

**CITY OF LAURINBURG
CITY COUNCIL MEETING
JUNE 20, 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, June 20, 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 6:58 p.m.

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

Mayor Block briefly reviewed decorum for the meeting.

Mayor Block recognized three (3) participants in the Scots for Youth Gang Prevention Program, Zion McLeod, Brian Williams, and Charlie Locklear. He presented them with City lapel pins.

APPROVAL OF AGENDA

Councilmember Adams recommended moving the Employee Recognition to immediately after approval of the agenda.

The City Manager explained that two (2) of the delegations, Nuekie Aku Apata, and Mr. Jed Hohl and Mr. Gabe Berntson, were unable to attend the meeting and should be removed from the agenda. He added that an item calling for a public hearing on July 18, 2017 to consider installment financing for the new City Hall and Police Station needed to be added to the agenda.

Mayor Block explained that since many in attendance were present for the discussion about the Barrett Building that this item should be moved up after the Public Comment Period.

Motion was made by Councilmember Adams, seconded by Councilmember Willis, and unanimously carried to approve the agenda with amendments as recommended.

EMPLOYEE RECOGNITION

Mayor Block recognized Mr. Robert Smith, Electrical Services Director, upon his retirement after 32 years. He presented him a plaque which read as follows:

WITH SINCERE APPRECIATION

to

ROBERT C. SMITH
APRIL 1, 1985 – MAY 31, 2017

In special tribute for his 32 years of dedicated public service as an employee of the City of Laurinburg, first serving as a Power Line Tech I and advancing through Power Line Tech II and Power Line III until he was promoted to Electric Line Supervisor on July 1, 2004, and then promoted to Electrical Utilities Director on August 31, 2012.

The Mayor and the Laurinburg City Council express their sincere appreciation for his unselfish professional service to the citizens of Laurinburg.

His dedication and strong work ethic helped the City of Laurinburg provide electric service to its citizens through normal times, and after catastrophes such as ice storms and hurricanes, often during extremely hazardous conditions. In addition, his thoughtful planning has helped the City continue to move forward in providing vital electric and fiber optic services to its citizens. Robert was the epitome of a true team player and assisted co-workers whenever requested, and always left them with in a cheerful frame of mind.

We wish him many more years of continued success and much happiness in the next chapter of his life.

Presented this the 20th day of June, 2017.

Matthew Block, MD
Mayor

Mary Jo Adams
Mayor Pro Tempore

Dolores A. Hammond
Councilmember

Curtis B. Leak
Councilmember

Andrew G. Williamson, Jr.
Councilmember

J. D. Willis
Councilmember

Mrs. Chelsie Johnson explained that while growing up, she saw her father's hard work and dedication. She added that over his 32 years of service, he never slowed down and never lost his drive for being a lineman. She thanked Council for honoring her father.

PUBLIC COMMENT PERIOD

Mayor Block briefly reviewed procedures for the Public Comment Period.

Mr. Donald Anderson, 10421 Leisure Road, Laurinburg, NC, explained that he had lived in Laurinburg for 30 years. He further explained that countless citizens had spoken against the new City Hall project, and that Council had refused to listen to cost savings alternatives. He added that citizens who cannot attend meetings are voicing opinions on social media. He expressed concern that Council had not offered evidence or a study supporting the need for a new City Hall, and that Council cannot guarantee that taxes would not be raised in the next 20 to 30 years. He suggested that Council listen to the present majority opposed to the new City Hall.

Mr. Michael Edds, 1207 Blue Drive, Laurinburg, NC, explained that he wanted to encourage the City Council to save the Barrett Building. He added that the Barrett Building had been part of the City's history for 80 or so years and part of "old Laurinburg". He further added that so many of the City's historic buildings have been destroyed. He suggested that the Barrett Building could be used for a City museum, a visitors' center, a bed and breakfast, a restaurant, a homeless shelter, a Discovery Place for Kids such as in Rockingham and Huntersville, or a senior citizen center. He further suggested that the Barrett Building could be sold. He further added that he previously was a grant writer with the Department of Housing and Urban Development (HUD) and with a large public school system, and he offered his grant writing services free to find grants to restore and save the Barrett Building, or even to donate the building to someone and he would write a grant to have the building moved. He concluded by explaining that it would take six (6) months to a year to write a grant and requested that Council not take any action on the Barrett Building until grants could be written to save the building.

Mr. Michael Schmidt, 444 South Main Street, Laurinburg, NC, read a letter, a copy of which is attached to and incorporated in these minutes as "Attachment A".

Mr. Sam Baker, 11382 Wesleyan Drive, Laurinburg, NC, appeared before Council and expressed concern about Mayor Block's behavior and criticism of Mr. Guy McCook and Mr. Ken Nichols.

The City Attorney explained that Mr. Baker's comments were out of line, and that addressing individual members of the governing body at the meeting was not the proper forum.

Ms. Amanda Howard, 12561 Gameland Drive, Laurinburg, NC, expressed concern about the amount of property taxes she pays each month. She requested that Council consider what the proposed \$10 million for the new City Hall and Police Station could do in the community, such as building something so that children would have something to do, reduce the crime rate, increase education, decrease drug use, and improve downtown to draw in tourists. She added that the new City Hall and Police Station would not improve the economy and attract businesses. She suggested that Council lower property taxes.

