

**CITY OF LAURINBURG
CITY COUNCIL MEETING
JULY 18, 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, July 18, 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 (arrived at 7:10 p.m.), 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 Adams gave the Invocation and then led the Pledge of Allegiance.

Mayor Block welcomed citizens and guests. He pointed out the room and building exits.

APPROVAL OF AGENDA

The City Attorney explained that the agenda needed to be amended to include “City Attorney Discussion of Local Government Commission Petition” after Item 8, “Consider Memorandum of Understanding Between the City of Laurinburg and Scotland County-Southern Fire Substation”.

Motion was made by Councilmember Willis, seconded by Councilmember Adams, and unanimously carried to amend the agenda as requested by the City Attorney.

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

PUBLIC COMMENT PERIOD

Mayor Block reviewed procedures and decorum for the Public Comment Period. He added that comments about the City Hall and Police Department Project should be presented during the public hearing being held later in the meeting.

Mr. Tim Ivey, 808 W. Church Street, explained that he wanted to give kudos to the City Manager as he had handled some issues for him rapidly and very well.

Mr. Ray Wright, 12541 McKinnon Drive, explained that he forgot to wear his hearing aid and could not hear well. He explained that he was not opposed to the new City Hall, but he felt it was not the best time. He added that a new City Hall was needed.

CONSENT AGENDA

Mayor Block presented the Consent Agenda as follows:

- a) Consider minutes of May 8, 2017 special meeting/budget workshop
- b) Consider Semi-Annual Surplus Sale Report

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

Ayes: Williamson, Willis, Adams, Hammond

Nays: None

PUBLIC HEARING

CONSIDER INSTALLMENT FINANCING FOR CITY HALL AND POLICE DEPARTMENT PROJECT

Mayor Block explained that the public hearing was being held to consider installment financing for the City Hall and Police Department Project. He then opened the public hearing at 7:06 p.m. He added that those in favor of the project would speak first and then those opposed to the project.

No one spoke in favor of the project.

Councilmember Adams requested that before the opposition spoke, she wanted to make sure that everyone was aware that Edifice, Inc. had provided an updated estimate of the total cost of the new City Hall and Police Station project to be \$8.1 million as shown on summation from Edifice dated July 11, 2017, a copy of which is attached to these minutes and incorporated herein as "Attachment A".

The City Manager explained that Mitch Brigulio of Davenport & Company was present to provide an update, to discuss the purpose of the hearing and to answer any questions.

Mr. Mitch Brigulio explained that Davenport & Company was the financial advisor to the City. He explained that the public hearing was the first step in the installment financing process, with the public hearing having been called for at Council's last meeting, and that holding the public hearing at this meeting was the continuation of the first step. He added that by law, a public hearing was required prior to entering into an installment financing contract. He further added that the action by Council tonight would be to consider adoption of a resolution which is called a "findings resolution" making certain findings that the Local Government Commission (LGC) requires as part of the application to the LGC. He further

explained that the resolution authorizes staff to work with potential bidders on the loan to begin negotiations on the installment financing contract, authorizes the filing of the application to the LGC, and authorizes staff to work with certain members of the team including special counsel and Davenport & Company. He added that Davenport & Company will be at the August 22, 2017 Council meeting with information on the bids received for the New City Hall and Police Department, and at that meeting, Council would consider a resolution approving the bids for financing and for construction.

Mr. Brigulio explained that the figure of \$10 million was derived as a “not to exceed price of construction” as a conservative estimate. He added that since bids had not been received and the Guaranteed Maximum Price (GMP) had not be determined, the not to exceed \$10 million construction cost was determined so that Council would not have to come back should the bids exceed the latest estimate from Edifice. He further added that Council would only finance as much as is needed once the actual bids are in hand.

Mayor Block requested that the construction figures be reviewed.

The City Manager explained that Edifice had provided an updated estimate of the construction costs. He added that as Mr. Brigulio had stated, the bids would be in hand at the next Council meeting for discussion and direction from Council.

Mr. Brigulio explained that Davenport was serving as the financial advisor helping to obtain and go through the financing process. He added that Edifice and Creech and Associates are handling design and construction.

Upon request of Councilmember Hammond, Mr. Brigulio explained that when Davenport & Company became the City’s financial advisor, it identified areas for debt capacity within the existing budget, and as presented on November 1, 2016, everything was still intact from that analysis. He further explained that several areas were identified to help create debt capacity or debt affordability within the existing budget as follows:

- Existing debt service will decline and by holding the budget constant at the level from the previous year, debt capacity within the budget was created.
- Several inter-fund loans occurred in previous budgets, with one being a loan from the General Fund to the Electric Fund in anticipation of the Duke/North Eastern Municipal Power Agency Asset Purchase completion and the ensuing rate reduction. Additionally, there were two (2) other inter-fund loans that were repaid in Fiscal Year 2016. Staff set aside and earmarked these moneys for future debt service, whether for this project or for other projects Council chooses to pursue.
- The E911 contract with Scotland County that is in place through Fiscal Year 2024 with step-down payments beginning in 2020. Therefore, as the payments step-down, the difference that is available from the declining payments will be available to apply toward capital projects and is a source of revenue.
- The final area identified in the existing budget is the surplus that has been created for the past several years because either revenues were higher than anticipated and/or expenditures were less than anticipated, thus creating a budget surplus. Therefore, if

Council so chooses, a portion of the surplus can be set aside for debt service this this project or any other project.

Mr. Brigulio explained that with the identified sources for debt capacity, the City has the capacity to take on the new City Hall and Police Department Project or some other similar project as Council desired.

Upon questions by Councilmember Hammond, Mr. Brigulio explained that the Davenport & Company understood that Council did not want to raise taxes for this project; therefore, that is why the analysis identified different areas in the existing budget that could be applied to debt service for a capital project without increasing property taxes.

Upon questions by Mayor Block, the City Manager explained that \$8.1 million is the most up-to-date estimate provided by Edifice, Inc. for construction cost of the new building. He added that it did not include soft costs. He further added that the soft costs would be something that Council could address at a later date.

Mayor Block stated that the \$8.1 million did not include the \$650,000.00 that had already been spent on this project. He added that Edifice had been questioned many times about the soft costs as a percentage of the construction costs, and that Edifice indicated that soft costs were somewhere between 20-25% of the construction costs; and that is how the \$10 million figure was derived.

Upon question by the City Attorney, Mayor Block explained that he did not want to set any time limitation for speakers, but that he would have speakers wrap up if they seem to be going over the same items.

Ms. Lisa Bowden, 102 Sterling Lane, Laurinburg, NC, explained that she and her son, Nathan, were present to oppose the City Hall. She added that her son had practiced what he wanted to say.

Master Nathan Bowden stated that following: “Why spend \$10 million on a new City Hall when you have one? Why not spend it on something for children?”

Mrs. Bowden explained that she did not tell her son Nathan what to say, but that he hears his mom and dad talking, and knows how they feel. She added that he came up with his own statement.

Mayor Block presented Nathan Bowden with a City lapel pin.

