

APPROVED JUNE 19, 2018

**CITY OF LAURINBURG
CITY COUNCIL MEETING
APRIL 17, 2018
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, April 17, 2018 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, Mary Evans, James J. Garby, Jr., Curtis B. Leak, and Andrew G. Williamson, Jr.

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

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

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

APPROVAL OF AGENDA

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

PUBLIC COMMENT PERIOD

Mayor Block reviewed public comment procedures.

Mr. Donald Anderson, 10421 Leisure Road, expressed concern about that police department study being conducted by the North Carolina League of Municipalities. His primary concern was that the study was a risk management study and that it would not deal with citizens' concerns about crime in the community and crime fighting issues.

Mr. Michael Edds, 1207 Blue Drive, congratulated Council on hiring a risk management consultant as a first step to bring the crime rate down in the community. He explained that as has been reported by the City, it is in the best financial state in several years, so the cost of a consultant should be affordable. He applauded Councilmember Garby for meeting with citizens about youth programs, and Councilmember Evans for reporting issues to the City Manager. He encouraged Council and the City Manager to tour the City and view the needs of the community. He concluded by requesting that the City's noise ordinance be enforced.

Mayor Block explained that discussion of a crime consultant was on the agenda later in the meeting.

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CONSENT AGENDA

Mayor Block presented the Consent Agenda as follows:

- a) Consider minutes of January 16, 2018 regular meeting
- b) Consider closing one-half of Roper Street from Main Street approximately 125 feet west from 3:00 p.m. on Friday, May 18, 2018 until 10:00 a.m. Monday, May 21, 2018 for Scotland County Arts Council Dancing with the Scotland Stars
- c) Consider setting public hearing to be held on Tuesday, May 22, 2018 at 7:00 p.m. to consider a request for a Conditional Use Permit for a solar array on a 44-acre tract of land on Rea Magnet Road

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

Ayes: Evans, Garby, Leak, Adams, Williamson

Nays: None

The City Attorney informed Council that he would not be able to advise the board during the public hearing for the Conditional Use Permit for the solar farm due to a conflict of interest, and that would find an attorney to handle the public hearing. He explained that he had completed legal work for Strata Solar and his family has dealt with Strata Solar also. He added that prior to the May 22, 2018 meeting, he would advise Council on the procedures for the hearing.

DELEGATION

TERRY PARKER – TIS THE SEASON

Mrs. Terry Parker, provided a brief overview of plans for the upcoming Christmas season being planned by the non-profit group, Tis The Season. Plans include the following:

- November 14, 15, and 16 Main Street downtown will be decorated with fresh greenery and lights.
- November 25, Sunday of Thanksgiving weekend, there will be a tree lighting ceremony at the Art Garden.
- Christmas on Main will be held November 18th.
- There will be a series of events beginning with the tree lighting until New Year's Eve. Some type of ball drop on NYE. Details have not been worked out. There will be fun activity for all to participate.
- Synthetic ice skating rink. Major fundraising push. That will be an incredible activity to have. Will be set up week before Thanksgiving and open for skating Fridays, Saturdays and Sundays during certain times. I think 10 am to 10 pm when school is out. Will invite daycare centers to come during the week when it is not so busy.
- Want to purchase snow blowing machines. Purchase 4 this year and have a snow zone in the Art Park. Hope to increase each year and have more snow zones

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downtown.

Upon question by Mayor Block, Mrs. Parker explained that the committee was considering three (3) different locations to locate the ice skating rink but the location had not been decided.

- A live nativity. First meeting will be held next Monday night, April 23rd. We have about 50 churches coming and Rev. B.J. Gibson is heading this up.
- There will be singing on streets with different choirs. Hope to have a Live Christmas Tree singing in the Art Garden. Meeting about that week after next with all of the different choir directors.
- Whole purpose is to provide sense of community.
- Going to interview 60 people and video their favorite memories of Christmas in Laurinburg. Will be shown on back of A.B. Gibson Building and snippets during football games.
- Cookie decorating for children, read stories in pajamas and other such activities.
- Not just weekends, will last from Thanksgiving weekend to Christmas weekend.