Mr. Ron Riggins, 9681 Deerfield Circle, Laurinburg, NC, discussed repurposing buildings, and suggested that instead of tearing down the Municipal Building and Barrett Building and building a new City Hall at \$10 million, the \$10 million could be used for other purposes to have more

impact on more people in the community than the 50-60 employees who work in the two (2) buildings. He added that he would like to see a new City Hall constructed downtown to enhance the commercial activity and the revitalization of downtown.

Ms. Joyce Davis, no address given, thanked Mayor Block, Council and the City Manager for support given during the recent misprint in *The Laurinburg Exchange*. She added that she believed that the City and Scotland County would continue to grow.

Mr. Jacob Pate, no address given, appeared before Council and asked Council to quit attacking the Mayor and to listen to the citizens. He added that the new City Hall building should not be built, and suggested that a homeless shelter or something for people who suffer from opioid abuse should be built instead.

Ms. Laurie Limmerman, 7345 Crestline Drive, Laurinburg, NC, explained that she had recently opened a small convenience store in East Laurinburg and that most of the customers use Electronic Benefit Transfer (EBT). She discussed the traffic and opportunities created by the beach traffic. She added that there are not a lot of jobs in the area and that the \$10 million for the new City Hall could be used for the youth. She further added that it was important for everyone to work together and for the citizens of Laurinburg,

Mr. Jerry Riggins, Jr., 12481 Lakewood Drive, explained that he was speaking on behalf of the Riggins Family. He further explained that he and his family are heavy hearted about the community situation. He added that he does not believe that the City should demolish a piece of property that is already existing. He discussed his family's home-place on South Main Street, and the need to maintain architectural aesthetics of the community. He discussed the need for comfortable working conditions for employees and the need to make older buildings compliant with Americans with Disabilities Act (ADA). He suggested that the older buildings in the community should be adapted for use, and that if Council still wanted to pursue a new City Hall, to defer that for two (2) years.

Mrs. Molly Flowers, 16501 Sneads Grove Road, Laurinburg, NC, explained that she lives in the Extra-Territorial Jurisdiction (ETJ) and that she is an electric customer of the City. She added that she appreciated the four percent (4%) decrease in the electric bills she wanted to know how the business rates would be affected. She further added that she was against tearing down the Barrett Building and against building the \$10 million City Hall. She further added that having a YMCA downtown was a great idea, and that the building where the school board is located would be a great building that the City could probably get a good price from them "because they have given away all the other schools that they got rid of, so you might get it for free."

Ms. Mary Evans, 401 Sugar Road, Laurinburg, NC, explained that she was disappointed and angry with Council that after two (2) plus years, Council still ignored the wishes of the majority of citizens that want to stop the crazy spending on buildings. She discussed the renovations of the Sanford Building for housing City staff temporarily and suggested that staff could remain permanently in the Sanford Building, which is roughly the same amount of square footage that the new building would add. She discussed the division in the community and the need to make

Laurinburg a loving community again. She explained that the changes that Council had made in the past two (2) years were due to complaints made by citizens.

CONSENT AGENDA

Mayor Block presented the Consent Agenda as follows:

- a) Consider minutes of April 18, 2017 regular meeting
- b) Consider Ordinance No. O-2017-11 Amending the FY 2016-2017 Budget Appropriations Ordinance (Ordinance No. O-2016-05) for \$250,000.00 contribution to Scotland County Economic Development Corporation for Land Purchase
- c) Consider Authorizing the Mayor to execute Contract to Audit Accounts with Roche, Head and Associates, PLLC and Consider Authorizing the Mayor and City Manager to Execute the Engagement Letter with Roche, Head and Associates, PLLC for Audit of the City's Fiscal Records Ending June 30, 2017
- d) Consider Ordinance No. O-2017-12 Closing Atkinson Street to West Church Street (US 74 Business) to Fairly Street on August 1, 2017 from 5:00 p.m. to 9:00 p.m. for National Night Out
- e) Consider closing a portion of Cronly Street from Atkinson Street to South Main Street on August 1, 2017 from 5:00 p.m. to 9:00 p.m. for National Night Out

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, Hammond, Leak

Nays: None

DISCUSSION ON BARRETT BUILDING

The City Manager explained that Mr. Harold Haywood, General Services Director, would provide an update on the City Hall and Police Department Project. He added that staff from the Barrett Building had relocated to the Sanford Building.

Mr. Haywood explained that the City Hall and Police Department Project is comprised of five (5) phases with the first four (4) being pre-construction and the final phase being actual construction. He added that currently the City has finished the first three (3) phases. He further added that Phase 4 is the bidding phase, and bids are scheduled to be put out the following week, opened the end of July, and the application for financing approval would be submitted to the Local Government (LGC).

Upon question by Councilmember Williamson, Mr. Haywood explained that applications to the LGC must be submitted 30 days prior to the LGC meeting. He added that currently the plan is to complete the application by the first of August so that the LGC would consider financing approval in September.

Upon question by Mayor Block, Mr. Haywood explained that \$450,046.00 had been spent thus far for the first three (3) phases of the City Hall and Police Station Project, \$141,090.00 for renovation of the Sanford Building, for a total of approximately \$634,000.00.