Mr. Randy Earl Medlin (no address provided) explained that he was a lifetime resident of Laurinburg and that he was present to speak out against spending \$10 million on a City Hall. He then stated that he wanted to set some rules as there had been too much name calling and too many egos. He then listed the rules as follows:

“Number 1. We all here are expected to obey all federal and local laws.

Number 2. Everyone here must be truthful and accurate in what they say and write. And this includes the media.

Number 3. We must be fair in pursuing and dealing with each other. You must be considerate.

Number 4. You must make corrective action as soon as a mistake is discovered regardless of who finds an error.”

Mr. Medlin explained that his grandfather built the Barrett Building in the 1920s and it was called the McLean House and all of his life, it had been called the McLean House. He added that it was used by a church as a parsonage and then the City acquired it and renamed it the W. Charles Barrett Building. He further added that for clarification purposes, he referred to the building as the McLean-Barrett Building. He explained that he wanted to clarify something he read in the newspaper referring to Council as City leaders. He stated that they were City representatives, elected to represent the people in the room and the town. He added that the building and Council needed to be called by the right names.

Mr. Medlin explained that the audience was going to behave, and that Council needed to open its minds and listen carefully. He then discussed his experience as an expert witness to review the work of other tradesmen and to make judgment calls based on the facts, “not opinion, not innuendo and not rumor.” He added that the Board must approach the problem with an objective and analytical mind. He then explained that errors had been made and it was important to get back on the right track, and that when egos are involved in making decisions, errors are made. He explained that he owned a construction company doing remodeling, renovation and restoration in this town, state and nation for the past 40 years, and that no one in the room had driven more nails or had more construction experience than him. He cited several homes and businesses that his father had built, and explained that his family had been in Laurinburg for over 140 years. He added that he has three (3) brothers and they have 160 years combined experience. He further added that he is a licensed general contractor, licensed plumber and holds a concrete and paving license. He stated that he is a Master Builder and a Master Craftsman.

Mr. Medlin explained that the number one concern for city government is for public safety – to have cops on the street, to get the water out of the street, and to have safe streets. He added it was to have traffic signals and clean water and sewer water. He then discussed the beautiful homes in Laurinburg, how well they are maintained, and that they stand as monuments. He added that he had worked on every historical building in Scotland County including the John Blue House, the Jeters Brown house, Temperance Hall, the Gill House and other old houses in the County. He further added that people do not come to Laurinburg for a new City Hall or a new dump truck, but that they want clean, safe streets and to live in a nice neighborhood.

Mr. Medlin explained that he had won several awards from North Carolina Historic Preservation, such as the Carroway Award which is for an individual that demonstrates commitment to historic preservation. He explained that Laurinburg claims it is “Historic Laurinburg”. He further added that if everything that is old is torn down, Laurinburg will not be able to claim that it is historic. He explained that although several members of Council

had licenses for different things, they had no special talent for business or government. He added that they had no talent except getting elected to office, and that Laurinburg has the worst elected officials. He discussed how individuals get elected by promising things to individuals or groups. He stated that the Council is a pillager, a middle man. He added that Council has spent over \$500,000.00 of the citizens' money because the City does not have money, it is the citizens' money. He added that the City paid for studies that agreed on an unnecessary new City Hall. He then explained that Mayor Block disagreed with the studies and had suffered abuse from the media. He discussed that there is always a "glory grabber" who wants their name engraved in stone on a building.

Mr. Medlin explained that he did not know how much of \$500,000.00 had gone to Creech and Associates and to Edifice. He added that he is in construction and that he cannot be bought and would not tell a lie.

Mr. Medlin discussed the recent article in *The Laurinburg Exchange* concerning a potential 15% rate hike by Duke Energy. He added that the City would raise light bills to pay for the City Hall, and on top of the rate hike, would have to pay seven percent (7%) sales tax.

Mayor Block requested that Mr. Medlin wrap up.

Mr. Medlin explained that Council does not have the right to wrong ideas and citizens do not have to accept them. He added that he hoped God had mercy on this County and the citizens. He further added that somebody dreamed up this new City Hall, but it is a nightmare. He stated that he is a restoration contractor and that "you can renovate this house cheaper."

Mr. Michael Edds, 1207 Blue Drive, Laurinburg, NC, appeared before Council and presented the City Clerk with an affidavit, a copy of which is attached to these minutes as "Attachment B" and incorporated herein. Mr. Edds explained that he wanted to express his concerns about the City borrowing \$10 million or \$8.1 million, whatever it is, to build a palatial and unneeded City Hall when the need of the people should have greater priority. He added that he had appealed to the Local Government Commission to deny the Council's request to borrow money, and cited the following reasons:

- First, the crime rate in this City. He stated that the overall crime rate is 116% higher than the State of North Carolina and 134% higher than the national average. He added that when it comes to violent crimes, the crime rate is 236% higher than the State average in North Carolina, and 213% than the national average. He discussed the number of murders over the last 10 years, most of the victims being young people. He explained that Laurinburg is the fourth most violent city in the state. He cited information from the Federal Bureau of Investigation (FBI) that in Laurinburg, there is a one (1) in 16 chance of being a victim of a crime just walking down the street. He further added that compared to the State average, Laurinburg is 10 police officers understaffed. He explained that although Council authorized two (2) additional police officers, the police are able to react to crime versus being proactive to prevent crime. He added that this Council has refused to give police additional authority by not implementing a curfew to get juveniles off the street late at night. He further added

that if things do not change, Laurinburg will be number one (1) not number four (4) in the state.

- Number 2 – Our youth. He explained that Council has refused to address the lack of playgrounds, a community center and activities for youth as an alternative to the five (5) gangs that are stealing the lives and souls of the youth. He stated that Council's comment was very callous when they said "we are not in the recreation business". He added that Scotland County has the highest extreme child hunger rate in the State, the highest teen pregnancy rate, and the highest child abuse rate. He further added that youth are victims of assault and gang violence on a daily basis. He then asked, "Are not the needs and the future of our youth far greater a problem a priority than an unneeded opulent new City Hall?"
- Number 3 – We need jobs. Mr. Edds explained that the community had lost 70% of industries since 2004, and that reasons they left were high taxes and high utilities. He added that other businesses are planning to leave soon. He further added that the unemployment rate in Laurinburg is 42% higher than the national average and is one of the highest in the state. He stated that the population has declined by three and one-tenths percent (3.1%) and with such high taxes, those left in the community must make up the difference in taxes. He stated that one of the reasons Abbott Labs left Laurinburg was because Council raised taxes. He explained that a new company wanted to occupy the abandoned Abbott Labs facility and manufacture equipment for the military; however, Council stopped it out of concern for noise at the firing range. He discussed internet gambling and stated that Laurinburg "became Los Vegas of North Carolina".
- Number 4 – Poverty. He stated that Laurinburg is one of the poorest in the regions in the state and the poverty rate is 114% from the national average. He added that the median household income in Laurinburg is 47% lower than the national average, at \$25,900.00 median income here compared with \$44,900.00 median income in North Carolina. He discussed that 12,000 of our people have to depend upon food stamps to feed their children and that thousands are without adequate health insurance, a far greater need than a City Hall.
- Number 5 – Infrastructure. He explained that the City receives \$400,000.00 from the state in order to fix City streets. He questioned when the streets had been paved or repaired. He also discussed flooding that occurs when it rains. He discussed comments from Councilmembers that the drainage system in his neighbor had "been that way for years" and that the drainage system was installed in the 1960's and if the residents wanted it updated, they would have to pay for it. He explained that he thought that was why he paid taxes. He suggested that the \$10 million be used to fix the City's infrastructure.
- Number 6 – Our elderly. He explained that 16% of the City's population are seniors; 33% of those seniors live alone; that 14% of seniors have income less than \$10,000.00 per year; 42% of seniors have income less than \$20,000.00 per year; and 30% of seniors receive food stamps. He added that seniors are losing their property because they do not make enough to pay the high taxes and utilities. He discussed talking with seniors who must choose between purchasing medications and paying their bills.
- Number 7 – Citizen Input. He explained that the cost of the "palatial city hall" is going to be \$75,000.00 per month and that would affect all citizens. He added that

