

**CITY OF LAURINBURG
SPECIAL MEETING
MAY 12, 2009
CHARLES W. BARRETT BUILDING CONFERENCE ROOM
305 WEST CHURCH ST.
LAURINBURG, NC
7:00 P.M.**

Minutes

The City Council of the City of Laurinburg held a special meeting for the purpose of reviewing the proposed agenda for the May 19, 2009 council meeting and to bring budget discussions at 7:00 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 and Curtis B. Leak. Councilmember Parker arrived at 7:10 p.m. and Councilmember Rainer arrived at 7:40 p.m.

Also present were: Dolores A. Hammond, Interim City Manager; Cindy Carpenter, Finance Director; Stacey McQuage, Public Utilities Director; Bob Bell, Human Resources/Risk Management Director, and Bill Riemer, Director of Administration and Development.

Mayor Block called the meeting to order at 7:00 p.m. Councilmember DeBerry gave the invocation.

MAY 19, 2009 AGENDA

A discussion ensued concerning the agenda for the May 19, 2009 council meeting.

There was discussion concerning the request for an amendment to the Unified Development Ordinance to allow indoor kennels by conditional use permit in the Residential-15 zoning district. Mr. Riemer explained that the Residential-15 zoning district is the City's most restrictive zoning district.

Councilmember Leak requested that staff check with regulating authorities to determine if Ms. Cluck's current operations are in compliance.

A discussion ensued concerning possible conditions that could be placed on indoor kennels.

A discussion then ensued concerning the request for funds by the Laurinburg/Scotland County Area Chamber of Commerce. Councilmember Leak requested specifics on how the money will be used.

The Interim City Manager explained that the proposed budget for the Laurinburg/Maxton Airport (LMA) Commission would be presented to the Town of Maxton at the same time it is being presented to Council.

The following items on the agenda were briefly discussed:

- Request for \$1,000.00 from the Retail Recruitment Committee to participate in providing a match for a grant to determine the types of businesses that would best fit in the vacant commercial buildings.
- Request for closing a portion of an undeveloped street known as Huntly Street
- Set public hearing for request to rezone 10160 Turnpike Road from Residential-6 to General Business
- Condemnation ordinance for 315 Douglas Street. Councilmember Faulk requested a ballpark figure of the cost of demolition. A discussion ensued concerning the cost of tipping fees for construction debris. It was consensus of Council to discuss this matter with the Scotland County Commissioners at the joint meeting next week.
- Set public hearing on budget ordinance.

- Resolution and lease agreement between the City of Laurinburg, Town of Maxton and Silgan Containers. The Interim City Manager explained that the City Attorney was working on this matter and would have more information. Councilmember Leak requested additional information on the line item the rent is shown in the LMA budget.
- Setting budget workshop sessions.

A discussion then ensued concerning the request to fill a vacant street maintenance worker position. Mr. McQuage explained the various work tasks required of the person in this position. He also explained that, as directed by Council, he had talked with the NC Department of Transportation (DOT), and the estimate for cutting the street rights-of-way, based on DOT's contracted price, is approximately \$78,000.00.

Mr. Riemer explained that the City is reimbursed by DOT \$1,800.00 per year for the interchange maintenance that the City contracts out; however, the cost of the contract is three (3) times that amount. He explained the insurance requirements and OSHA and safety requirements that DOT has.

A discussion ensued concerning the lack of street resurfacing in the City for the past several years and the need to fill cracks in the streets.

The Interim City Manager explained that two (2) citizens are requesting that unpaved streets be paved. She added that the petitions have not been received but that the citizens have sought information on the process.

A lengthy discussion ensued concerning the paving of Durso Street and the costs associated with paving it. Mr. Riemer explained that the cost of the required storm drainage improvements would be around \$1,000,000.00. He added that the only way the City will be able to afford to pave Durso Street is to make an adjustment in the City's street paving policy so that curb and gutter are not required. He further added that Bill Peele, City Planner, is researching a change in the City's street paving policy.

Discussion then resumed concerning the vacant street maintenance position. Councilmember Parker requested that Mr. McQuage provide more information concerning the work of the department throughout the year and also develop a creative way to get the job done and save money.

A discussion ensued concerning delinquent lot cutting fines and fees. Councilmember Parker requested that the Interim City Manager find out how other towns handle delinquent lot cutting fines and fees.

A discussion then ensued concerning several buildings in the downtown area that are eyesores, including the McDuffie Building and the old café.