Mrs. Parker explained that all of these activities would cost money and she requested 5,000.00 be donated to the non-profit Tis the Season group. She added that she had requested \$5,000.00 from the Scotland County Board of Commissioners. She further added that she would request funding from other sources as well.

Upon question by Councilmember Williamson, Mrs. Parker explained that she and Mr. Walker McKoy, Beautification Supervisor, had looked at the wreaths that had been used downtown. She added that instead of purchasing new 60-inch wreaths at \$500.00 each at this time, the ribbons would be replaced on the old wreaths which will be refurbished and live greenery will be added.

Mrs. Parker explained that she had requested that Mr. McKoy to include the cost of purchasing an 18-foot artificial tree in the upcoming budget.

The City Manager explained that the Christmas tree would be presented to Council in the draft budget.

Upon question by Councilmember Williamson, Mrs. Parker explained that she had also requested that Mr. McKoy include 1,000-foot spools of lights and adapters to use downtown. She added that the group would be requesting that downtown store owners put electric outlets on the outside of their stores to accommodate the lights, and that the group would be seeking three (3) volunteer electricians to install the outlets.

Mayor Block inquired of Mrs. Parker if there were items in the Tis the Season budget that could be used by the City for future decorations so that the \$5,000.00 could be a City purchase instead of a donation to the group.

Mrs. Parker explained that the group was looking at a used skating rink for approximately

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\$20,000.00 versus \$30,000.00 for a new one. She added that the warranty would be the same as for a new rink. She further explained that most communities that have an ice skating rink charge \$5.00 per hour fee, and therefore, the ice skating rink could provide revenue over time. She further added that the snow blowing machines are \$1,000.00 each, and the group would like four (4) blowers.

Upon question by Mayor Block, Mrs. Parker explained that the overall budget for Tis the Season was \$40,000.00.

Upon question by Councilmember Williamson, Mrs. Parker explained that in addition to asking the Scotland County Commissioners for funding, she would ask the Scotland County Tourism Development Authority, the Downtown Advisory Committee and also some corporations for funding.

Mrs. Parker explained that the Tis the Season was being modeled like a Hallmark town, the same that Andalusia, Alabama modeled its Christmas around Candyland. She added that the Tis the Season group has a 5-year plan to keep the events growing each year.

Upon question by Councilmember Adams, Mrs. Parker explained that Mr. Chris English, Director of the Laurinburg/Scotland County Area Chamber of Commerce, is on the committee, and that Mr. Cory Hughes, Director of the Scotland County Tourism Development Authority, serves as an advisor.

Upon question by Councilmember Adams, Mrs. Parker explained that the \$5,000.00 request was included in the total budget. She recognized fellow committee members present, Ms. Janice Creed, Mrs. Carol Coughenour and Mrs. Emily Womble.

Mrs. Parker discussed that there were citizens of all ages and all social and demographic areas involved in the project. She added that the committee was looking for volunteers.

Upon question by Councilmember Evans, Mrs. Parker explained that children will decorate and write their names on the ornaments to put on the big Christmas tree. She added that 50 live trees had been ordered to decorate similar to Southern Pines.

Mayor Block explained that this request would be considered during budget discussions, and that Council would let Mrs. Parker know by the end of June about funding.

Councilmember Leak explained that the Towns of Wagram and Gibson are also in Scotland County, and he suggested that Mrs. Parker make the presentation to those boards also. He added that perhaps the Scotland County School System could also be a partner.

CITY MANAGER REPORTS

CONSIDER RESOLUTION ADOPTING FINDINGS OF FACT PERTAINING TO CONDITIONAL USE PERMIT FOR OPERATION OF A CARNIVAL

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The City Manager explained that this resolution states the findings of fact related to the Conditional Use Permit for operation of a carnival. He added that even though the carnival has already happened, the City's Unified Development Ordinance requires that Council adopt the findings of fact.