Council has not tolerated input or alternatives from this community, and went ahead with plans drawings and spent \$600,000.00 without community input. He added that Council ignored petitions of several thousand residents to stop the City Hall project. He further added that one (1) viable alternative was for administrative staff to use the Sanford Building, fix the Municipal Building and make the Barrett Building something such as a museum, a Discovery Center for children, a senior citizens center or a homeless shelter. He discussed being fired as the Police Chaplain because he spoke out against the new City Hall. He then stated, "The fact is you don't want input, you are out to silence those who oppose you. That is not democracy, it's called dictatorship and it's evil." He quoted Matthew 9:36 and then questioned Council's compassion for the people of Laurinburg. He further added that by not building the City Hall, Council could lower taxes and utilities for citizens, or could purchase one (1) of the vacant schools for \$1.00 and citizens would help the City fix it up for a recreation center. He stated that he had never seen "anything like the arrogant determined to have your own way secretive approach and hurtful actions that you have conducted yourselves in building this palace. You say you love Laurinburg, well you mistreat and disrespect and ignore the people who elected you. I petitioned the Local Government Commission and I hope they are getting these words, to deny your request to borrow this money and build an unneeded \$10 million City Hall."

Mayor Block requested that the more mature members of the audience be allowed to speak before it was late or too warm in the room. He invited Dr. Bill Morgan to the podium and then Ms. Linda Faulkner, followed by the remainder of citizens who wished to speak.

Dr. Bill Morgan (no address provided) appeared before Council and explained that he is a retired professor of mathematics at St. Andrews College. He added that he also had 18 years combined experience on the Scotland County Board of Education and the Scotland County Board of Commissioners. He stated that he was present to ask that the City Council stop action on the construction of this City Hall. He added that the entire event was set in motion by an employee who felt a new City Hall was needed, and promised fellow employees a building if they helped get her get elected to the City Council. He further added that this was not the fault of the Councilmember, but the fault of other councilmembers who failed to challenge it, and that a new City Hall was not in the planning of any previous City Council. He stated, "As I stand here tonight, I see in my mind, five people before me who are flashing their middle fingers at me and the citizens. Almost literally, City Council, this is what you are doing to the citizens of Laurinburg - giving them a finger." He discussed his 18 years of service on the Scotland County Board of Commissioners (BOC) and Scotland County Board of Education (BOE), and explained that while on the BOC there were no mistakes made by the BOC; however, he spent 100 hours while on the BOE investigating a major mistake in a food contract. He added that today the citizens were still paying for mislocation of the middle school in Wagram. He further added that his Letter to the Editor published in *The Laurinburg Exchange* proposed spending the \$10 million by consolidating law enforcement in Scotland County, "a long overdue move that could help the other towns in the County who are having a hard time keeping their officers." He also discussed building a City Hall after consolidating law enforcement. He also discussed building a facility that could house the consolidated police department and a recreation area for citizens, especially youth. He

concluded by requesting that Council spend his money wisely.

Ms. Linda Faulkner, 12021 Blues Farm Road, Laurinburg, NC, explained that she grew up in Laurinburg and remembered the City as it once was with oak tree canopies and as a lazy, beautiful southern town. She added that she went to college and did not return for some time. She added that her husband is now a retired engineer with Libbey Owens Ford (LOF), and when they married she told him that she would travel anywhere but that when she got old, she wanted to go home to Laurinburg. She further added that upon her return, she was appalled at the condition of the town and what she saw. She added that Laurinburg lost industry because of cheaper wages overseas. She discussed the old courthouse that was torn down and replaced with a “monstrosity” with nothing but wasted hallways and inadequate parking. She added that the infrastructure of the City was “going to hell”. She stated that she has a vision for Main Street by closing it off and making it into a shopping center with picnic tables and cute shops to draw people to Laurinburg. She further added that the young people need something to do such as a Boys and Girls Club so that working parents could drop their children off without having to worry about them running the street. She explained that she would not see the new City Hall being paid for. She suggested that Council should concentrate on making Laurinburg a beautiful place with things to draw businesses and families into. She suggested that if the City Hall is built, Council could charge tourists in one of the poorest counties in North Carolina in order to pay for the building.

Mr. Jacob Pate (no address provided) thanked the Mayor, City Manager and City Clerk for all they do for the community. He also thanked Council for how hard the members work. He then asked Council when they would work on the citizens’ behalf. He asked Council to reconsider spending the money on a new City Hall for the following reasons:

1. “The majority of the citizens do not want it and as the citizens’ representatives, the citizens expect a bond of loyalty from representatives that the citizens have not received.
2. It hurts the ability of the City to grow by wasting this money.
3. Although there is a desire to turn the community into a retirement community, there are many young people with nothing to do. Because there is nothing for the young people to do, the crime rate has jumped through the roof and it is very dangerous for everyone.
4. Questioned why spend \$10 million on a building to do what Council does in its existing building.
5. Saw the news article about leaks and cracks in the building. He explained that renovation would take care of those issues.
6. The White House has been used for over 200 years. If it can be renovated, so can the City Hall. Also, because of the taxes citizens pay, the building should be in tiptop shape.
7. We have the highest taxes in this area. The City has become the laughingstock of this area. Laurinburg used to be a fun town with things to do. But now it has the highest crime rate the highest taxes and highest poverty rate, and the City does not need to spend money on a new City Hall.”

Mr. Pate urged Council to invest money wisely to see the City prosper. He stated that Council represents Laurinburg and the citizens of Laurinburg, and the way that the City goes falls on Council's shoulders. He then quoted Matthew 16:27, and said while Council may not listen to citizens, he hoped that Council would "listen to God".

Ms. Lynda Huntley (no address provided) read an affidavit, a copy which is attached to these minutes as "Attachment C" and incorporated herein.

Ms. Joy Ward Davis, 14780 Peterson Street, Laurel Hill, NC, appeared before Council and provided a brief history of the Barrett Building, also called the Dr. Peter McLean House, which was built for Dr. Peter McLean, a pioneer doctor in Scotland County upon his arrival in 1907. She explained that Dr. McLean even continued to serve Scotland County citizens after he became ill from an epidemic of the time. She added that one of his children, Dr. Hector McLean, also served Scotland County. She reiterated that Mr. Randy Earl Medlin's grandfather, Gus Whittle, built the Barrett Building as well as the McDougald Funeral Home. She further added that the Barrett Building is a beautiful building and there is no reason for it to be torn down. She discussed the history of Laurinburg and that she believed that there are many older buildings in Laurinburg that need to be kept and used to keep history alive. She also discussed that her father, Phillip Ward, sent letters and pictures to the City Council in the 1970s concerning flooded streets in town. She cited this as an example of how the \$10 million could be used instead of for construction of a new City Hall. She urged Council to quit wasting money, to think about history, and not doing things for the people.

