

**CITY OF LAURINBURG
CITY COUNCIL MEETING
MAY 16, 2017
MUNICIPAL BUILDING
303 WEST CHURCH ST.
7:00 p.m.**

Minutes

The City Council of the City of Laurinburg held its regular meeting on Tuesday, May 16, 2017 in the Council Chambers of the Municipal Building at 7:00 p.m. with the Honorable Matthew Block, Mayor, presiding. The following Councilmembers were present: Mary Jo Adams, Dolores A. Hammond, Curtis B. Leak, Andrew G. Williamson, Jr. and J.D. Willis.

Also present were Charles D. Nichols III, City Manager; Jennifer A. Tippet, City Clerk; and William P. Floyd, Jr., City Attorney.

Mayor Block called the meeting to order at 7:00 p.m.

Councilmember Williamson gave the Invocation and then led the Pledge of Allegiance.

APPROVAL OF AGENDA

Councilmember Adams requested that the agenda be amended by moving Item 9, Consider Resolution No. R-2017-11 Recommending Professor Adams Walls for the James E. Holshouser, Jr. Award for Excellence in Public Service, immediately after approval of the agenda.

Councilmember Hammond requested that the agenda be amended to recognize the City Clerk as last week was Municipal Clerks' Week after recommendation for award of Professor Walls.

Councilmember Adams requested that the agenda be amended to move the Comments from Mayor/Councilmembers after the Public Comment Period.

Motion was made by Councilmember Adams, seconded by Councilmember Leak, and unanimously carried to approve the agenda as amended.

CONSIDER RESOLUTION RECOMMENDING PROFESSOR ADAM WALLS FOR AWARD

Mayor Block explained that this resolution recommends Professor Adam Walls for the James E. Holshouser, Jr. Award for Excellence in Public Service.

Councilmember Adams moved to approve Resolution No. R-2017-11 recommending Professor Adams Walls for the James E. Holshouser, Jr. Award for Excellence in Public Service. The motion was seconded by Councilmember Willis, and the vote was as follows:

Ayes: Adams, Leak, Willis, Williamson, Hammond
Nays: None
(Resolution No. R-2017-11 on file in City Clerk's office)

Councilmember Mary Jo Adams then read the following resolution and presented it to Professor Walls:

RESOLUTION NO. R-2017-11

**RESOLUTION OF THE CITY OF LAURINBURG RECOMMENDING
PROFESSOR ADAM WALLS FOR THE JAMES E. HOLSHOUSER, JR.
AWARD FOR PUBLIC SERVICE FROM THE
UNIVERSITY OF NORTH CAROLINA**

WHEREAS, the James E. Holshouser, Jr. Award for Public Service was created in 2007 by the Board of Governors of the University of North Carolina to encourage, identify, recognize and reward public service by faculty of the University of North Carolina;

WHEREAS, a top priority of the Laurinburg City Council is the revitalization of the Historic Downtown; and

WHEREAS, Professor Adam Walls, Sculpture Professor at the University of North Carolina-Pembroke, partnered with City of Laurinburg staff to create an Art Garden using sculptures created by Professor Walls's students and by himself, which was officially dedicated on June 16, 2016; and

WHEREAS, without Professor Walls' hard work in planning and organizing, as well as working with his students to create their sculptures, the Art Garden would not have come to fruition and would not be the bright beacon into the Historic Downtown Area; and

WHEREAS, the ongoing partnership between the City of Laurinburg and Professor Walls and his sculpture students ensures that art and creativity will continue to be shared to citizens and visitors to Laurinburg, thus enriching lives for all.

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF LAURINBURG that it gives its wholehearted recommendation that Professor Adam Walls of the University of North Carolina-Pembroke be awarded the James E. Holshouser, Jr. Award for Public Service and that he be commended for his contributions to the betterment and enrichment of Laurinburg, its citizens and visitors.

Adopted this the 16th day of May, 2017.

/S/Matthew Block, MD, Mayor

/S/Jennifer A. Tippet, City Clerk

Professor Walls thanked Council for the recommendation. He added that he was very excited about the Art Garden in Laurinburg and for future exhibitions at the Art Garden.

MUNICIPAL CLERKS' WEEK

Mayor Block presented the City Clerk with a Certificate of Appreciation for her hard work and vital services as City Clerk.

PUBLIC COMMENT PERIOD

Mayor Block briefly reviewed procedures and decorum for the Public Comment Period and for the meeting.