Following a brief discussion, Councilmember Williamson moved to approve Resolution No. R-2018-04 Resolution adopting findings of fact pertaining to Conditional Use Permit for the operation of a carnival. Councilmember Adams seconded the motion, and it was approved by the following vote:

Ayes: Williamson, Adams, Evans, Garby, Leak
Nays: None
(Resolution No. R-2018-04 on file in City Clerk's office)

QUARTERLY FINANCIAL REPORT

Mrs. Carrie Neal, Finance Director, explained that the financial area of the City is very cyclical in nature with each quarter having different uniqueness. She presented a third quarter report with highlights as follows:

- The majority of tax payments are made in January each year making the revenue line item at a higher percentage. This is no indication that revenues for the year will be higher.
- A monthly report will be submitted for April and May each year, but not in June, and a fourth quarter report will not be submitted. Each year in June, Accounting is closing out the current year, and beginning the new fiscal year in July.
- Monthly reports will be submitted each year for July, August and September as well as a quarterly report for first quarter ending in September.
- The auditor presents the annual audit information in November or December each year.
- The first quarter report for will show minimal activity, but should have expenditures around 25%. Second quarter expenditures should be around 50%, and third quarter should be around 75%.
- The City's budget flows like clockwork unless there is a significant and totally unexpected event, such as when Hurricane Matthew hit in 2016, millions of dollars' worth of decisions had to be made within the existing budget since the reimbursement from the Federal Emergency Management Agency (FEMA) would not happen for many months.
- In the General Fund, 75% of the budget has been spent, which is exactly where expected. In non-departmental, the percentage is 82% because most of the non-profits have received their funding for the fiscal year.
- Exceptions to 75% expended include Governing Body, Administration, Human Resources, Accounting, IT and GIS because these departments include Management Fee calculations, and those percentages are much greater than 75%. The Management Fee calculation is the very last thing the Finance Director completes at the end of the

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fiscal year prior to handing the books over to the auditor. However, when the enterprise funds are reviewed, the expenditures in the Non-Departmental line item in each of the enterprise funds will be must lower because the Management Fees have not been expended yet.

- Reviewing encumbrances by department is very important for management of cash flow. The encumbrances are future expenditures which a department has committed to that will be paid by the end of the fiscal year.
- The report shows that the City is fiscally healthy, and Council should be proud of the decisions it has made over the past three (3) years to get the City to this condition.

Upon questions by Councilmember Leak, Mrs. Neal explained that the March Tax Report showed the tax collection percentage at 94.5%, which is consistent with previous years at this time. She added that because the State had taken over collection of motor vehicle taxes, she would estimate the motor vehicle collection rate to be 99% to 100%.

Upon question by Councilmember Leak, the City Attorney explained that Scotland County contracts with a law firm to handle tax foreclosures. He added that if the foreclosed property is located in the city limits, the City participates in the foreclosure process and receives a settlement from that process, providing that the settlement amount would be greater than attorney fees for participating.

Mayor Block requested that Mrs. Neal go through the Governing Body because the original budgeted amount was \$27,000.00, \$100,000.00 was transferred in, and the revised budget was \$127,000.00. He further stated that year-to-date the Governing Body has spent \$202,000.00, making it \$75,000.00 over budget. He then asked who was in the Governing Body and if the Governing Body was apportioned to the utility funds.

Mrs. Neal explained that the Governing Body included Council and the Mayor. She added that the Governing Body's expenditure percentage appears out of line at this time because the Management Fee is not determined until September prior to handing the City's books over to the auditor.

Mayor Block asked if part of the Governing Body's salaries were divided into the Management Fee.

Mrs. Neal replied that all of the Governing Body's operating expenses, not just salaries are subject to the Management Fee. She added that the departments that are subject to Management Fees are: Governing Body, Administration, Human Resources, Accounting, IT and GIS.