Ms. Deborah Stewart, 701 Peele Street, Laurinburg, NC, presented a statement to the City Clerk, a copy of which is attached to these minutes as "Attachment D" and incorporated herein. She explained that Peele Street is unpaved and when there is a heavy rain, the road becomes a mud puddle, and therefore difficult to drive on. She added that there was a handicapped girl that lives on the street and has to go through the mud puddle to be picked up by the bus that picks her up to take her to school. She further added that when she has asked about paving the street, she is told that she will have to request paving and pay money. She further explained that she pays taxes and that the street should be paved without her having to pay more. She added that the City Hall is so ill-thought-out. She further added that there are plenty of beautiful homes in the City that could be changed into something for the children, disabled or elderly. She stated that she came to Laurinburg from South Dakota and she values Mount Rushmore, and that just as she would not want Mount Rushmore torn down, she does not want the old homes and buildings torn down.

Mayor Block thanked Ms. Tanya Brown of WPDE-15 News for attending the meeting.

Mr. Tim Ivey, 808 West Church Street, Laurinburg, NC, explained that his residence is known as the Edwin Morgan House built in 1948. He further explained that he was Vice President of J.P. Morgan Chase, ran the Executive Office of Jamie Dimon, the Chief Executive Officer, and that he was based in Florence at the time when he was told to come transfer to New York City. He added that he chose not to transfer to New York City and instead chose to move to Laurinburg, and purchase and renovate the Edwin Morgan House. He then reviewed information concerning city halls built in the last 12 months in the United

States, a copy of which is attached to these minutes as “Attachment E” and incorporated herein. He explained that on the low end was City Hall constructed in Spokane Valley, Washington at \$155.00 per resident. He added that the highest cost per resident was in Coral Springs, Florida at \$297.00 per resident. He further added that if you average all of the ones on his list, that is \$230.00 per resident spent nationwide. He further added that based upon the \$8 million construction cost of the 23,000 square foot City Hall in Laurinburg, that equates to \$348.00 per square foot. He discussed a 176,000 square foot building built by Chase at a cost of \$30 million, resulting in cost per square foot of \$170.00 which is actually a little lower than normal. He explained that with an \$8 million construction cost that equates to \$513.00 per citizen in Laurinburg, and with 6,351 homes in Laurinburg, the cost per home is \$1,259.00 per home. He stated that he was not saying to construct or not construct, but that the cost per square footage was “way out of whack”. He then discussed a building built in New York City that was 60 stories, had 1.8 million square feet and was built for \$260 million at cost of \$144 per square foot. He reiterated that this was built in New York City and included paying \$120 million for the lot. He explained that his concern was that the cost per square foot was too high, but when the bids come in, the cost may be where it should be.

Mr. Charles Kennerly, 109 Sanford Road, Laurinburg, NC, explained that he heard something about an \$11 million City Hall and now it is down to \$10 million, and that he wondered why Laurinburg needed an \$11 million or \$10 million City Hall. He added that he had lived in Laurinburg a little over three (3) years. He further added that borrowing money is not good because you have to pay it back plus interest. He explained that he was retired and lived on Social Security so he does not have a lot of money. He further added that he has to live on what he has, so government should also make it on what it has. He explained that he had been told that the reason for the new City Hall was to impress companies that would be coming to Laurinburg. He added that he thought the companies would be impressed, but not like Council thought, that instead they would be impressed by how stupid the City of Laurinburg was.

Ms. Mary Evans, 401 Sugar Road, Laurinburg, NC, explained that she was aware of the process for the City to file an application with the LGC for permission to procure money for the new City Hall which includes the tearing down of the beautiful and historic Barrett Building, none of which is necessary or should be expediently done. She added that while Council has a mind and plan to complete the new City Hall, Council failed to include the most important factors in this equation – the citizens. She then stated the following:

“Number 1 – the economic conditions of our community.”

“Number 2 – the infrastructure of our community.”

“Number 4 – the long-term effects on the citizens, and the list can go on and on.”

Ms. Evans added that she visualizes in her mind the “quora that is a scale of equality and justice, and on the left-hand side of the quora, which is the scale, is the \$10 million for the new building and on the right-hand side of the quora is all of the problems that exist in our community. I clearly, I see the problems within our community tilts overwhelmingly to the right hand side of the quora. There will be no justice or equity to the people if the new building is constructed and the Barrett Building is demolished.” She further added that

further down on Council's agenda is for Council to approve the plan and to proceed further, but that "Council should know that just because Council approves and proceeds, it is not the end of the process for the people of the City because the people do not plan to give up until Council does right by the citizens of this community."

Ms. Barbara Sarah Schmidt, 444 South Main Street, Laurinburg, NC, read an affidavit, a copy of which is attached hereto as "Attachment F" and incorporated herein.

Ms. Theresa Barber, 820 Duncan Street, Laurinburg, NC, explained that when she bought her house in 1987, it was a nice neighborhood, but now it was like a war zone with shootings all the time. She added that the drains are stopped up, and when it rains, the water pours into her yard. She further added that in 2015 and 2016 she called the City to ask that the drains under the driveways be cleaned because hers was completely stopped up. She further added that she told the City had the equipment and the problem would be taken care of; however, today she dug out as much as she could with a shovel. She also discussed the drainage issues on Covenant Way (an abutting street) and problems with cracks on Church Street and Main Street. She explained that every day she sees hungry children in her neighborhood. She discussed her difficulties of being a single parent and living paycheck to paycheck. She discussed the rampant drugs in her neighborhood, and the need for more police officers and a gang task force to help get crime under control in the City. She further explained that her children were on drugs and that she had called Social Services out of concern for her grandchildren. She added that someone ran over her dog on purpose and that she tried to jump in front of the car, but was unsuccessful. She further added that the individuals in the car had been across the street dealing drugs. She expressed concern about the increase in number of children on Duncan Street riding bicycles in the road with drug dealers speeding up and down the street. She explained that she called the City and offered to pay for speed bumps if the City would bolt them down in the road, but she was told that the money was not in the budget to do so.

Mr. Donald Anderson, 10421 Leisure Road, Laurinburg, NC, explained that he had lived in Laurinburg for 30 years. He added that he knew Council would not listen to him because they do not listen, but he wanted to let the Local Government Commission that he was not in support of a new City Hall. He discussed the Laurinburg Market Place Snapshot from the City's website that discusses Laurinburg's ability to capture \$32+ million in potential retail sales but that residents within the trade area are purchasing products outside the primary trade area. He also discussed Mayor Block's Facebook page which "contains no less than 600 communications, comments and narratives from citizens, associates and persons no longer living in Laurinburg who do not support this project." He explained that the Mayor is not guilty of colluding with citizens because his Facebook is public. He explained that he believed that the Council's quest for legacy and notoriety was uniting people under a common cause. He added that that "when humans are tired of oppression, they unite. When they conceptualize change, they rebel. And when they believe with all their heart, mind, body and soul that the impossible can be achieved, they revolutionize." He presented a packet of information to the City Clerk, a copy of which packet as submitted is attached to these minutes as "Attachment G" and incorporated herein.