Ms. Mary Evans expressed concern that when Council moves the Comments from Mayor/Councilmembers on the agenda, Council insults the Mayor. She explained that it was a waste of taxpayers' time and money as citizens were attending the meeting to hear the City business.

Ms. Joyce Davis explained that after reading the article in *The Laurinburg Exchange*, she wanted to know if she was paying the City Manager's salary.

The City Manager replied that his salary is paid out of all four (4) of the City's Funds.

Councilmember Willis suggested that Mr. Haywood provide a breakdown of the Management Fees in the City's budget.

Mr. Haywood explained that there are six (6) departments in the General Fund, Administration, Governing Body, IT and Fiber, GIS, Human Resources and Finance that provide support services to the enterprise funds. He added that the breakdown of Management Fees was as follows: 15% in the General Fund, 40% Electric Fund, 35% in Water/Sewer Fund and 10% Solid Waste; and that therefore the Enterprise Fund has to pay those indirect expenses that are attributed for those services.

Upon questions by Mayor Block, Mr. Haywood explained that according to the General Statute, the Management Fee must be apportioned at a reasonable allocation. He added that the City has not received any red flags from the auditor nor from the Local Government Commission (LGC) that reviews the City's audits regarding the Management Fee allocation. He added that the Management Fee allocation had been used by the City for 15-20 years.

Upon questions by Councilmembers Willis and Williamson, Mr. Haywood explained that basically nothing had changed regarding allocation of Management Fees over the last several years and that the City has been allocating Management Fees for 15-20 years.

Upon question by Mayor Block, Mr. Haywood explained that 15% of operating costs, not just the City Manager's salary, from the six (6) departments are allocated to the General Fund.

Mayor Block commented that he did not believe the Management Fees had been allocated like this for 10 years.

Councilmember Willis suggested that staff gather information on the allocation of Management Fees for the Mayor and Council.

Mayor Block explained that his reading of the General Statute says that the City Manager's or whoever else's salary should be proportionate to the amount of time spent on each particular Fund. He added that he felt that the City Manager spent more of his time managing the General Fund since the vast majority of employees are in the General Fund, and that to pay only 15% out of the Management Fees out of the General Fund is not an accurate representation of the City Manager's work.

Further discussion ensued concerning allocation of Management Fees. Councilmember Williamson explained that if the allocation had been the same for 15-20 years, the allocation could be reviewed and Council provided any recommended revision.

Mr. Bobby Sweat expressed concern and disappointment with the meeting, and with the behavior of Council.

Mr. Brian Gainey of 218 West Blvd. explained that he works for the US Postal Service and he wanted to thank the citizens of Scotland County and Laurinburg for the success of the recent food drive.

Upon question by Councilmember Hammond, Mr. Gainey explained that citizens could bring non-perishable food items to the Post Office. He added that postal carriers were still picking up food items from residences. He further added that the items are donated to Church Community Services for the needy.

MAYOR/COUNCIL COMMENTS

Councilmember Adams thanked the City Manager, Beautification Committee and staff for their work on the Pass Through Area. She said that it was a wonderful addition to the downtown area and that photographers were using it as the setting for prom pictures and engagement pictures. She recognized Mrs. Terry Gallman, member of the Beautification Committee, as part of the design team for the Pass Through Area.

Councilmember Hammond thanked staff and the Scotland County Arts Council for the successful Arts Festival on April 29, 2017. She added that she was looking forward to this event next year.

Councilmember Adams explained that renovations had begun downtown and she requested that the City Manager provide an update on the renovations.

The City Manager explained that Integrated Development Solutions, the private investment company that has purchased several properties downtown, has begun demolition and renovations at the Market Furniture Store and the three (3) properties located between White's Jewelry and the Mexican store. He added that the renovations are a big win for the City.