Mayor Block expressed concern that over \$600,000.00 had been spent before receiving LGC approval for financing. He explained that there was still a chance that the LGC would not approve the financing because the first category for approval is that the project is necessary and expedient. He added that most people in the community did not feel that the project is necessary. He explained that financing-wise, the City could afford the project, but the LGC takes into consideration more than just whether a municipality has the financial ability to take out a loan. He further added that there is an opportunity to appeal the LGC's decision, and request a meeting of the full LGC board versus the Executive Committee, which would add another 30-60 days to the process. He explained that this would make it unlikely that the City would receive the funds before mid-October, which is during elections.

Councilmember Leak explained that due to problems with security of police records and evidence, the Sanford Building began to be used by the Police Department in 2014. He added that at that time, many improvements had to be made to use the building for storage.

Mr. Haywood explained that the Sanford Building was in rough shape, mold remediation was necessary, frames were added over the windows to secure them, new doors were necessary, resulting in approximately \$22,700.00 expended at that time.

The City Manager explained that when he began in July, 2013, shortly after Chief Williams was named Police Chief, there was concern about the state of police evidence. He added that because the court system was requesting evidence from prior cases, staff wanted to ensure that evidence was properly housed in a consolidated location. He added that the money was spent on the Sanford Building to make it suitable to house evidence.

Councilmember Leak explained that the previous month, Council discussed the staff relocation from the Barrett Building, and the two (2) options for staff. He then requested that the City Manager discuss the options.

The City Manager explained that in March, 2017, Council gave staff direction to move forward with the project to investigate options for the Barrett Building staff. He added that prior to March, Edifice, Inc. gave options for renovating the existing Sanford Building versus moving modular units to house the Barrett Building staff. He further added that the estimated cost to rent the portable modular units was \$315,000.00 for the duration of construction.

Councilmember Leak explained that Council decided to renovate the Sanford Building thereby saving money, and using a building that the City owned. He added that Council authorized staff to spend up to \$200,000.00 on renovations. He clarified that Council chose to spend money on the Sanford Building to make it useable and that the City would have options concerning the Sanford Building.

Councilmember Williamson explained that Council had discussed improving the Sanford Building and then it would be an asset of the City perhaps to sell.

Mayor Block explained that citizens were making comments earlier, they wanted better understanding of why the City spent \$140,000.00 to relocate staff before financing approval was granted by the LGC.

Councilmember Leak explained that the process has been going on for the last several years in phases, and that Phase 3 was being completed to move into Phase 4. Councilmember Leak explained that the maintenance and repair on the Barrett Building for the last three (3) or four (4) years was almost \$200,000.00 a year.

Mayor Block explained that he would like an answer because no one would personally move out of their own home before they have a loan to knock it down and build a new one. He added that he was trying to understand the logic behind spending \$140,000.00 before the City even knows if it will be approved for a loan. He then asked "What happens if we don't get the loan? To that money?" He further explained that a lot of people were here about the Barrett Building, and he asked "Are you planning to spend more money demolishing the Barrett Building and losing the value of the Barrett Building which would be another couple of hundred thousand dollars?"

Councilmember Adams explained that Council was trying to follow the timeline from Edifice, Inc. of the different phases of the project.

The City Manager explained that the timeline presented by Edifice as a draft that fluctuated as to when the financing application would go to the LGC. He added that the different construction elements were shown in the timeline. He further added that the timeline could change based on Council's wishes.

Upon question by Councilmember Hammond, the City Manager explained that the demolition of the Barrett Building was included in the timeline in Phase 5, which includes site preparation, demolition and construction.

Mayor Block inquired if the plan says to bring down the Barrett Building before the loan is approved.

Councilmember Leak replied, "No."

Mayor Block restated his question, "So there are no plans to bring down the Barrett Building before the loan is approved by the LGC?"

Councilmember Leak replied, "Correct."

Councilmember Willis explained that to his knowledge, Council had not made a decision on when the Barrett Building would be demolished.

Mayor Block asked, "What was the rush to spend \$140,000.00 on the Sanford Building and moving there when you cannot get the approval for a couple of more months?"

Councilmember Willis explained that the renovations and the relocation of staff from the Barrett Building to the Sanford Building was part of the total plan in the different phases of the project.

Councilmember Adams explained that Council had discussed salvaging some of the materials and items from the Barrett Building, and that in order to do so, staff needed to be moved out of the Barrett Building. She added that this was discussed at the March special meeting which the Mayor did not attend. She further added that staff needed to be moved out of the building to look at items such as the mantels, light poles and other items that the architect identified could be used by the City or salvaged for use in the new building.

Councilmember Hammond explained that renovation and relocation of staff from the Barrett Building was part of the process decided on months ago.

Mayor Block explained that it was not responsible for Council to spend the money when it did not know if the loan was not approved.

Councilmember Hammond explained that she did not know why the LGC would find a reason not to approve installment financing.

Mayor Block stated that he disagreed, otherwise, why would there be an approval process.

Councilmember Hammond explained that the City is financially stable, and that the LGC would look at the financial stability of the City. She further added that there had been a preliminary meeting with LGC staff.