Mr. Woody Pierce, 12740 Antler Circle, Laurinburg, NC, appeared before Council and explained that he lived in Laurinburg from 1966 until 1980, and then moved back again in 1991. He added that from 1991 to 1996 he managed printing companies in Laurinburg, and then opened his own printing and office supplies company in 1996. He further added that his business did well until 2008 when the economy went bad. He discussed his attempts to sell his business and that he could not convince anyone to come to Laurinburg to buy it. He also discussed his efforts to get the City Council and the Scotland County Board of Commissioners to get all government departments to do business within the county instead of sending business and therefore tax dollars outside the county so that other counties prosper. He explained that he believed Council got a good idea tonight that the majority of the people in this City do not want a \$10 million City Hall. He discussed that he had hoped to live off the proceeds from the sale of his printing and office supplies business in his retirement, but he had to almost give away his business in order to retire. He stated that he was not in favor of raising taxes or utilities for a new City Hall. He presented the City Clerk with an affidavit, a copy of which is attached to these minutes as "Attachment H" and incorporated herein.

Mr. Michael Schmidt, Attorney, 444 South Main Street, Laurinburg, NC, read an affidavit from Mr. Sam Cribb, a copy of which is attached to these minutes as "Attachment I" and incorporated herein. He then read a letter from Mr. Tony Morgan, a copy of which is attached to these minutes as "Attachment J" and incorporated herein. Mr. Schmidt discussed that the government is supposed to be a representative government, but that he did not think that Council represented the citizens. He explained that at the last Council meeting when people tried to speak to and plead with Council not to spend \$10 million, or \$8 million on hard construction costs and 25% more, it did not matter. He added that citizens were told by a councilmember that it was taking \$200,000.00 annually to maintain the Barrett Building, when in fact, based on information from the City Manager, that it costs less than \$10,000.00 a year to maintain the Barrett Building. He explained that citizens deserve better from Council than to be deceived. He added that another councilmember questioned where the citizens were when the new City Hall plans were being made, to which he answered, "you were working." He commented that since March, 2016, the majority of the meetings have been special sessions, and not regular meetings therefore the citizens did not have a chance or opportunity to have input. He stated that "above everything that got my goat was to say 25 years ago, we talked about having a new city hall." He explained that 25 years ago, it was a different City, and that he and all of the people in the room were not under bondage for something someone said 25 years ago. He concluded by stating that "we are going to fight you all the way to Raleigh and we are going to win."

Ms. Dina Coulter, 11380 Purcell Road, Laurinburg, NC, explained that she moved to Laurinburg in 1985 with her parents, and at that time the realtor told them that they had made an awesome decision to move to Laurinburg because Scotland County is the best county to live in in North Carolina. She stated that now Scotland County is ranked fourth from the worst, and that this was embarrassing. She urged Council to stop and think about the citizens for a change and not themselves. She stated that when she is sitting in the audience, councilmembers sometimes have a look on their faces that they could care less about what the citizens say, and that this rubs her the wrong way. She added that Council needs to consider that their children, grandchildren and great grandchildren will pay for the \$10 million City

Hall, and in 20 years, to tell their grandchild that repayment of the \$10 million was the councilmembers' fault.

Mr. Matthew Johnson, 1003 West Scotsdale Road, explained that he grew up in Scotland County and had never been to a council meeting until today, but that he took off work to do so. He stated that he was not impressed with the meeting because Council's body language and facial expressions tell that Council does not care about the people. He explained that a lot of his friends from high school are deceased because of gang violence and drugs. He added that law enforcement is doing the best it can, but nothing is going to get better while citizens live in fear with how they are going to pay for food, utilities and the like. He stated that he would not send his daughter to school in Scotland County. He discussed the closing of schools and that children are not being educated except to be factory workers. He stated that he was blessed to have his job at Campbell Soup, but that he does not like it. He added that he would like Council to do something different such as something for the children, for senior citizens, for law enforcement to fight crimes and drugs, and to not close schools.

Mr. Leon Butler (no address provided) explained that he has been in Laurinburg for over 70 years. He added that Laurinburg was as trashy as he has ever seen it and that until Council cleaned it up, Laurinburg would never get anything.

Ms. Melanie Meredith (no address provided) explained that she wanted to address Council not as a resident, but as a teacher. She stated that the students deserve better and something to do. She added that years ago there was talk of trucking water from Scotland County to Aberdeen. She suggested that a small waterpark be constructed. She also suggested a Boys and Girls Club and a bowling alley in Laurinburg. She stressed that children need something to do. She added that as a teacher, she sees children as young as third grade being pulled into gangs because the gangs show them that someone cares. She further added that the children need something to be proud of the community, proud of the schools so that they can take care of the community to have it for history and for a legacy.

Miss Savannah Carroll (no address provided) appeared before Council and explained that she attended Covington Street Elementary School and that she understood that the school would last only one (1) more year. She added that her father also attended Covington Street School so it is historical to her. She explained that planning for the future was important, and that if there was an earthquake or a hurricane and it was really bad, there would be no money because it had been spent on the "crazy City Hall." She added that perhaps the people in this town needed to plan for the future and choose what the City needs to make the City better. She concluded by stating that "we don't need a City Hall."

Mayor Block gave Miss Carroll a City lapel pin.

With there being no one else coming forward to speak, Mayor Block closed the public hearing at 9:15 p.m.

Councilmember Williamson suggested that since the next item on the agenda was to hear from representatives of Supermajority to Save the Barrett Building, that the public hearing

should include the delegation.

At 9:17 p.m. Mayor Block called for a break.

The meeting resumed at 9:26 p.m.

Upon recommendation by the City Attorney, Mayor Block reopened the public hearing.

Mr. Frank Evans, 1449 Terrace Circle, Laurinburg, NC, explained that on behalf of Supermajority to Save the Barrett Building he had requested to be on the agenda as a “Delegation” before he knew about the public hearing. He explained that he and others had been to numerous Council meetings and asked questions as to the need for the new City Hall, but felt they had received no answers and they wanted facts. He then proceeded to ask questions that were gathered by the group as follows:

Mr. Evans asked, “How would this Hall benefit the people? In what ways can the people see a positive effect in their day to day lives? Has the City continued to operate in normal fashion since you moved to the Sanford Building?”

The City Manager explained that the City was operating in a normal fashion since moving staff from the Barrett Building to the Sanford Building.

Upon follow-up question by Mr. Evans, the City Manager explained that he considered the move a success at this point.

Mr. Evans then asked Council to “explain the benefit to the citizens of having a new Hall outside of what we have at the Sanford Building right now?”

Councilmember Hammond explained that people are forgetting that the new City Hall will also be a police station and that staff would be in the same building. She further added that the police station needed to be improved because the City is adding more police officers to patrol the City and fight crime, something that the citizens have requested.