CONSENT AGENDA

Mayor Block presented the Consent Agenda as follows:

- a) Consider minutes of March 16, 2017 special meeting and March 21, 2017 regular meeting
- b) Consider setting public hearing to be held June 20, 2017 to consider an amendment to Article 6 Zoning Districts, Section 6.5 Table of Uses and Article 7 Supplemental Regulations of the Unified Development Ordinance

Councilmember Willis moved to approve the Consent Agenda. Councilmember Williamson seconded the motion, and it was approved by the following vote:

Ayes: Willis, Williamson, Adams, Leak, Hammond
Nays: None

DELEGATIONS

SCOTLAND COUNTY ARTS COUNCIL

Ms. Erin Rembert, Executive Director of the Arts Council of Scotland County-Storytelling & Arts Center of the Southeast, thanked Council for the funding and successful partnership between the City and the Arts Council in Fiscal Year 2016-2017. She explained that the Arts Council was requesting \$7,500.00 funding from the City for Fiscal year 2017-2018 to be used as follows:

Arts Council Membership	\$1,500.00
Assistance in Organizing Christmas on Main	\$1,500.00
Spring Art Event that Promotes Downtown And the Art Garden	\$2,000.00
Facility Support	\$1,500.00
Arts Education Support	\$1,500.00

Ms. Rembert showed a short video concerning the Spring Arts Festival which showed its success and what it meant to attendees.

LAURINBURG/SCOTLAND COUNTY AREA CHAMBER OF COMMERCE

Mr. Chris English, Executive Director of the Laurinburg/Scotland County Area Chamber of Commerce (Chamber), thanked Council for its support and discussed the mission of the Chamber. He discussed accomplishments of the Chamber the previous year such as increasing its social media presence and communications, the success of the “On the Road” program on WPDE TV-15, and designation of Scotland County as a Work Ready Community. He then reviewed the Fiscal Year 2017-2018 funding request as follows:

Membership Investment	\$ 2,500.00
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GREEN Committee	\$ 1,250.00
Governmental Affairs	\$ 2,500.00
Christmas Parade	\$ 1,500.00
Oyster Roast Sponsor	\$ 1,500.00
Laurinburg After 5 Sponsor	\$ 2,000.00
Business Directory	\$ 500.00
Annual Meeting Sponsor	<u>\$ 1,500.00</u>
Total	\$13,000.00

Mr. English explained that the budget request for Fiscal Year 2017-2018 was similar to the previous year but included an additional \$500.00 for adding another Laurinburg After 5 concert that would be the same weekend as the Spring Arts Festival, the Scotland Healthcare Foundation's FUNd Run and kickoff of Laurinburg After 5 season. He also thanked Council for donating the prize money for Litter Sweep back to the Chamber in order to purchase additional vests and gloves for future Litter Sweeps.

Upon question by Mayor Block, Mr. English explained that Chamber staff is looking at other areas to have the concerts.

SHERIFF RALPH KERSEY-UPDATE ON SHERIFF'S DEPARTMENT ACTIVITY WITH THE SCOTLAND COUNTY REENTRY COUNCIL

Sheriff Kersey was not present.

ANTWONE YELVERTON – INTRODUCTION OF YELVERTON'S ENRICHMENT SERVICES, INC. (YES GROUP)

Mr. Antwone and Ms. Vickie Yelverton of Yelverton's Enrichment Services, Inc. (YES Group) explained that their company was just opening in Laurinburg and they wanted to introduce themselves. Mr. Yelverton explained the YES Group operates five (5) sites in North Carolina providing mental health services.

Ms. Yelverton explained that their business was located at 416 Fairley Street, and just recently received approval from Eastpointe, the primary oversight agency. She added that the YES Group offers outpatient services including Telemed to bring services to rural areas.

PASTOR TONY FAIRLEY-PRESENT INFORMATION ON COMMUNITY YOUTH AND EMPOWERMENT

Mr. Tony Fairley explained that he is the Associate Pastor of Life Changing Ministries located at 441 East Church Street. He added that on May 18, 2017 at 5:30 p.m., a Community Youth and Families Empowerment Campaign meeting would be held at the Church, and he extended an invitation to the Mayor and Council and to the public. He discussed the various organizations that would be participating and the services offered by each organization.

Councilmember Adams informed Mr. Fairley that Partners in Ministry has a mentoring program and would probably love his assistance.

At 7:55 p.m. Mayor Block called for a short break.

The meeting resumed at 7:58 p.m.