A discussion ensued concerning the violation reported at the Wastewater Treatment Plant and methods of resolving this issue which frequently occurs following heavy rains. Mr. Robert Ellis explained the violation and possible solutions. He added that one possible solution is to have the land applicator come when the digester is at 75% capacity versus the current procedure of having him come when the digester is at 80% capacity. Mr. Ellis explained that several years ago the cost of another digester was approximately \$550,000.00. He added that in the future it was advisable for the City to add a new digester to its Wastewater Treatment Plant.

A discussion ensued concerning the Westpoint Wastewater Treatment Plant and the benefit to the region of having a large regional facility.

A discussion then ensued concerning Schoollink. The Interim City Manager explained that the Finance Director is waiting on a response from Schoollink to determine the exact amount owed to the City. A discussion ensued concerning the possibility of cutting off Schoollink and the City obtaining another IEP provider.

A discussion then ensued concerning the Brownfield Agreement between the City and the State of North Carolina for the Richmond Community College (RCC)/old hospital property. Mr. Riemer explained that the agreement designates

the property as a brownfield and provides some protection for the City from any lawsuits or action by the State should any additional contaminants be discovered on the site. He added that the agreement places restrictions on the property of which RCC is aware. He further added that there are several corrections and changes to the agreement that will need to be made.

RECESS

At 8:20 p.m. motion was made by Councilmember Parker to recess the meeting to move to the council chambers of the Municipal Building located at 303 West Church Street. The motion was seconded by Councilmember Faulk and it unanimously carried to recess the meeting to move to the council chambers of the Municipal Building located at 303 West Church Street.

Mayor Block called the recessed meeting to order at 8:26 p.m.

Mrs. Cindy Carpenter explained the status of Schoollink debt to the City and the City's debt to Schoollink.

Mr. Harold Smith, former consultant to the City, explained that the last information he had was that the Schoollink owed the City more than the City owed Schoollink and he did not recommend that the City pay Schoollink until Schoollink had paid the City.

Councilmember Faulk expressed concern about cutting Schoollink off because of the effect on the school system and recommended that, if Schoollink is cut off, it be done after the school year ends.

A discussion ensued concerning the terms of the contract between the City and Schoollink. Mr. Smith explained that Schoollink was in violation of the contract. He further explained that the school system had awarded the e-link contract to Schoollink, and if Schoollink cannot provide the service required of the contract, the school system could end the contract and award it to another provider. He further explained that Bellsouth has the same connection at the City's Public Works that Schoollink has and can provide the same bandwidth.

Mayor Block suggested that the City Attorney review the contract.

PROPOSED 2009-2010 BUDGET

The Interim City Manager explained that the proposed 2009-2010 budget includes the following:

- A 5% transfer from the Electric Fund based on the transfer policy adopted by Council in the 2008-2009 budget.
- An increase in property and liability insurance of 29.5%
- An increase in health insurance of 7.8%
- An increase in dental insurance of 5%
- No Cost of Living Adjustment (COLA) for employees
- The proposed City Manager's salary is the same as the previous City Manager's salary and may need to be adjusted once a City Manager is hired.
- A 5% increase in electric rates is recommended by the City's electric consultant for April-June 2010 because of the 5% increase by Electricities.
- The General Fund includes a \$75,206.00 payment on the fire truck, and the payout on the truck will be in the 2013 budget year.
- The General Fund includes a \$29,226.00 payment on the Rescue Squad truck, with final payout being in the 2010-2011 budget year.

- A final payment of \$56,250.00 for the Laurel Hill Water System.

A discussion ensued concerning the property and liability insurance. Councilmember Parker requested that the Interim City Manager discuss property and liability insurance on the manager's listserve to see how other municipalities are handling this problem.

A discussion ensued concerning the Laurel Hill Water System. Mrs. Carpenter is to provide Council with a breakdown of the costs and revenue projections for this system.

The Interim City Manager explained that one of the changes in the Schedule of Fees is to change the cost of a fire report to \$.25 per page. She added that the other proposed change is to change tap fees.

A lengthy discussion ensued concerning tap fees. Mr. McQuage explained that currently the City does not recoup its costs on taps.

Councilmember Parker requested that staff obtain an estimate from a plumber to determine if the City is charging too much or too little for this service.

Mr. Robert Ellis expressed concern about a private plumber installing taps. He explained that a City employee would have to be on site during the tap installation in order to maintain the integrity of the City's water mains. He added that if an estimate is obtained from a plumber, staff should ensure that the estimate includes the same specifications including materials as what the City uses.

