

**CITY OF LAURINBURG  
SPECIAL COUNCIL MEETING  
RETREAT  
MARCH 13, 2009  
MUNICIPAL BUILDING  
303 WEST CHURCH ST.  
LAURINBURG, NC  
3:00 P.M.**

**Minutes**

The City Council of the City of Laurinburg held a special meeting for the purpose of discussing the City's Five-Year plan on March 13, 2009, at 3:30 p.m. in the council room of the Municipal Building with the Honorable Matthew Block Mayor presiding. The following Councilmembers were present: Amanda B. Faulk, Curtis B. Leak, and Thomas W. Parker, III. Councilmembers Rembert DeBerry and Herbert M. Rainer, Jr. were absent from the meeting.

Also present were: Craig F. Honeycutt, City Manager, Dolores A. Hammond, City Clerk, and Management Team members: Cindy Carpenter, Finance Director; Johnny Evans, Chief of Police; Robert Ellis, Treatment Plants Director; Stacey McQuage, Utilities Director; Harold Haywood, General Services Director; Ronald Pierce, Electric Distribution Director, Bob Bell, Marcus Smith, IT Director, and Bill Riemer, Director of Administration and Development. Mr. Tyrone Smith, Street Sign Marking Specialist was also present.

Following an informational briefing on the design charrette the Laurinburg Downtown Revitalization Corporation is currently hosting for the downtown area, Mayor Block called the meeting to order at 3:30 p.m. Councilmember Parker gave the invocation.

Mayor Block welcomed everyone. He stated there were a number of items on the agenda and that this is the time to discuss and think about new ideas and to give direction to staff.

**MOSQUITO PROGRAM**

Mr. Amadou Jallow, a representative from the State Health Department, gave an overview of the mosquito program which is all about public health and safety.

Mr. Jallow discussed and shared several options used for controlling mosquitoes. He complimented the City of Laurinburg's mosquito program.

Upon question by Councilmember Parker, Mr. Jallow explained that larvicide would probably be the most cost effective way of controlling the mosquito population. He also stated, however, that there is a special benefit of the City's current control method (spraying) and that is that it is visible and the public knows it is being done. A combination of both would be an option for Council to consider as well as educating the public more on how they can help in controlling the mosquito population. He explained that a combination of the two methods would be more costly to the City.

A discussion ensued on whether other municipalities had a mosquito program, how they implement it, and the cost of such programs.

No action was taken on this matter.

**CITY OF LAURINBURG BEAUTIFICATION ADVISORY COMMITTEE**

Ms. Addie Pratt, Chairperson of the committee, addressed the proposed resolution that she had presented to council concerning extending the mowing area of the City.

She made a presentation to City Council about the committee and discussed the committee's responsibilities.

Chairperson Pratt then explained to Council that the committee has a group of ideas to improve the City and listed them as follows:

- Developing a long-term plan for some of the major thoroughfares
- Edging the roadways and curves and eventually sidewalks
- Considering new sidewalks in city
- Putting in window boxes with flowers at downtown businesses
- Creating a City-run nursery for flowers
- Beautifying the entrances to St. Andrews Presbyterian College
- Developing ordinances to address private property between sidewalks and streets
- Addressing landscaping around proposed roundabout at Lauchwood Dr.
- Finding ways to get people more involved in City beautification
- Reviving Adopt-A-Spot program
- Establishing a litter control position

Following Ms. Pratt's presentation, Councilmember Faulk stated that she feels that the committee should come up with ideas for the City to present to Council but that they should avoid micromanaging.

Following discussion, there was a consensus among Councilmembers that the committee's responsibility is to come up with ideas for the City, present them to Council for consideration, and to avoid micromanaging.

Mr. Pete Morris, Beautification Director, stated that he has included in the City's Five Year plan new entrance signs to the City.

A discussion ensued concerning the Beautification Committee, and the consensus is that the committee should not consider budgetary issues but should rather leave that to Council.

The City Manager explained that the City has contracted out the mowing of some of the interchanges and that last fall the City addressed additional mowing along US 401 By-pass. A discussion with staff revealed that the City has approximately five different groups cutting grass and that that issue will be discussed before the next budget year.

A discussion then ensued regarding Scotland County closing two parks. The parks are both located on US 401 By-pass one next to Hillside Memorial Park and the other next to Pinewood Park Apartments. The park next to the cemetery belongs to the City. The City Clerk was directed to research to see who actually owns Pinewood Park.

It was suggested that the Mayor provide Beautification tips in the quarterly newsletter.

There was consensus to have a 10-minute break which was begun at 5:10 p.m.