The City Manager explained that the operating expenses include meals for retreats, travel for Mayor and Council, departmental supplies and other expenditures, not just salaries.

Mayor Block questioned how \$202,000.00 had been spent by the Governing Body.

Mrs. Neal explained that the attorney fees are included in the Governing Body under the

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Professional Services line item. She added that a \$100,000.00 budget amendment for attorney fees had to be done during the new City Hall process.

Mayor Block commented that the Governing Body was still \$175,000.00 over the original appropriations.

Mrs. Neal explained that the Management Fee calculation has not happened yet.

Mayor asked if the salaries for the Governing Body and the fees for the attorney were what Mrs. Neal was discussing.

Mrs. Neal explained that all operations of the Governing Body were to be apportioned by the Management Fee calculation.

The City Manager explained that at the end of the fiscal year, the Finance Director will allocate operating costs based upon the Management Fee calculation.

Mrs. Neal added that when she allocated the costs, each one of the enterprise funds was charged appropriately. She added that once the Management Fee calculation has occurred, the credit comes back to the appropriate departments.

Mayor Block commented that if three-fourths (3/4ths) of the Governing Body's salaries were added together, that would be approximately \$30,000.00. He asked what made up the remainder of the \$202,000.00.

Mrs. Neal explained that it was all of the operating costs for the Governing Body includes salaries, FICA, professional services, travel, postage, maintenance and repair of equipment, departmental materials, dues and subscriptions, insurance and miscellaneous.

Upon question by Councilmember Evans, Mrs. Neal explained that the report was for the third quarter of the fiscal year, or from June 2017 through March, 2018.

Upon question by Councilmember Garby, Mrs. Neal explained that the City and County share the costs of the Fueling Facility, and that at the end of the year, this line item would be brought down to zero.

Mrs. Neal explained that the other Funds are similar to the General Fund with the main difference that the General Fund operates on property taxes. She added that the enterprise funds are self-supporting and revenue is generated from fees. She further added that its expenditures are cyclical in nature just as the General Fund.

Upon question by Mayor Block, Mrs. Neal explained that in the Water/Sewer Fund, the expenditures to date in the Non-Departmental line item were low because the Management Fees had not been allocated out.

CONSIDER RESOLUTION AMENDING THE CITY OF LAURINBURG

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PURCHASING POLICY AND PROCEDURES MANUAL

The City Manager explained that the State had changed regulations about pre-auditing electronic transactions; therefore the City's Purchasing Policy and Procedures Manual needed to be updated.

Councilmember Adams moved to approve Resolution No. R-2018-05 Resolution amending the City of Laurinburg Purchasing Policy and Procedures Manual. Councilmember Evans seconded the motion, and it was approved by the following vote:

Ayes: Adams, Evans, Leak, Williamson, Garby
Nays: None
(Resolution No. R-2018-05 on file in City Clerk's office)

CONSIDER RESOLUTION FOR ACCESS AND EASEMENT AGREEMENT TO RAILROAD RIGHT-OF-WAY AT LAURINBURG-MAXTON AIRPORT TO MOUNTAIRE FARMS, INC.

Mrs. Jo Ann Gentry, Executive Director of the Laurinburg-Maxton Airport Commission (LMAC), explained that LMAC agreed to and recommended an Access and Easement Agreement between the City of Laurinburg and Town of Maxton with Mountaire Farms, Inc. She further explained that that the agreement would allow Mountaire Farms, Inc. to use the railroad track and rail bed located at the Laurinburg-Maxton Airport.