Mayor Block stated, "I know. I had one too, and they said to me that ..."

Councilmember Hammond explained that she would have like to know when the Mayor had meetings so that some of Council could attend.

Mayor Block explained that any one (1) member of the room could meet with the LGC should they decide.

Mayor Block explained that he was told by the LGC that in situations like this where a large sum of money was borrowed without the citizens being given an opportunity to vote on it, where a majority of the citizens are not in favor for it, where there is no clear emergency, no documented need that, the LGC would table the request until after the election especially if there is an upcoming election. He added "I want to go on record I get a lot of flack about being outspoken or riling feathers, but I think anyone who is here is just outraged by you spending \$600,000.00 just planning a damn building. It is just outrageous to spend that kind of money on plans for a building and now spending \$140,000 moving the staff, not to mention all the other issues, I think most of you here understand why I am saying the things I do. But anyway, just does the Council have plans to demolish the Barrett Building before approval of a loan?"

Councilmember Williamson explained that Council had not discussed demolishing the Barrett building before approval by the LGC.

Mayor Block stated that this would be a good time to discuss this matter.

Councilmember Hammond explained that she understood that the timeline presented to Council did not entail tearing down the Barrett Building until two weeks into Phase 5. She added that there was no rush to tear down the Barrett Building, and that she did not know where the idea that Council was going to tear down the Barrett Building tomorrow originated.

Mayor Block explained that Council was in a rush to relocate staff from the Barrett Building and just have the building sit empty for a couple of months. He further explained that he was asking Council if there was unanimous consent among Council that the Barrett Building would not be destroyed until the loan was approved.

Councilmember Hammond explained that her understanding of the process was that staff would be moved from the Barrett Building to the Sanford Building because renting the mobile units was too expensive, and that staff would be unable to move within a two (2) week time period. She reiterated that the timeline prepared by the architect and contractor was being followed.

Upon question by Councilmember Leak, Mayor Block explained that the moving contract was between \$5,000.00 to \$6,000.00.

Councilmember Leak explained that the City spent approximately \$134,000.00 for renovations of the Sanford Building. He further explained that in 2014, the City saw the need to use the Sanford Building for the Police Department for evidence storage and spent approximately \$150,000.00 on renovations at that time.

Mayor Block asked if Council was unwilling to commit to not demolishing the Barrett Building until after the loan is approved.

Councilmember Leak explained that Council was following the phases of the project.

Mayor Block interrupted Councilmember Leak and said, "Well the citizens don't care about phases and such. Are you going to promise to not destroying the Barrett Building before?"

Councilmember Leak explained that when he saw the Barrett Building discussion on the agenda, he was under the impression that Council was going to be authorizing the City Manager to continue in the phases, and stay within the timeline provided. He added that the next phase was to seek financing, and once the LGC approved the financing, the final phase was construction.

Mayor Block explained that the citizens have concern about destroying a historical building of significance. He added that the Barrett Building was not listed as a historical building but easily could be.

Councilmember Leak explained that when the City purchased the Barrett Building, Council had on the back burner for 15-20 years to build a new City Hall; however, the City, until now, had never gotten into financial condition to build a City Hall. He added that the proposed construction was for a City Hall and Police Station, not just a City Hall.

Councilmember Hammond explained that she would like to know why the citizens think the Barrett Building is a historic building.

Mayor Block stated, "Okay. We are not going to get in a whole discussion about that."

Councilmember Adams suggested that the Mayor could respond. She then asked, "What is the significance of the building to you personally?"

Following a brief exchange between Mayor Block and Councilmember Adams, Mayor Block explained that the citizens that think the Barrett Building is of some importance and historical value must be entirely wrong.

Discussion ensued between Councilmember Hammond and Mayor Block concerning the historic significance of the Barrett Building. Councilmember Hammond explained that Mayor Block had been opposed to the new City Hall and Police Station, and ran his campaign for Mayor on that idea. She then asked Mayor Block why the Barrett Building was historical to him.

Mayor Block replied that it was historical to him for many reasons. He stated, "It's the City Hall for one."

Councilmember Hammond explained that the Barrett Building was the Administrative Building, not the City Hall.

Mayor Block replied that his opinion on the Barrett Building was not what Council was to discuss. He added that, "a good number of citizens feel that the building has some historical value and has some, small town value, represents a certain time period and architecture and has a history of being the Presbyterian Manse, has a history now of serving as City Administrative center, is named after a former Mayor, for all those reasons, just to give the citizens an answer as to why you all feel the building doesn't have any historical value."

Councilmember Willis explained that Councilmember Leak had said that the City purchased the Barrett Building with the intention of it being torn down once a new City Hall was built, and that the building was purchased mainly for the space.

Mayor Block explained that this was the first he had heard that information about the Barrett Building. He stated, "I guess the answer is that Council does not feel the building has any historical or value." He added that the other question from citizens was "If you just spent \$140,000.00 plus the \$20,000.00 already spent, say \$160,000, you have renovated a 5,000 plus square foot building downtown and that is a more than adequate work space and the new city hall complex is supposed to be 5,000 square feet bigger than what we have now. Why can't, we now have the extra 5,000 square feet, why can't the Light Department be moved to the Sanford

Building, City Manager and his staff can move back to the Barrett Building and the police be given the space that is used by Consumer Billing?”