Mr. Evans asked, “By admission of City employee Harold Haywood at this Council’s June 20, 2017 meeting, there was a revelation that the City has spent \$634,000.00+ to prepare the Sanford Building, complete the first three (3) phases of the project, and prepare for the bidding process before having so much as a sticky note from the Local Government Commission that you will be getting the money you are seeking. As a whole, as a collective, the Supermajority feel this speaks to an arrogance on this Council’s part as to what you think you can get away with when it comes to working with the citizens. Is that notion wrong? Is there an air of arrogance when it comes to Council and what you feel you can do and the citizens won’t ask questions about?”

Councilmember Williamson explained that any new municipal building that requires financing follows the same basic plan that Council has followed. He added that as he understands the process, money has to be expended to show the Local Government

Commission exactly what it would take to finance the building. He added that he assumed that any other municipality financing a city hall has followed the same procedure.

Mr. Evans asked Councilmember Williamson the following: “Mr. Williamson, you made the statement that you were told what to do? Who exactly told you to go after this project?”

Councilmember Williamson explained that earlier he heard suggestion that one (1) of the Councilmembers came up with the idea for a new City Hall. He further explained that when he first got on City Council in 2011, then City Manager Burchins took him and Councilmember Adams on a tour of the facilities, and Mr. Burchins specifically took them to the police department. He added that the police department was in what he considered very poor shape and that the whole point of the tour was to inform the new Councilmembers that a Facilities Needs Study had been ordered by the then Council. He further added that about a year after he came on Council, a presentation by Oakley Collier Associates was made whereby recommendations were made concerning a new City Hall and Police Station. He added that nothing happened for several years. He added that he brought an article to a meeting and at the conclusion of that meeting, it was decided to put the matter on the next agenda.

Mr. Evans asked, “So is it fair to say that the reason we are exploring this option many years ago was because we paid an outside firm a fee to tell us that we needed to explore this option?”

Councilmember Williamson explained that the reason Council and the previous Council explored a new City Hall and Police Station was because it was recognized that there was a need.

Mr. Evans stated, “So now you recognize a need without having been told that you need to explore this?”

Councilmember Williamson stated that Council was not told by anyone to explore this project.

Mr. Evans said, “You made a statement not two (2) minutes ago that you were working off what you were told. And I asked you to clarify.”

Councilmember Williamson explained that that he and Council were told that once Council decided to explore the possibility of a new City Hall and Police Station and that if it was going to be financed, then the LGC sets the rules for the process.

Mr. Evans said, “The local government commission told us to explore this project?”

Councilmember Williamson explained that Council wanted to explore the possibility of constructing a new City Hall and Police Station. He added that the procedures followed were set down by the Local Government Commission.

Councilmember Leak explained that he had been on Council for a long time and even before 2000, it had been discussed about building a police station in the park behind the Municipal Building, but then the City went into a recession. He added that now that the economy was better, Council decided to look into building a Police State/City Hall and have staff in one (1) building. He further added that this had been a goal for Council for about 15 years or so.

Mr. Evans then asked for clarification if Council was working off the Oakley Collier Space Needs Analysis or if Council was working off something from 15 years ago.

Councilmember Willis explained that Councilmember Williamson had said that there was a presentation by Oakley Collier stating the need for both a police station and additional space, but Council decided at that time not to act on the presentation. He then discussed concerns about evidence storage in the Police Department and also problems with the roof leaking on the current City Hall and issues with the Barrett Building. He added that concern about security and protection in the Consumer Billing Department was also of concern to Council. He further added that with those concerns, Council decided to look at the feasibility of building a new facility because the City was going to be in better financial position due to steps and procedures put in place to better manage the City's finances.

Mayor Block explained that the Oakley Collier study from 2013 which determined that several thousand more square feet was needed included two (2) options, neither of which included demolishing the Barrett Building. He added that Option 1, referred to as the Renovation Option, consisted of renovating the Municipal Building and building a new 11,000 square foot police station behind the Municipal Building. He further added that Council's statements that it would cost more to renovate than to build new was misleading to the public since the renovation also included a new building, and that the cost of renovation and building a new building was \$6 million. He further added that Option 2 was to demolish the Municipal Building and construct a new facility on the footprint of the current building. He then asked Council, "Whose idea was it to demolish the Barrett Building?"

Councilmember Willis explained that Council looked at the Oakley Collier study and then had Creech and Associates and Edifice, Inc. to look at the Municipal Building thoroughly. He added that these two (2) companies looked at renovating the building and shared with Council that the Municipal Building was old and built in a certain way, such as the load bearing walls. He added that the companies presented options for remodeling and for construction, so Council reviewed the Oakley Collier study and the new information presented by Creech and Associates and Edifice, Inc. to decide on which direction to proceed.

Mayor Block explained that the Oakley Collier study presented repurposing the Barrett Building for other purposes and building a 23,000 square foot building on the Municipal Building footprint. He then asked, "Where and why was it decided for the Barrett Building to be demolished?"

Councilmember Williamson explained that Creech and Associates pointed out that the footprint for the entire site including the Barrett Building provided a much more appealing and attractive site in terms of the street, for siting the new City Hall and Police Station, for

parking, for security for the Police Station, and for keeping the City Hall facing Church Street.

Mayor Block stated, “Given the outcry from the citizens and concern about the historical significance of the Barrett Building, don’t you think it would be reasonable for Council to reconsider? It’s hard to believe that you are going to build something more appealing than a historical property.”

Councilmember Williamson explained that everyone has their own personal opinions. He further explained that he was a member of the church that had used the Barrett Building as a parsonage and had friends who lived in the Barrett Building while their father was the minister. He added that he loved old houses and hated to take them down. He further added that what Council wants to build is something for the next generation, and that the City has completed its utilization of the Barrett Building. He then discussed what can happen when buildings go into private hands and cited the Abbott Labs building and the old hospital. He stated that there was a big debate about tearing down the old hospital and building the new one on Lauchwood Drive, and people questioned how it could cost less to build a new hospital rather than renovate. He added that the old hospital had similar issues such as the concrete load bearing walls. He further added that the new City Hall and Police Station would be costly and that if it is going to be done, then it should be done right. He further added that if he felt that the construction would raise taxes or utility bills, he would not support it. He concluded by stating that he trusts City staff and the advisors such as the gentleman from Davenport & Company who spoke earlier, and that ultimately, the LGC will decide.

Mayor Block explained that when he was running for Mayor he was discussing the \$5 million cost for a new City Hall and that “everyone on council was saying where the hell did the Mayor get \$5 million.” He added that now the figure is \$10 million. He then asked Council, “Is there any figure that would be too expensive for you to build a new city hall?”

Councilmember Williamson explained that Oakley Collier in 2013 estimated that new construction costs would be in the \$5 million to \$6 million range, and that in 2016, the cost had gone up. He added that he did not like the increase either and wished it was \$5 million or even \$2 million. He further added that the question to consider was if the amount can be safely financed by the City.

Mr. Evans explained that he questioned where the whole idea of a new City Hall came from. He further explained that this was his Delegation and he needed to move on as Council had had enough time to bicker.