Councilmember Adams moved to approve Resolution No. R-2018-06 Resolution for access and easement agreement to railroad right-of-way at Laurinburg-Maxton Airport to Mountaire Farms, Inc. and authorize the Mayor and City Clerk to execute necessary documents. Councilmember Williamson seconded the motion, and it was approved by the following vote:

Ayes: Adams, Williamson, Garby, Evans, Leak
Nays: None
(Resolution No. R-2018-06 on file in City Clerk's office)

CONSIDER REVISING POLICY FOR DISPOSING OF COMMUNITY DEVELOPMENT BLOCK GRANT LOTS

The City Manager explained that several months ago, Council approved a policy for disposing of former Community Development Block Grant lots that the City owns. He added that there had been some interest in citizens obtaining lots, including Ms. McLaughlin's recent interest. He further added that there is a lot being requested that requirement for square footage of the lot is met; however due to the shape of the lot, nothing could be built on the lot. He added that the City Attorney has a recommendation for amending the policy.

The City Attorney explained that the policy adopted by Council was fairly restrictive since it requires that an adjacent property owner must prove maintenance of the vacant lot in order to obtain credit of \$250.00 per year for maintenance, and if that credit exceeds the appraised value

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of the lot, the lot is deeded over to the requesting adjacent property owner in order to get the property back on the tax role. He added that the policy also included a requirement that the square footage of the lot not meet the minimum requirements for building upon. He further added that a request for a lot was submitted by an adjacent property owner that had maintained the lot, but the lot exceeded the minimum square footage requirement. He further explained that due to the triangular shape of the lot, it would not be practical for a building to be built on the lot. He further explained that he recommended that the policy be amended so that in addition to lots not exceeding the minimum square footage requirement, it also cannot be readily developed because of the shape, location or other limitations of the lot. He further explained that if the Planner/Zoning Officer makes a determination that it is impractical to build on a lot because of the shape, then the lot would fall within that category of eligible property to be transferred to the adjacent landowner based on the \$250.00 per year maintenance credit.

Upon question by Councilmember Williamson, the City Attorney explained that the Planner/Zoning Officer would make the determination as to whether a lot could be built upon.

The City Manager explained that there are setback requirements that must be met in order for a property to be developable.

The City Attorney explained that because of the special legislation, Session Law 2006-5 Senate Bill 179, Council was allowed to dispose of certain CDBG lots to anyone Council desired in any manner. He added that Council needed to make a policy decision concerning disposition of these lots in order to get them back on the tax roll. He suggested that Council expand the previously set policy to include that the lots could not be built upon.

Following further discussion, motion was made by Councilmember Williamson, seconded by Councilmember Garby, and unanimously carried to amend the policy for disposing of certain CDBG lots as recommended by the City Attorney to include a provision that in addition to the adjacent property owner submitting proof of maintenance of a lot, requirement that a lot not meet the minimum square footage, that a lot cannot be readily developed because of the shape, location or other limitations of the lot.

DISCUSSION OF TOWN HALL MEETINGS

The City Manager explained that this item was tabled at the March 22, 2018 meeting for additional information.

Councilmember Evans explained that she believed it was a good idea for Council to go out and discover what is on citizens' minds, perhaps like a forum for the citizens to tell Council what they would like to see in the City, for feedback from citizens, and for the citizens to ask questions and have them answered. She added that this past weekend there was a forum where a lot of questions were asked and answered.

Upon question by Councilmember Williamson, Councilmember Evans explained that the forum was held at Westminster Presbyterian Church.

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Mayor Block explained that it was the Candidates Forum. He added that the question before Council was whether it wanted to give a Town Hall meeting a try with one outreach. He further added that the idea was brought up by a couple of citizens of having a forum with elected officials in the voting districts to increase awareness of issues in the community. He further added that he believed it should be a City-sponsored event with advertising similar to the Citizen Input Session.

Councilmember Adams explained that she understood from the citizen that appeared before Council several months ago, was a suggestion to have a Town Hall meeting in District 1 due to campaign promises that had not been met. She added that she did not know that Council needed to get into that kind of situation.

Councilmember Leak inquired as to where the Town Hall meetings would be held since the forum Councilmember Evans discussed was held at a church.