The meeting resumed at 5:20 p.m.

## **LUMBER RIVER COUNCIL OF GOVERNMENTS (COG)-JIM PERRY**

Mr. Jim Perry briefed Council on the Regional Water project that the City and Scotland County have been working on at the WestPoint Stevens plant that closed some time ago. He explained that there are Water Treatment and Wastewater Treatment Plants located on the property.

He stated that at the initial meeting representatives from Hoke County, Raeford, Robeson County, Red Springs, Maxton, Scotland County, Laurinburg, and Richmond County got together to talk about the idea of purchasing the facilities so that they would not be decommissioned. Scotland County agreed to be the lead entity to look for grant opportunities that might be available to facilitate the purchase.

The Wastewater Plant is rated at 7 million gallons per day. The Wooten Company looked at both facilities to determine the best way to proceed with getting the plant up and running. The market value for the plants and land would be approximately 2.6 million dollars. Adding the cost of rehabilitation of the Wastewater Plant to the cost of the plants and land would bring the total cost to approximately 19 million dollars. He stated that the cost per gallon to upgrade the current facility would be \$2.76. The cost of a new facility would be in the range of \$6.00-\$8.00 per gallon.

Mr. Perry then gave an overview of the Water Treatment Plant. He explained that the water treatment plant has surface water intake and is rated at 7 million gallons per day. The cost per gallon to upgrade the current facility would be approximately \$2.55 versus the \$6.00-\$8.00 per gallon to build a new facility. The approximate cost to rehabilitate the Water Treat Plant is 16 million dollars.

He continued explaining that since the initial meeting there have been some changes in the interest of various entities that originally met to consider use of the facilities. Hoke County and Raeford have gone in a different direction with each building a facility on its own. There is still a huge interest in the WestPoint Stevens plant by other entities. There are those that are interested in the wastewater treatment side and others interested in the water treatment side (Aberdeen, Southern Pines, Maxton, Red Springs, etc.).

Mr. Perry concluded by stating that there are two plants with the potential of local governments stepping in, purchasing the plants, and working with neighbors and other folks to create opportunities for a regional water plant.

The City Manager stated that Gulistan Carpet is already located at the site and uses approximately 500,000 gallons of water per day. It is a potential customer for water and sewer because they are currently using raw water. The plants need to be upgraded to potable water for potential customer use.

Upon question by Mayor Block, Robert Ellis, Water and Wastewater Treatment Plants Director, stated that one of the possibilities at the Laurinburg/Maxton Airport is to shut that plant down, put in pump station, and take the flow to WestPoint Stevens.

Following further discussion, there was consensus among Councilmembers to have the City Manager draft a strong letter of support to the COG to move forward to the next step of looking at transmission lines and structure of the authority for the proposed Regional Water project.

*Councilmember Parker left at 5:58 p.m.*

*Council recessed for dinner at 6:00 p.m.*

*At 6:25 p.m., the meeting resumed.*

## **FIVE YEAR PLAN-CITY OF LAURIN BURG**

The City Manager reviewed the accomplishments and status of items discussed at Council's Fall Retreat.

The City Manager provided each Councilmember with a copy of the City's Five-Year Plan.

He stated that there are many projections relating to revenues and capital needs provided in the Five-Year Plan. He stated that staff is very realistic about understanding the current budget as well as the economic recession and is aware of where the budget needs to go in the upcoming year. There are still capital needs, however, and these will be asked for in upcoming budgets. Staff always tries to put the needs of the City before the Council, with the realization that there are funding limitations in these economic times.

He stated that there has been little growth over the last ten years. He explained that gas prices have increased as well as the wages and benefits (insurance) for employees; everything it takes to run the City has gone up more than 1%

annually.

He explained that, as of March 2009, the City's budget is in good shape with respect to expenditures and revenues. He stated that staff is doing everything they can to be frugal with budgeted monies.

He then explained that in preparing for the upcoming budget it is not a good year to ask for a tax increase. Staff is proposing to hold solid waste fees, water and sewer fees, and electrical rates at their current levels. He then informed Council that the North Carolina Eastern Municipal Agency (NCEMPA) is proposing a potential rate increase of 5% in March 2010.

Upon question by Mayor Block, the City Manager explained that the next tax revaluation would be in 2010. The City Manager stated that the proposal is to not use any general fund balance to balance the budget and to keep the spending by general fund departments at or below last year's funding levels. Staff fully understands that there is no growth and that there may be a decrease in sales tax. He explained that the City needs to protect and increase its fund balance.