Mr. Evans explained that Councilmember Williamson had said that “ultimately it was up to the LGC.” He then asked “Should the LGC come back and not grant you the approval to move forward, how do we get our \$634,000.00+ back?”

Councilmember Willis explained that the \$634,000.00+ would not be recovered.

Mayor Block explained that this money should not be glanced over. He added that Scotland County is going to apply for an \$8 million renovation of the Morgan Center and that he did not believe that Scotland County had spent \$10,000.00 preparing the documents for the LGC application. He added that for the Council to spend \$650,000.00 was way out of line.

Councilmember Leak explained that Scotland County included two (2) schools and the Morgan Center for financing, so that the figure for Scotland County financing was probably \$41 million.

Mr. Evans reiterated that the money spent would not be recouped.

Mr. Evans asked the City Manager, “With environmental studies, surveys and the money paid, should a hurricane or tornado come up, should we get the loan and build building, and we have catastrophe and need another \$2 or \$3 million, would we have the ability to find money? I don’t know where we would find it. Would we be able to find it if we needed emergency money?”

The City Manager explained that the LGC would weigh in on the financial aspect. He further explained that as Mrs. Schmidt had pointed out earlier, the City had experienced issues with the Water/Sewer Fund and with the Electric Fund several years ago. He added that the last audit for Fiscal Year 2015-2016 came back from the LGC with no major findings. He further added that the financial advisors, Davenport & Company, have said that the City could repay the loan and not affect the City’s Fund Balance. He explained that the General Fund-Fund Balance was 40-45% of total operating expenses and Davenport & Company showed that the loan could be paid for in 10-15 years without affecting Fund Balance. He further explained that when Hurricane Matthew hit, the City suffered \$1.2 million in damage that had to be paid for upfront by the City and then the City was reimbursed by the Federal Emergency Management Agency (FEMA).

Upon question by Mr. Evans, the City Manager stated that the City would be able to take hits such as from a hurricane or tornado and not negatively impact the Fund Balance in the City’s four (4) funds.

Mr. Evans said, “Councilmember Hammond, at the June 20th meeting, the last meeting of this body, at one hour 20 minutes into the meeting, you stated, and I quote, ‘Well I don’t know why the LGC would find any reason not to lend that money.’ Do you still stand by that statement?”

Councilmember Hammond explained that she stood by that statement as long as the City’s finances were in order and that she believed that they were. She added, “I don’t see why they would not lend us the money.”

The City Attorney clarified that the LGC does not lend the money.

Mr. Evans stated, “You have also stated in the past that you hadn’t heard, many months ago, that you hadn’t heard any public discontent of this project. One of the members of our

Supermajority is questioning, and the Mayor did open this up to anyone that was in support of this project. We are just curious where are the folks at?"

Councilmember Hammond replied that she could not tell Mr. Evans where people were tonight.

Mr. Evans interrupted Councilmember Hammond, and stated that Mr. Willis had mumbled something and requested that he share it.

Councilmember Willis stated that Council really could not speak to where the other people are.

Councilmember Adams explained that she could speak for some people who had talked to her and expressed concern about the atmosphere that had been created, the hostility and said that they do not want to be slammed on Facebook by the Mayor the following day.

The audience became loud and Mayor Block requested that comments be held down.

Mr. Evans asked, "The move to the Sanford Building was in preparation for the destruction of the Barrett Building as it was stated here at this last meeting. And in as little as two (2) weeks after getting approval for your loan, that building could be destroyed. I know the Mayor asked you all, but I am asking, why can't we give it six (6), seven (7) months, a year, in the Sanford Building to see if we truly do need additional space. Since we have put this money into it, and for you all the money has been spent, a drop in the bucket and you are not concerned about the citizens getting the money back if it's not funded, but why can't we take some time to get our own space needs study together and evaluate what we can do at the Sanford Building now?"

Councilmember Hammond explained that according to the Oakley Collier study, the Sanford Building has no on-sight parking and the shotgun layout severely limits logical placement of functional spaces necessary for public and staff interaction required in a city hall. She added that the Sanford Building is not ADA compliant and there is no sprinkler system.

Upon question by Mr. Evans, Councilmember Hammond explained that staff was moved into the Sanford Building temporarily to save money.

Upon question by Mr. Evans, the City Manager stated that it was correct that the City was still functioning out of the Sanford Building.

Mr. Evans stated, "Mr. Leak, the \$200,000.00 that you talked about maintaining the Barrett Building, do you have any facts to back that up?"

Councilmember Leak explained that when he talked about \$200,000.00 to maintain the Barrett Building, he was thinking about the amount that had been spent on the Barrett Building since the City had utilized it.

Discussion ensued between Mr. Evans and Councilmember Leak concerning Councilmember Leak's statement that maintenance on the Barrett Building was \$200,000.00 annually and the definition of annually.

Mr. Evans stated, "For the three (3) members up for election, does it not bother you at all that this project could still be stopped if you are voted out and replaced on council?"

Councilmember Hammond explained that if the project goes forward and she is voted out because that is what the citizens want, then she would accept it.

Mr. Michael Edds explained that he did not hear Councilmember Leak's response concerning the \$200,000.00 annual cost to maintain the Barrett Building.

Councilmember Willis stated that it did not cost \$200,000.00 annually to maintain the Barrett Building, but that Councilmember Leak probably misspoke and was alluding to the City spending over \$200,000.00 since the Barrett Building had been used by the City.

Mayor Block closed the public hearing at 9:57 p.m.

Upon questions by Councilmember Leak, the City Manager explained that the project is currently in Phase 4 with construction being Phase 5 and the last phase. He added that the resolution for Council to consider tonight would authorize submitting the application to the LGC for approval to finance the project and to solicit bids for financing. He added that the application with bids, permits and all required documents must be submitted to the LGC one (1) month prior to when the Commission heard the request. He further added that if the resolution was adopted, the application with all required documents would be submitted the first of August.

Councilmember Williamson clarified that bids would be solicited and then the application would be submitted to the LGC.

The City Manager explained that interest rates would be reviewed for financing because the LGC would review them. He added that the LGC had to review everything in the application. He further added that if the bank chosen had high interest rates, the LGC would come back and say that there were lower interest rates available. He further added that the LGC is the regulatory agency and would make sure the local government had done its due diligence.

Upon question by Councilmember Williamson, the City Manager explained that once bids were in hand, Davenport would come back in August to present the bids and Edifice would provide the Guaranteed Maximum Price (GMP) which was part of the Construction Management at Risk program which provides the maximum price that the project would cost. He added that the GMP was the amount that Council would decide to finance.

Councilmember Williamson moved to approve Resolution No. R-2017-17 Resolution of the City of Laurinburg, North Carolina Authorizing the Negotiation of an Installment Financing Contract

and Provide for Certain Other Related Matters Thereto. Councilmember Willis seconded the motion.