Councilmember Evans explained that she did not recommend having the Town Hall meetings at a church.

Councilmember Leak suggested that the Laurinburg Housing Authority Community Center could be used for a location.

Councilmember Garby explained that Council needed to also consider the legality issue of a quorum of Council being present.

Councilmember Adams explained that a format needed to be determined and a purpose.

Councilmember Williamson explained that what he thought was that one representative from the district would come and reach out to the citizens, similar to nationally-held Town Hall meetings. He added that Councilmembers Evans and Leak would go to a District 1 meeting, he and Councilmember Adams would go to a District 2 meeting, and Councilmember Garby would go to all meetings since he was elected at-large. He further added that he did not have any problem with any Councilmember reaching out to constituents, but as the whole Council, notices would need to be posted and staff would have to be present since it would be a meeting.

Further discussion ensued concerning Town Hall meetings. Mayor Block suggested that since Councilmember Evans felt so passionate about having Town Hall meetings, she could come up with a format, date and location, and that the City would advertise, to see how a Town Hall meeting would go.

Councilmember Evans explained that she would bring something back for Council to consider for a Town Hall meeting.

DISCUSSION ON HIRING CRIME/CRIME FIGHTING CONSULTANT

Mayor Block explained that he had sent an email with list of items that I thought were important to look into such as case load of unsolved crimes, staffing, should cars have GPS, and other

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general questions and requested that the City Manager forward those items to Mr. Anderson of the North Carolina League of Municipalities (NCLM) to determine if the listed items would be included in his assessment of the Police Department. He added that Mr. Anderson replied that those items would not be addressed in his assessment. He further added that there are retired law enforcement officers that have consulting businesses that for approximately \$50,000.00 offer assessments that would provide the answers to the questions.

Councilmember Evans explained that she believed the issue of a crime consultant needed to be put to rest to give Council and citizens that information being requested.

Following a brief discussion, motion was made by Councilmember Evans to hire a crime consultant. The motion was seconded by Councilmember Garby.

Councilmember Leak discussed the history of the Crime and Drug Committee.

Councilmember Williamson explained that he was not in favor of hiring another consultant until Mr. Anderson submits the risk management report. He added that Police Chief Williams has reached out and looked for other solutions to the crime issue.

Councilmember Adams explained that she was supportive of the Police Chief and the Police Department. She added that she was in favor of bringing in Mr. Anderson from the NCLM as suggested by Councilmember Evans at the Council Retreat. She further added that she was not in favor of hiring a crime consultant at this time and that she did not believe it was needed.

Councilmember Leak discussed the struggle all over the State with regard to crime. He added that he did not believe in micromanaging.

Councilmember Garby explained that the purpose of the crime consultant was to make sure that the City is doing all it can with regard to crime and crime-fighting.

Following a discussion about tabling the matter, Councilmember Garby requested a roll call vote. The vote was as follows:

Ayes: Evans, Garby

Nays: Leak, Williamson, Adams

POSITION RECLASSIFICATION NOTIFICATION

The City Manager explained that Mrs. Betty Galloway would explain two (2) position reclassifications. He added that according to policy, even if there is no budget implication, position reclassifications must be reported to Council. He further explained that one of the positions was the Administrative Assistant position in the Fire Department. He added that Fire Chief Gibson requested that the position be reclassified to be a daytime Firefighter position with no change in paygrade. He further added that the position is a Grade 9 and would remain that grade, and the firefighter hired would work Mondays through Fridays, eight (8) hours a day versus the 24-hour shifts that Grade 13 Firefighters work.

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Mrs. Galloway explained that the other position was located in the Garage. She added that the position was lowered to a Service Equipment Attendant at Grade 8 as the Equipment Mechanic position had been open for some time. She added that most of the students that go through equipment mechanics training with community colleges are hired by dealerships at salaries much higher than the City's salary. She added that the position will do basic oil changes, change tires and demonstrate the ability and desire to learn with eventual promotion to Equipment Mechanic I.