Councilmember Willis explained that Council discussed this a year and half ago, and continue to discuss topic. He added that no matter how long the meeting lasted, Council and the Mayor would still not agree on this topic.

Mayor Block asked Council if it was willing to consider moving Consumer Billing to the Sanford Building, move Administration back into the Barrett Building and the Police Department take over space vacated by Consumer Billing instead tearing down the buildings and spending \$10 million.

Councilmember Adams explained that two (2) architectural firms, one that was authorized before she came on Council and presented in 2013, and the recent study, indicated that it would cost more to renovate the building than to build a new one. She added that Council was trying to look out for the best interests of the citizens and taxpayers. She further added that Council looked at plans that had been offered at a time when Council felt that the City could afford to do something without raising taxes and without putting undue burden on the citizens so that we could build the City Hall and Police Station which is needed. She further explained that there had been meetings where all of these questions and concerns had been addressed.

Mayor Block explained that he believed it was apparent to the citizens that 5,000 square feet of usable space for \$140,000.00 was just created, and that Council was going to spend \$10 million to keep the same square footage that the City currently had.

Councilmember Hammond explained that while the renovations to the Sanford Building were an improvement, it was not in compliance with the Building Code and with American with Disabilities Act (ADA) regulations. She added that if the City stayed in the Sanford Building, more money would have to be spent to bring it into compliance.

Mayor Block explained that he was asking Council to step back and look at the using the renovated Sanford Building given that greater than 90% of the citizens are against the new City Hall and Police Station and meet the City’s needs without having to demolish the Barrett Building and the Municipal Building and spending \$10 million.

Councilmember Leak moved to authorize the City Manager to continue with the phases of the project and develop a timeline for the new City Hall and Police Station. Councilmember Willis seconded the motion.

Mayor Block requested a roll call vote, and the results were as follows:

Ayes: Leak, Willis, Hammond, Adams, Williamson

Nays: None

Mayor Block called for a short break.

Mayor Block reconvened the meeting at 8:31 pm.

PUBLIC HEARINGS

CONSIDER AN AMENDMENT TO ARTICLE 6 ZONING DISTRICTS, SECTION 6.5 TABLE OF USES AND ARTICLE 7 SUPPLMENTAL REGULATIONS OF THE UNIFIED DEVELOPMENT ORDINANCE

Mayor Block opened the public hearing to consider amending Article 6 Zoning Districts, Section 6.5 Table of Uses and Article 7 Supplemental Regulations of the City's Unified Development Ordinance.

Mr. Mac McInnis, Planner/Zoning Officer, explained that the amendment was developed to prevent substance abuse facilities from locating in the Central Business District. He added that supplemental regulations were developed concerning substance abuse facilities and their permitted use in the General Business District.

Upon questions by Councilmember Adams, Mr. McInnis explained that this recommended amendment was a proactive measure, and that there were no such facilities in the downtown area.

Upon question by Councilmember Leak, Mr. McInnis explained that the ordinance would be in affect once adopted.

There being no one to speak in favor of or in opposition to the amendment, Mayor Block closed the public hearing.

Councilmember Hammond moved to approve Ordinance No. O-2017-13 amending the City of Laurinburg Unified Development Ordinance and adopt the following Consistency Statement and Reasonableness Statement:

- a. The proposed amendment to the UDO advances the public health, safety and general welfare.
- b. The proposed amendment is consistent with the comprehensive plan and any other adopted plan that is applicable.
- c. The proposed amendment to the UDO is reasonable and in the public interest because the amendment promotes the public health and safety of the citizens of Laurinburg and property within the City's planning jurisdiction.

Councilmember Adams seconded the motion and the vote was as follows:

Ayes: Hammond, Adams, Leak, Willis, Williamson

Nays: None

(Ordinance No. O-2017-13 on file in City Clerk's office)

CONSIDER AMENDING THE ELECTRIC RATE SCHEDULE AND SERVICE REGULATIONS

The City Manager explained that as presented the previous month by the electrical engineering consultant, the electric rate schedules would be reduced from 19 to 10 to make the schedules easier to use by citizens and staff. He added that the proposed rate schedules would result in a 4.33% reduction in residential electric rates and an overall rate reduction of 3.21% in electric rates.

Mayor Block opened the public hearing.

There being no one to speak, Mayor Block closed the public hearing.

Councilmember Williamson moved to approve Ordinance No. O-2017-14 amending Ordinance No. O-2013-12 Electric Rate Schedule and Service Regulations and Ordinance No. O-2015-19 Electric Rate Schedule and Service Regulations. The motion was seconded by Councilmember Willis, and the vote was as follows:

Ayes: Williamson, Willis, Leak, Hammond, Adams

Nays: None

(Ordinance No. O-2017-14 on file in City Clerk's office)

Upon question by Councilmember Hammond, the City Manager explained that the new rates would be effective with bills rendered on and after August 1, 2017.