CITY MANAGER REPORTS

ELECTRIC RATE SCHEDULE REPORT AND SET PUBLIC HEARING FOR ELECTRIC RATE SCHEDULE

Mr. Ed Tucker of N.E. Tucker Consulting explained that he had been working with City staff for several months reviewing the electric rate structures and determined that now would be an opportune time to simplify the structure. He added that he had previously informed Council that once the Duke Progress – North Carolina Eastern Municipal Power Agency (NCEMPA) asset purchase was completed a review of the Electric Rate Structure should be done. He further added that NCEMPA recently reduced wholesale electric rates. He further explained that it was important for the City to keep electric revenue relatively consistent in order to meet the upcoming construction needs, such as the additional electric substation. He discussed the following:

- The overall NCEMPA wholesale rate reduction for all members is 4.1%.
- The wholesale rate reduction for the City of Laurinburg is 2.75%.
- With the rate structure change, the proposal for the City is to reduce the overall electric rate 3.21%.
- The current City rate schedule allows for winter and summer rate differentials; however, the NCEMPA wholesale rate does not include winter and summer rate differentials.
- The current rate schedule requires staff to make manual adjustments for the winter and summer differentials and is an administrative burden. The proposal eliminates the differentials.
- Proposed changes in the Rate Schedule are as follows:
 - One residential rate.
 - Time of use residential rates combined with no summer and winter rate differentials.
 - Combined Small Commercial rate into one (1) rate.
 - Small Church and Small School combined into one (1) rate.
 - One Medium Commercial rate.
 - One Medium Church rate.
 - One Medium School rate.

Mr. Tucker discussed that one (1) of the major construction projects the City would be undertaking was the additional substation and purchase of a transformer at \$1 million. He added that Council should keep in mind that although there was a wholesale rate reduction this year,

ElectriCities was projecting an increase in 2020 and following years so that the projection was a wholesale rate increase of 6.5% over the next five (5) years.

Upon question by Mayor Block, Mr. Tucker explained that he understood that the cost of construction of a new City Hall and Police Station would be allocated among the City's different funds, and that his review included consideration of the portion that would be allocated to the Electric Fund.

Upon questions by Mayor Block, Mr. Tucker explained that he does rate structure studies for other municipalities. He added that the City's rate structure was more complicated than other municipalities of the same size. He further added that other municipalities are also reviewing rate structures in order to simplify.

Upon question by Mayor Block, Mr. Tucker explained that that there may be some businesses that may not see a reduction in their electric bills.

Upon question by Mayor Block, Mr. Tucker explained that he had been consulting for the City for approximately a year and half.

Upon question by Mayor Block, Mr. Tucker explained that there is no increase in the number of electric customers for the City.

Upon question by Councilmember Leak, Mr. Tucker explained that the City's electric rates are comparable with other providers such as Duke Progress Energy although for some rates, the City is a little higher.

Upon question by Mayor Block, Mr. Tucker explained that he did not know how many customers the other electric providers had in Laurinburg.

Motion was made by Councilmember Adams, seconded by Councilmember Hammond, and unanimously carried to set a public hearing to be held on Tuesday, June 20, 2017 at 7:00 p.m. to consider a new Electric Rate Schedule.

SET PUBLIC HEARING FOR FISCAL YEAR 2017-2018 BUDGET

Motion was made by Councilmember Williamson, seconded by Councilmember Willis, and unanimously carried to set a public hearing to be held on Tuesday, June 20, 2017 at 7:00 p.m. on the Fiscal Year 2017-2018 Budget for the City of Laurinburg.

CONSIDER LETTER OF SUPPORT TO NORTH CAROLINA DEPARTMENT OF TRANSPORTATION SUPPORTING PEDESTRIAN PROJECTS

The City Manager explained that this item was a letter of support to the North Carolina Department of Transportation (DOT) for inclusion of the City's pedestrian projects to be included in the 2018-2027 State Transportation Improvement Plan (STIP). He added that that City has submitted applications for three (3) to four (4) pedestrian grants, and that the City is one

of the municipalities in this region that have an approved Pedestrian Improvement Plan. He further added that the plans submitted by the City were funded, but there would be no funding impact at this time. He further explained that once the grants and funding are approved, Council would need to budget for the matching grant amounts.

Upon question by Councilmember Williamson, the City Manager explained that the pedestrian improvement plan at the intersection of US Highway 401 and West Blvd. is a part of this plan because it also includes a sidewalk plan for Sunset Drive to Turnpike Road. He added that DOT was assisting the City undertake part of this project sooner and that the pedestrian improvements at US Highway 401 and West Blvd. would come out of the plan since the City has already provided its portion of the funds for this part of the project to DOT.

Upon question by Councilmember Hammond, the City Manager explained that the sidewalk projects were Atkinson Street, North Main Street, and West Blvd., and that the STIP provides a rough estimate for the City's required matching funding for years 2020, 2021, and 2022.