COUNCIL PREVIEW OF BUDGET WORKING DRAFT

The City Manager explained that he would provide a very broad rough budget because there are still unknown figures such as for employee health insurance. He added that currently the health insurance costs are flat and that staff is negotiating to keep the insurance costs at the same level. He further added that the final report on the Pay and Classification Plan is not finalized yet, so the estimated amount to bring all employees into the new Pay Plan was \$370,000.00 and this figure was included in the draft budget. He further explained that all inmate labor had been removed from the budget due to issues with the inmates and the safety of employees; therefore, a part-time solid waste position was added to work in the Recycling Center.

He then presented a PowerPoint presentation with highlights as follows:

- **General Fund Highlights:**
 - \$8,139,763 Budget Total
 - Tax Rate (flat – \$0.40)
 - \$195,630 Fund Balance Appropriated (\$295K last year)
 - \$560,898 Assigned Fund Balance (LCHPD Financial Plan)
 - Revenues based on 3-5 year historical info
 - Part-time Student Program Reinitiated – Cemetery/Finance
 - Police Vehicle Replacement & Tsunami Cameras Leased
 - Fire Vehicle Replacement & Equipment Replacement
 - Street Resurfacing (\$200,000) & Tractor Replacement
 - LCHPD Loan Payment (67%)
 - Pay & Class (\$213,000)
 - File Storage (GB, Admin, HR, Finance, Police)
 - IT (flat) – person to contracted services
 - Christmas Bonus – \$100 Gift Cards (\$17,000)
 - Condemnation/Demo Efforts – Citizen Input (\$35,000)
 - Beautification Projects – Citizen Input (\$30,000)
 - Litter Contract – Citizen Input (\$35,000)
- **General Fund Discussion:**
 - Municipal Vehicle Fee – up to \$30 per vehicle potential revenue
 - Convenience Credit Card Fee – \$40,000.00 that the City currently absorbs
 - Sweeper for Curbing – \$230,000 (leasing options) – Citizens Input
 - Leith Creek Project – \$50,000
 - Downtown Project – Options for properties (McAdams plan)
- **Electric Fund Highlights:**

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- \$17,370,766 Budget Total
- Electric Rate Schedule (flat)
- \$1,642,125 Fund Balance Appropriated (planned)
- New Gate at Public Works (1/2)
- LCHPD Loan Payment (16.5%)
- FCC Loan Payment
- Increased Engineering Fees (New Substation)
- Load Management Project Completion (\$170,000)
- LED Conversion (complete street & start area lighting)
- New Substation Construction (\$2.2M)
- Downtown Project Electric Underground (\$150,000)
- Scotland County/Laurinburg Industrial Park Construction (\$70,000)
- Pay & Class (\$46,000)
- **Water/Sewer Fund Highlights:**
 - \$7,964,873 Budget Total
 - Water/Sewer Rate Schedule (flat)
 - \$989,239 Fund Balance Appropriated (planned)
 - New Gate at Public Works (1/2)
 - LCHPD Loan Payment (16.5%)
 - FCC Loan Payment
 - New Well (\$300,000)
 - Future Well Sites Land (\$150,000)
 - Track hoe Replacement (\$190,000)
 - Frederick Ave. Waterline Replacement (\$350,000) – 8 breaks last 2 years
 - Sewer Camera Replacement (\$100,000)
 - Renovate 3 Pump Stations (\$485,000) – 15 needed from '94 Annexation
 - Other Equipment Replacement (\$395,000)
 - Pay & Class (\$145,000)

Upon question by Mayor Block, the City Manager explained that the replacement of the pump station would be bid out to determine the cost. He added that a bid was just received for one pump station at \$155,000.00 in order to have an idea on what to budget.

Mr. Harold Haywood, General Services Director, discussed the formal bid process and the informal bid process. He added that the formal bid process was used even though the amount was within the informal bid range.