CONSIDER FISCAL YEAR 2017-2018 BUDGET

The City Manager explained that the budget had been discussed by Council for the last three (3) months and that no major changes have occurred since the last discussion. He added that staff received a proposal from Scotland County for Municipal Solid Waste (MSW), and staff wanted to present it to Council. He further added that if Council chose to take MSW to Scotland County and end the agreement with Robeson County, the overall budget would not change, but some funds would need to be shifted around.

Discussion of Municipal Solid Waste Proposal from Scotland County

Mr. Harold Haywood, General Services Director, explained that at its July 19, 2016 meeting, Council approved the City taking its Municipal Solid Waste (MSW) to the Robeson County Landfill in Red Springs. He added that the 95-96% of the MSW had been taken to Robeson County with the remainder taken to Scotland County Landfill due to holidays and Hurricane Matthew. He further added that the City opened a yard waste facility as directed by Council and collected 25,000 cubic yards over the past few months, with a large portion of that due to Hurricane Matthew. He further explained that the yard waste had been ground up and free mulch was available to the public. He discussed the Memorandum of Understanding (MOU) with Robeson County which was in effect until the end of July 2017. He added that Scotland County had re-negotiated its haul rates to Uwharrie Landfill from \$55.75 per ton to \$41.50 per

ton. He further added that currently the City was paying \$36.50 per ton based on the MOU with Robeson County. He recommended that the City let the MOU with Robeson County end on July 31, 2017, and the City begin taking all MSW to Scotland County Landfill based upon the increased transportation and equipment costs and lost man-hours taking MSW to Robeson County.

Upon question by Councilmember Leak, Mr. Haywood explained that the agreement with Scotland County was nonexclusive and there is no tonnage requirement.

The City Manager explained that there were no terms with Scotland County, only the \$41.50 per ton charge. He added that upon questioning the County Manager, the County Manager indicated in an email the \$41.50 fee included the Construction and Demolition Debris (C&D) rate.

Upon question by Mayor Block, the City Manager explained that Robeson County was giving the City its best offer of \$36.50 which was below the gate rate.

Upon question by Councilmember Adams, Mr. Haywood explained that the total budget would be unchanged, but funds would need to be transferred among line items.

Motion was made by Councilmember Willis, seconded by Councilmember Adams, and unanimously carried to complete the one-year agreement with Robeson County, and then begin taking all municipal solid waste to the Scotland County Transfer Station beginning July 31, 2017.

Fee Schedule

The City Manager explained that due to some cost changes, some fees needed to be adjusted.

Motion was made by Councilmember Adams, seconded by Councilmember Leak, and unanimously carried to approve the Fee Schedule as presented for Fiscal Year 2017-2018 effective July 1, 2017.

Budget

Mayor Block opened the public hearing on the Fiscal Year 2017-2018 Budget. There being no one to speak in favor of or in opposition to the proposed Fiscal Year 2017-2018 Budget, Mayor Block closed the public hearing.

Councilmember Willis moved to approve Ordinance No. O-2017-15 Budget Appropriations Ordinance for Fiscal Year 2017-2018. The motion was seconded by Councilmember Williamson, and the vote was as follows:

Ayes: Willis, Williamson, Adams, Hammond, Leak

Nays: None

(Ordinance No. O-2017-15 on file in City Clerk's office)

Councilmember Hammond commended staff for presenting a balanced budget with expenditures less than the previous year.

DELEGATIONS

MR. CHARLES WILLIAMS – REQUEST FOR SEWER REFUND

Mr. Charles Williams explained that he had been working with Ms. Tammie Simmons, Customer Services Manager, and her staff concerning sewer charges. He further explained that on paper, the City showed that his house was connected to sewer, when it actually was not. He added that he had been billed and had paid for sewer since 2003. He further added that Ms. Simmons had refunded him for three (3) years of the sewer charges, and explained to him that Council would need to consider refunding any more of the sewer charges. He further added that he was requesting that Council refund him the full amount from 2003 that he had overpaid.

Following a brief discussion, Councilmember Willis moved to refund the total amount in sewer charges that Mr. Williams had overpaid since 2003. The motion was seconded by Councilmember Adams, and carried unanimously.

JO ANN GENTRY – LAURINBURG-MAXTON AIRPORT COMMISSION FISCAL YEAR 2017-2018 BUDGET

Ms. Jo Ann Gentry, Executive Director of Laurinburg-Maxton Airport, briefly discussed the Fiscal Year 2017-2018 Budget for Laurinburg-Maxton Airport which was approved by the Laurinburg-Maxton Airport Commission on June 5, 2017. She explained that the total budget was \$1,428,400.00, an increase of \$93,600.00 from the previous year's budget. She added that the budget did not increase water/sewer rates; included a Pay and Classification Study, included longevity pay for employees, purchase of a new utility vehicle and a new copier.

Councilmember Adams thanked Ms. Gentry to presenting the budget to Council.

Motion was made by Councilmember Adams, seconded by Councilmember Willis, and unanimously carried to approve the Laurinburg-Maxton Airport Commission Budget for Fiscal Year 2017-2018.

JO ANN GENTRY – CONSIDER SALE OF 1.72 ACRE TRACT OF LAND AT LAURINBURG-MAXTON AIRPORT

Ms. Jo Ann Gentry, Executive Director of the Laurinburg-Maxton Airport, explained that Mr. William J. Martin wanted to purchase a 1.72 acre tract of land adjacent to property he owns at the Laurinburg-Maxton Airport. She added that the 1.72 acre tract had been appraised at \$26,500.00.