Mayor Block explained that he did not understand that this is how government was supposed to work. He added that Council had an idea, the idea was brought before the public who would be paying for that idea, and Council had heard overwhelmingly from over 100 people that they were not in favor of the project. He added that petitions and affidavits had been submitted, that Council had heard that the cost per square footage was too high, and that Council had heard all the other needs of the City. He reiterated that Council had heard overwhelmingly that the citizens did not want this project. He stated, "So what are you saying to the citizens that have come out here, you are basically giving them the finger, as Dr. Morgan said. If you vote for this you might as well give all the citizens the finger. They have come here, out tonight to express what they want done with their money and you are going to just sit up here and ignore it. I don't want to hear any bullshit. I really don't. Any of your sweet talking words Mr. Williamson. You are just telling the citizens that they don't matter. That what matters to you is that an old house , that you don't like an old house because it might become this or that, that thousands of citizens have told you what they want with that old house. You don't care what they want."

Councilmember Williamson stated that there are two (2) visions for Laurinburg and that "We all want Laurinburg to grow and prosper. I want to say this. I grew up here. I want this place to grow. But what I am hearing..."

The audience became loud and Mayor Block requested that Councilmember Williamson have his say.

Councilmember Willis explained there was a motion and second on the floor.

The City Clerk called that roll and the vote was as follows:

Ayes: Williamson, Willis, Adams, Leak, Hammond

Nays: None

(Resolution No. R-2017-17 on file in City Clerk's office)

CITY MANAGER REPORTS

COMMUNITY DEVELOPMENT UPDATE

Mr. Michael Mandeville, Community Development Director, reported that the new Beautification Supervisor would begin work Monday, July 24, 2017, and that soon a new position of Main Street Director and Public Information Officer would be posted for hiring. He explained that there had been good progress downtown with the private development at the old State Bank and Market Furniture buildings. He added that the next step was to start a planning study for the parking lot behind the Walk-Through property to show the developers that the City was committed to having a safe, lighted parking area. He further explained that work was progressing on the redesign of the City's website and that it should be rolled out in the fall.

Upon question by Mayor Block, Mr. Mandeville explained that some work had been completed recently at the old State Bank building, but he was not certain of future use of the building although he thought that the developer was recruiting retail.

Upon questions by Councilmember Leak, the City Manager explained that the buildings were located in the Municipal Tax District, were paying the extra tax and are eligible for the façade grant program. He added that the Project Manager Jed Hohl has been attending the Downtown Associates meetings and is eager for the City to get into the Main Street Program.

Mr. Mandeville explained that the City had completed most of the major work for application into the Main Street Program and barely missed the deadline for this year. He added that by July 1, 2018, the City should officially be a Main Street City.

Mayor Block stated that the Walk-Through looked nice.

Mr. Mandeville explained that there was still some work that needed to be done at the Walk-Through. He added that the grant money was used to make something nice.

REVIEW AND APPROVE SITE PLAN FOR CITY HALL AND POLICE STATION

The City Manager explained that approval of the site plan for the City Hall and Police Station had been pending NC Department of Transportation (DOT) Driveway and the Permit from the Department of Environmental Quality, both of which had been received. He added that the City's Unified Development Ordinance (UDO) required that any building over 20,000 square feet that disturbs over an acre of land had to be reviewed by the Planning Board and approved by Council. He added that all requirements of the UDO had been met and all required permits were on hand.

Motion was made by Councilmember Adams, seconded by Councilmember Hammond, and unanimously carried to approve the site plan for City Hall and Police Station.

CONSIDER MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LAURINBURG AND SCOTLAND COUNTY – SOUTHERN FIRE SUBSTATION

The City Manager explained that after the City Attorney, the Fire Chief and he had reviewed and revised the draft Memorandum of Understanding (MOU) between the City and Scotland County for the southern fire substation, the County indicated that it was ready to move forward with the southern fire substation.

Upon question by Councilmember Leak, the City Manager explained that the substation would be unmanned. He added that it would be the City's responsibility to maintain the substation.

The City Attorney explained that the draft MOU was received from Scotland County on a Monday, and back to Scotland County three (3) days later. He added that some of the main concerns with the MOU were to ensure that it provided that the County would build the

structure, the City would maintain it once constructed, but that the City would approve the site plan and ensure that the proposed structure was structurally sound. He added that the MOU included provisions in the event the City stopped using the substation.

Motion was made by Councilmember Hammond, seconded by Councilmember Leak, and unanimously carried to approve the Memorandum of Understanding between the City of Laurinburg and Scotland County concerning the South Fire Substation, and to authorize the Mayor and City Clerk to execute the Memorandum of Understanding.

CITY ATTORNEY DISCUSSION OF LOCAL GOVERNMENT COMMISSION PETITION

The City Attorney explained that he had received a copy of the petition from Attorney Mike Schmidt submitted to the Local Government Commission (LGC) in opposition to the approval by the LGC of the funding of the City Hall and Police Station project. He asked Mayor Block to clarify if he would be using his Mayor's salary in financially supporting the Supermajority group.

Mayor Block clarified that he would be using his Mayor's salary to help pay Mike Schmidt.

The City Attorney explained that because of the Mayor's financial support from the Mayor, it placed the Mayor in a conflicted position with regard to maintaining the attorney-client privilege. He added that he had discussed this matter with the UNC School of Government (SOG) to determine the best way to handle the conflicted position. He further added that the staff at the SOG recommended that Council form a litigation or claim subcommittee from which he would receive direction regarding the filed petition and any potential litigation since litigation had been threatened; therefore he was requesting that Council form a subcommittee of Council to fulfill that obligation.

Discussion ensued concerning hiring an outside law firm such as Poyner and Spruill to handle this matter. The City Attorney advised that someone had to converse with Council, whether it was he or an outside counsel, and the problem was that the Council included the Mayor. He added that he needed a subcommittee that did not include the Mayor in order to maintain the attorney-client privilege.

Mayor Block suggested that he could recuse himself whenever the City Attorney needed to discuss this matter with Council.

The City Attorney explained that if Mayor Block recused himself from closed session when discussion of this matter was needed, that he did not Council to form a subcommittee.

COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

There were no comments from Mayor Block or Council.

CLOSED SESSION

At 10:20 p.m. motion was made by Councilmember Adams to go into closed session pursuant to NC General Statute 143-318.11(a) (2) to prevent the premature disclosure of an honorary degree, scholarship, prize or award; 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 10:39 p.m., motion was made by Councilmember Williamson to adjourn the closed session and resume the regular meeting. The motion was seconded by Councilmember Adams, and carried unanimously.

SET PUBLIC HEARING TO CONSIDER TRANSFER OF INTEREST IN REAL PROPERTY

Motion was made by Councilmember Hammond, seconded by Councilmember Adams, and unanimously carried to set a public hearing to be held on Tuesday, August 22, 2017 to consider transfer of real property pursuant to the North Carolina economic development statutes.

Mayor Block left the meeting at 10:40 p.m.

CLOSED SESSION

At 10:42 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. The motion was seconded by Councilmember Hammond, and carried unanimously.

At 10:43 p.m., motion was made by Councilmember Williamson to adjourn the closed session and resume the regular meeting. The motion was seconded by Councilmember Hammond, and carried unanimously.

ADJOURNMENT

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

The meeting adjourned at 10:44 p.m.

Matthew Block, MD, Mayor

Jennifer A. Tippett, City Clerk

**ALL ATTACHMENTS ARE FILED
IN THE CITY CLERK'S OFFICE**