim City Manager is to contact the Datamatic representative to schedule a meeting with Council.

Fiber Optic

Mr. Smith explained that he reduced the New Construction line item in order to meet Council's directive to reduce the budget by 5%.

A discussion ensued concerning the Travel and Schools line item. Mr. Smith and Mrs. Carpenter will provide additional justification and information concerning the requested training.

Other

Mrs. Carpenter stated that she had a meeting with the Humane Society Manager and would like for Council to let her know if there are any questions concerning the Humane Society's request for funding for 2009-2010.

The Interim City Manager explained that a special meeting needed to be scheduled to hold a second public hearing on a grant. She further explained that it needed to be held the week of June 22.

It was consensus of Council to schedule a special meeting on Tuesday, June 23, 2009 at 5:30 p.m. in the council chambers of the Municipal Building to hold a public hearing on a grant for sewer improvements on Creedle Street and to continue with the budget workshop to finish going through the departmental budgets.

RECESS

Motion was made by Councilmember DeBerry, seconded by Councilmember Faulk, and unanimously carried to recess the meeting to Thursday, June 11, 2009 at 5:00 p.m. at McDuffs' Neighborhood Grille located at 1705 US 401 Bypass.

The meeting recessed at 10:35 p.m.

Matthew Block, Mayor

Dolores A. Hammond, City Clerk