Councilmember Adams moved to approve Resolution No. R-2017-14 authorizing the sale of a 1.72 acre tract of land at Laurinburg-Maxton Airport to William J. Martin for \$26,500.00 and to

authorize the Mayor and City Clerk to execute necessary deed. The motion was seconded by Councilmember Williamson, and the vote was as follows:

Ayes: Adams, Williamson, Hammond, Leak, Willis

Nays: None

(Resolution No. R-2017-14 on file in City Clerk's office)

CITY MANAGER REPORTS

UPDATE ON JULY 4TH FIREWORKS DISPLAY

The City Manager explained that the City's Annual July 4th Fireworks Display would be held on Tuesday, July 4th at Pate Stadium. He added that the gates open at 7:30 p.m. with the display beginning at approximately 9:15 p.m. He invited everyone to come out and enjoy.

RESOLUTIONS ACCEPTANCE STATE GRANTS FOR WASTEWATER AND WATER ASSET INVENTORY ASSESSMENT

The City Manager explained that the next three (3) agenda items are tied together related to the State Grant for Wastewater and Water Asset Inventory Assessment. He added that the City was awarded \$133,000.00 for the wastewater asset inventory assessment and \$80,000.00 for the water asset inventory assessment.

Councilmember Williamson moved to approve Resolution No. R-2017-15 accepting State Grant for Wastewater Asset Inventory Assessment and Resolution No. R-2017-16 accepting State Grant for Water Asset Inventory Assessment. The motion was seconded by Councilmember Adams, and the vote was as follows:

Ayes: Williamson, Adams, Willis, Leak, Hammond

Nays: None

(Resolutions No. R-2017-15 and R-2017-16 on file in City Clerk's office)

OFFER AND ACCEPTANCE DOCUMENTS FOR STATE GRANTS FOR WASTEWATER AND WATER ASSET INVENTORY ASSESSMENTS

The City Manager explained that he needed Council authority to sign documents for the two (2) grants for Asset Inventory Assessments.

Motion was made by Councilmember Hammond, seconded by Councilmember Leak, and unanimously carried to authorize the City Manager to execute the Offer and Acceptance documents for the Wastewater Asset Inventory Assessment Grant and for the Water Asset Inventory Assessment Grant.

CONSIDER AUTHORIZING CITY MANAGER TO EXECUTE SERVICES AGREEMENTS WITH LUMBER RIVER COUNCIL OF GOVERNMENTS FOR MANAGEMENT ASSISTANCE WITH STATE GRANTS

The City Manager explained that the Lumber River Council of Governments (COG) had assisted the City in applying for the Asset Inventory Assessment Grants, and would also assist with management of the grants.

Motion was made by Councilmember Adams, seconded by Councilmember Hammond, and unanimously carried to authorize the City Manager to execute Service Agreements with Lumber River Council of Governments for management assistance with state grant for Wastewater Asset Inventory Assessment and for state grant for Water Asset Inventory Assessment.

CONSIDER CAPITAL IMPROVEMENT PLAN

The City Manager explained that Mr. Harold Haywood, General Services Director, would provide a brief overview of changes to the Capital Improvement Plan (CIP) since the detailed review at the April 18, 2017 Council meeting. He added that over two (2) years ago the City completed its first CIP. He further added that staff has been informed that if the CIP was formally approved by Council, grant applications would be viewed more favorably.

Mr. Haywood gave a brief overview of changes to the CIP since presented in April 2017. Highlights of his overview are as follows:

- CIP is a long-term five year plan outlaying future capital needs for the City.
- Includes replacement of current capital equipment, upgrades to City infrastructure and other potential capital projects.
- General Fund CIP totals are:
 - Fiscal Year 2018, \$9.177 million.
 - Fiscal Year 2019, \$772,650.00.
 - Fiscal Year 2020, \$637,500.00.
 - Fiscal Year 2021, \$20.428 million.
 - Fiscal Year 2022, 684,000.00.
- General Fund changes:
 - Added \$150,000.00 per year for Community Development Administration for downtown revitalization and other projects.
 - Added \$15,000.00 per year for Rescue for capital replacements.
- Electric Fund CIP totals are:
 - Fiscal Year 2018, 1.504 million
 - Fiscal Year 2019, 1.648 million
 - Fiscal Year 2020, 328,700.00
 - Fiscal Year 2021, 98,100.00
 - Fiscal Year 2022, 5,600.00
- Electric Fund changes:
 - Based on estimates from the engineer, reduced the anticipated cost of the electric substation from \$3 million down to \$2.5 million, and moved construction up from Fiscal Year 2019 and Fiscal Year 2020, to Fiscal Year 2018 and Fiscal Year 2019.
 - Added monitoring device for fiber optic.