Motion was made by Councilmember Hammond, seconded by Councilmember Leak, and unanimously carried to authorize Mayor Block to sign proposed letter to North Carolina Department of Transportation supporting pedestrian projects programmed in the Draft 2018-2027 State Transportation Improvement Plan (STIP).

Mayor Block requested that the City Manager explain what he envisions happening with the Pedestrian Plan in the future.

The City Manager explained that approximately three (3) years ago, the Pedestrian Improvement Plan was finalized and adopted to improve sidewalks, bike routes and such to help pedestrians move around the City better. He added that because Council adopted the Pedestrian Improvement Plan, the City was in a better position to receive grant funding for some of the projects included in the plan. He added that the grant funding is 80% with the City providing the remaining 20% funding. He further added that in year 2020 the City's estimated match for West Blvd. is \$104,000.00, for year 2021 the City's estimated match is \$90,000.00, and for year 2022 the City's estimated match is \$26,000.00.

Upon question by Mayor Block, the City Manager explained that the projects will include curbing if needed and/or sidewalks if needed on West Blvd. from Vance Street to US Highway 401, South Main Street from Lauchwood Drive to Plaza Road, and West Blvd. from Turnpike Road to Sunset Drive.

CONSIDER RESOLUTION SUPPORTING RICHMOND COMMUNITY COLLEGE'S REQUEST FOR APPROVAL OF MULTI-CAMPUS STATUS FOR SCOTLAND COUNTY

The City Manager explained that this resolution is to show support for Richmond Community College's request for multi campus status for Scotland County, and that the resolution, if approved, would be taken to the General Assembly.

Following a brief discussion, Councilmember Adams moved to approve Resolution No. R-2017-12 supporting Richmond Community College's request for approval of multi-campus status for Scotland County. The motion was seconded by Councilmember Williamson, and the vote was as follows:

Ayes: Adams, Williamson, Hammond, Leak, Willis

Nays: None

(Resolution No. R-2017-12 on file in City Clerk's office)

REVIEW AND APPROVE SITE PLAN FOR CITY HALL AND POLICE STATION

The City Manager explained that this item needed to be removed the agenda because the driveway permit from North Carolina Department of Transportation had not been approved yet.

DISCUSSION AND CONSIDERATION OF AUTHORIZING STAFF TO PROCEED WITH PHASE IV OF THE CITY HALL AND POLICE DEPARTMENT PROJECT

The City Manager explained that this item was for discussion and consideration of authorizing staff to proceed with Phase IV of the City Hall and Police Department Project. He added that Council had already allocated the funds for this Phase of the project, approximately \$27,000.00. He further added that this would allow the bidding process and would allow the construction manager to narrow the cost of construction.

Motion was made by Councilmember Williamson, seconded by Councilmember Willis, and unanimously carried to authorize staff to proceed with Phase IV of the City Hall and Police Station Project.

Upon question by Mayor Block, the City Manager explained that the \$27,000.00 would be paid to Creech & Associates.

Upon question by Mayor Block, Mr. Haywood explained that project would go out for bid on June 20, 2017 to receive bids by the middle to end of July, with bids being opened by the end of July.

Upon question by Mayor Block, the City Manager explained that the LGC application would be submitted in August or September, and that bids had to be in hand to submit the LGC application.

MAYOR'S REPORT

Mayor Block reported that the Scotland County Parks and Recreation Advisory Committee met last month and Mr. Brian Graham, Scotland County Parks and Recreation Director, is very enthusiastic about a recreation center with a strong aquatic component. He added that Mr. Graham has a vision of the park and a subcommittee has been formed to explore this idea further.

CLOSED SESSION

At 8:30 p.m. motion was made by Councilmember Adams to go into closed session pursuant to NC General Statute 143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the City and pursuant to NC General Statute 143-318.11(a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The motion was seconded by Councilmember Hammond and carried unanimously.

At 8:46 p.m., motion was made by Councilmember Willis to adjourn the closed session and resume the regular meeting. The motion was seconded by Councilmember Adams, and carried unanimously.

COMMENT FROM MAYOR/COUNCLMEMBERS

Councilmember Adams expressed concern that Mayor Block would not read the resolution to Professor Adam Walls earlier in the meeting and that this was his responsibility to do so as Mayor.

ADJOURNMENT

Motion was made by Councilmember Hammond, seconded by Councilmember Williamson, and unanimously carried to adjourn the meeting.

The meeting adjourned at 8:47 p.m.

Matthew Block, MD, Mayor

Jennifer A. Tippett, City Clerk