A discussion then ensued concerning fire lines and the loss of water and therefore revenue. Mr. McQuage explained the history of the City requiring vaulted meters and that Council had changed the ordinance to not require vaulted meters when one company protested due to the high cost of installing a vaulted meter.

Further discussion ensued concerning the problem of losing water on fire lines. Mr. McQuage recommended that, since companies with fire lines are required to have detector checks installed, that would be more economical and provide the City with a means of monitoring use of water on the fire lines.

The Interim City Manager discussed budget cuts already done by staff in each department. She explained that in the Governing Body, Travel and Schools was reduced, and in Administration, Travel and Schools and Maintenance and Repair of Equipment were reduced.

Revenue

It was then decided to discuss the Revenue portion of the proposed budget. Mrs. Carpenter explained that the proposed budget is not a balanced budget; projected revenues are higher than projected expenditures.

Mrs. Carpenter explained that there is the possibility of less revenue in Taxes-Current Year because the State Legislature is considering a bill to give Veterans a tax exemption. She added that Powell Bill funds will be reduced due to the dramatic slowdown in vehicles and fuel purchased since those funds are distributed on motor fuel tax and vehicle taxes.

Upon question by Councilmember Parker, Mrs. Carpenter stated that the proposed budget shows revenue \$160,000.00 above expenditures.

General Fund

Mrs. Carpenter then discussed the following:

Governing Body- budget had been reduced 3.3% by staff with the majority of the decrease being in Travel and

Schools.

Administration-budget reduced 2.8% by staff with the majority being in Travel and Schools.

Personnel-budget reduced by 7.8% primarily because of the reduction in Unemployment Compensation

A discussion ensued concerning the Health and Fitness Program. Mr. Bob Bell explained the Weight Watchers At Work program recently begun with 20 employees. The costs and benefits of the program were discussed.

Upon question by Councilmember Leak, Mrs. Carpenter explained that Contracted Services included drug testing for CDL license holders and physicals.

Also discussed were Equipment Replacement (new computer) and Advertising.

Finance Administration-No capital purchases, a small reduction in Travel and Schools.

Accounting-No capital purchases, a small reduction in Travel and Schools.

Taxation-No capital purchases, reduction in Travel and Schools. Mrs. Carpenter added that she is awaiting word from the County to see if the City is charged for the annual tax listing.

Building Maintenance-Took out funds to extend roof life of City Hall roof.

Administration-Took out Space Study. A discussion ensued concerning Equipment Replacement (software for web design and upkeep).

Planning-Budget reduced by 2.4% by reducing Contracted Services and Demolition. On-Line permitting was deleted.

A brief discussion ensued concerning salaries. Mrs. Carpenter explained that some salary line items increased due to certifications and longevity.

Engineering-No capital expenditures. A discussion ensued concerning Maintenance and Repair of Equipment. Mr. Riemer explained software licensing requirements. A discussion ensued concerning the reimbursements from the County for GIS services. Councilmember Parker expressed concern that it appears the City is paying a disproportionate share of the cost for GIS.

BEAUTIFICATION INITIATIVE

Mayor Block explained that, since it was late, further discussion of the budget would be held at a later date. He requested an update on the new Beautification initiative from Mr. Pete Morris, Beautification Director.

Mr. Morris explained that the first week his crews worked 26 hours and mowed, string-trimmed and sprayed Round-Up on North Main Street from Railroad Street to Aberdeen Road but have not yet edged. He added that the second week his crews worked 56 hours on South Main Street down to Mi Casita's, including edging down to Bojangles. He further added that his crews have begun working on West Church Street and East Church Street.

Upon question by Councilmember DeBerry, Mr. Morris explained that it was hoped that businesses and citizens would become involved in the process, but it was too early in the new initiative to make an assessment of community involvement.

CLOSED SESSION

At 9:08 p.m. motion was made by Councilmember DeBerry to go into closed session pursuant to North Carolina General Statute 143-318.11(a)(6), to discuss the qualifications, competence, performance, character, fitness, conditions

of appointment, or conditions of initial employment of an individual public officer. Councilmember Rainer seconded the motion and it unanimously carried to go into closed session.

At 9:59 p.m. motion was made by Councilmember DeBerry, seconded by Councilmember Parker, and unanimously carried to adjourn the closed session and resume the open meeting.

ADJOURNMENT

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

The meeting adjourned at 10:00 p.m.

Matthew Block, Mayor

Dolores A. Hammond, City Clerk