- Water/Sewer Fund CIP totals are:
 - Fiscal Year 2018, 2.308 million
 - Fiscal Year 2019, 5.594 million
 - Fiscal Year 2020, 5.764 million
 - Fiscal Year 2021, 8.656 million
 - Fiscal Year 2020, 4.641 million
- Water/Sewer Fund changes:
 - Added new project for the Produce Market Road Sewer Improvements. Currently seeking grant funding for this project.
 - Updated cost of the Industrial Park extension for water/sewer to \$1 million from \$300,000.00.
- Solid Waste Fund CIP totals are:
 - Fiscal Year 2018, \$190,000.00
 - Fiscal Year 2019, \$395,000.00
 - Fiscal Year 2020, \$310,000.00
 - Fiscal Year 2021, \$265,000.00
 - Fiscal Year 2022, \$275,000.00
- Solid Waste Fund change:
 - Moved \$30,000.00 from Fiscal Year 2018 to Fiscal Year 2019

Upon question by Councilmember Adams, Mr. Haywood explained that the electric substation was originally estimated at \$3 million but was reduced based upon the engineer's updated estimate at \$2.5 million. He added that since the project was being split between two (2) fiscal years and would begin in Fiscal Year 2018.

Councilmember Williamson commented that the CIP was impressive.

Upon question by Councilmember Williamson, Mr. Haywood explained that prior to the comprehensive CIP, individual departments had long-range plans.

Upon question by Councilmember Leak, the City Manager explained that the electric substation would be located on City property on the east side of the City. He added that the engineers would determine the exact location.

Motion was made by Councilmember Hammond, seconded by Councilmember Williamson, and unanimously carried to approve the Capital Improvement Plan 2018-2022 of the City of Laurinburg.

REVIEW OF MANAGEMENT FEES

The City Manager explained that the Management Fees were discussed at the last budget workshop held on May 24, 2017. He added that the Management Fees involve six (6) different departments – Governing Board, Administration, Human Resources, Finance, IT and GIS – and covers all salaries and operational costs in said departments. He added that at a meeting held on May 27, 2008, Council discussed the Management Fee allocation and Electric Fund transfers, and that Ms. Sharon Edmundson of the Local Government Commission (LGC) discussed

different ways to help the Electric Fund and different options for Council to consider. He further added that since 2008 the allocation has been as follows:

YEARS	GENERAL FUND	ELECTRIC FUND	WATER/SEWER FUND	SOLID WASTE FUND
2008-2011	10%	40%	40%	10%
2012-2014	20%	35%	35%	10%
2015-current	15%	40%	35%	10%

The City Manager explained that since Ms. Edmundson came to speak to Council, a greater percentage of Management Fees were being allocated to the General Fund. He added that since staff had researched the Management Fees, it was discovered that there were other avenues for enterprise fund transfers, specifically in the Electric Fund for members of the North Carolina Eastern Municipal Power Agency (NCEMPA).

Mayor Block thanked the City Manager.

SET PUBLIC HEARING TO BE HELD JULY 18, 2017 TO CONSIDER INSTALLMENT FINANCING CONTRACT FOR THE CITY HALL AND POLICE DEPARTMENT PROJECT

The City Manager explained that a public hearing needed to be held on July 18, 2017 to consider an installment financing contract for the City Hall and Police Department project. He added that although the General Statutes require a ten (10) day notice for this type public hearing, the City has generally given notice to the public of a potential public hearing a month in advance.

Motion was made by Councilmember Adams, seconded by Councilmember Hammond, and unanimously carried to set a public hearing to be held on Tuesday, July 18, 2017 at 7:00 p.m. in the Council Chambers to consider installment financing contract for the City Hall and Police Department Project.

APPOINTMENTS

LAURINBURG-MAXTON AIRPORT COMMISSION

Motion was made by Councilmember Williamson, seconded by Councilmember Willis, and unanimously carried to reappoint Councilmember Mary Jo Adams to a three-year term on the Laurinburg-Maxton Airport Commission.

MAYOR’S REPORT

SCOTLAND COUNTY PARKS AND RECREATION ADVISORY COMMITTEE

Mayor Block explained that there was nothing new to report from the Scotland County Parks and Recreation Advisory Committee. He added that he was resigning from the Committee because it was difficult for him to attend the meetings. He requested that Council appoint someone else to the Committee.

Following a brief discussion, motion was made to appoint Councilmember Andrew G. Williamson, Jr. to the Scotland County Parks and Recreation Advisory Board. The motion was seconded by Councilmember Leak, and carried unanimously.

COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Councilmember Leak commented that school was out for the summer and everyone needed to keep children safe.

Councilmember Hammond wished everyone a safe Fourth of July.

CLOSED SESSION

At 9:18 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) (6) for the purpose of considering the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee. The motion was seconded by Councilmember Hammond, and carried unanimously.

At 10:13 p.m., motion was made by Councilmember Adams to adjourn the closed session and resume the regular meeting. The motion was seconded by Councilmember Leak, and carried unanimously.

SETTING THE CITY MANAGER'S SALARY

Motion was made by Councilmember Adams, seconded by Councilmember Hammond, and carried unanimously to increase the City Manager's salary by three percent (3%), the same Cost of Living Allowance given to City employees.

ADJOURNMENT

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

The meeting adjourned at 10:14 p.m.

Matthew Block, MD, Mayor

Jennifer A. Tippet, City Clerk

**ATTACHMENT A IS FILED IN THE CITY
CLERK'S OFFICE**