He stated that one of the big things to consider is that there should be no reduction in force. Staff has had a hiring freeze since Council implemented that directive, and if a position becomes vacant, staff brings it to Council sometimes a couple of months afterwards to ask that it be filled. He then stated that the City is not currently overstaffed in any department and at times is understaffed. A priority in the upcoming budget is to try to keep existing staff.

He stated that another issue Council needs to consider is that, if the City intends to continue to fund the cost of living at the social security average, the increase will be 5.6% this year. This average has been used for the past few years. He then stated that Staff fully understands that the City cannot afford that much of a cost of living increase. He further stated that merit raises would probably not be funded again this year. He explained that there needs to be some type of cost of living increase for the employees. He strongly encouraged Council to consider this issue.

He informed Council that one of the main challenges is the City's electrical rates. He stated that NCEMPA is proposing an additional 5% increase in March 2010. He explained that the City cannot control the increases imposed by NCEMPA. He informed Council that if the clean energy legislation is passed, energy prices could increase 20-30% just to cover the extra clean up costs.

He informed Council of several positive things that have been completed or are in the first stages of completion. He shared that the fiber project to all Scotland County schools has been completed. He stated the Richmond Community College will have its ground breaking on April 27, 2009, for its new facility at the old hospital site. The stimulus project and grant structure for infrastructure is coming in. He said that the City is working with Scotland County and the Laurinburg/Scotland County Area Chamber of Commerce to recruit potential new retail and industry businesses.

He reiterated that his strong opinion and recommendation is to continue looking at the WestPoint Stevens project. He stated that the potential for future upgrades and capacity that the City may need is there along with potential revenue producing opportunities. He stated the project would not be any less expensive in the future.

The City Manager then asked if Council would like to discuss the Five-Year Plan proposal or to take it for review with questions later.

Upon question by Councilmember Faulk, Cindy Carpenter, Finance Director, explained that the water-sewer fund is a volatile fund that goes up and down. She explained that whenever there is a year where there are a lot of capital expenditures, because those items are not being financed, the fund balance is low. However, when there are no capital expenditures in a given year, the fund balance is stronger.

The Finance Director explained that most of the requests in the Five-Year Plan were presented in last year's proposal and not funded. They are presented for Council review for consideration in the upcoming budget.

The City Manager stated that one of the items requested in the Five-Year Plan for next budget year is monies to

renovate the old First Union Building downtown to house a city department because of facility needs for the City. This money is for a facility study to see exactly what each department needs in the areas of additional space and/or relocation. The estimate for the study is \$15,000.00.

Upon question by Councilmember Leak, the study will include the municipal building, the Barrett Building, and the two buildings that Richmond Community College presently owns (the Speller Building and the old First Union Building).

Following discussion about the Five-Year Plan, Mayor Block asked where the City currently stands with its fiber optic project.

Mr. Harold Smith, Fiber Optic Consultant, stated that he has provided the City Manager with a letter concerning the next steps in the City's fiber program. He explained that there is stimulus money available for wireless technology and advises the City to apply for funding.

The City Manager explained that Councilmember Parker had expressed concern about Gustaf C. Lundin & Company which conducts the City's financial audit. He explained that his concern had dealt with a write-up that Lundin had received following a peer review. This was a couple of years ago, and there have been no further issues. Councilmember Parker had suggested to the City Manager that the contract to audit the City's financial records be bid out.

Mayor Block expressed that it would be good to have a fresh pair of eyes at some point to review the financial records of the City.

The City Manager stated that this year it was too late to consider bidding the contract. He explained that this issue is on Council's agenda for consideration at its March meeting (i.e. to approve a contract to allow Gustaf C. Lundin & Company to conduct the audit of the City's financial records).

A discussion ensued regarding Gustaf C. Lundin & Company. Councilmembers Leak and Faulk stated that this company is local, has been auditing the City's financial records for years, and that the company should continue the audit.

There was no further discussion on this issue at this time.

The City Manager stated that another item Councilmember Parker wanted to address was the City's current WARM program. He informed Council that \$1,023.69 has been collected and \$851.45 has been expended through Church and Community Services' assistance of seven customers. He explained that March is the last month that the service is offered and that, between the months of March and November, the fund balance should build up for use when the program begins again next winter.

Upon question by Councilmember Faulk, the amounts collected each month vary based on the rounding up process by customers as well as simple donations.

## **ADJOURNMENT**

Motion was made by Councilmember Leak, seconded by Councilmember Faulk, and unanimously carried to adjourn the meeting.

The meeting adjourned at 7:14 p.m.

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Matthew Block, Mayor

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Dolores A. Hammond, City Clerk