Upon questions by Mayor Block, the City Manager explained that the City was awarded a \$2 million Community Development Block Grant (CDBG) for Produce Market sewer improvements. He added that the replacement of the water line on Frederick Avenue would not qualify for a CDBG grant due to the area not being low income.

Upon question by Councilmember Evans, the City Manager explained that the lines being laid on Produce Market Road at this time were Piedmont Natural Gas lines.

- **Solid Waste Highlights:**

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- \$2,759,156 Budget Total
- Solid Waste Fee Schedule (flat)
- \$340,746 Fund Balance Appropriated (planned – tipping fee savings)
- 1 Additional Part time (5 total) – No Inmates
- Tipping Fee (Scotland County – Flat)
- Front Loader Replacement (\$265,000)
- Auto Leaf Machine Replacement (\$175,000)
- Recycling Center Final Expansion (\$30,000)
- Dumpster/Carts Replacement (\$40,000)
- Pay & Class (\$45,000)

The City Manager explained that this was a high level budget overview, and he was requesting that Council set budget workshop dates. He added that possible dates included: Monday, April 30, Tuesday, May 1, Thursday, May 3 and Tuesday, May 8.

Following discussion, it was consensus of Council to hold a budget workshop on Tuesday, May 1, 2018 at 6:00 p.m. in the Council Chambers of the Municipal Building.

Upon question by Councilmember Williamson, Mrs. Galloway explained that the City has an insurance broker that provides insurance options and costs.

The City Manager explained that staff reached out to local firms this year with the hope that they would submit bids for the City's health insurance.

Upon questions by Councilmember Evans, the City Manager explained that the new electric substation was being constructed because the current substation had reached capacity, so the City wanted to be able to provide additional electric supply if needed as well as to offer redundancy in the event there was a failure at one of the substations. He added that the City must meet Duke Progress Energy's timeline as to when the new substation could be added to the transmission lines, and that is anticipated to be in the fall of 2019 when construction will be completed.

Councilmember Evans explained that citizens complain about high electric rates and that she was hoping that with a newer substation, consumers would get positives from the construction of the new substation.

The City Manager explained that substations do not produce energy and that the City purchases wholesale electricity from Duke Progress Energy as a member of ElectriCities. He added that the funds in the Electric Fund had to be built up in order to construct the new substation, and that with completion of the substation, the funds in the Electric Fund would be drained again. He further added that once the funds had been built up again, there was a possibility that Council could review electric rates again in the future.

Upon question by Councilmember Williamson, the City Manager explained that in the event of an ice storm or hurricane, with two (2) substations, there was a possibility of backfeeding the whole City from one substation if it was not affected. He added that the issue with Hurricane Matthew was that Duke Progress Energy's transmission line was affected.

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Mayor Block explained that he heard that because of the age of the substation, the voltages are not run properly and more amps are required, making the issue an efficiency problem of the system and not a rate problem because users are using more current to get the same results.

The City Manager explained that he had never heard this idea. He added that improvements have been made at the substation with circuits changed, and it is nearing capacity.

Upon question by Mayor Block, Mr. Haywood explained that the Capital Improvement Plan (CIP) had been being produced for four (4) years.

Mayor Block requested that copies of the previous CIPS be provided to Council.

SET DATE AND TIME FOR BUDGET WORKSHOP

Following discussion, it was consensus of Council to have a budget workshop on Tuesday, May 1, 2018 at 6:00 p.m. in the Council Chambers of the Municipal Building.

COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Mayor Block stated that early voting would begin in two (2) days.

Councilmember Evans explained that citizens were still complaining about high electric bills, and she wanted to know how to answer their concerns.

The City Manager explained that when an individual citizen states that their electric bill is this amount, he would like to look at the bills because the utility bills include water and sewer services and sanitation services. He added that the City's average residential electric rate is in line with Duke Progress Energy and the two (2) coops have slightly lower electric rates. He added that the City offers energy audits to its customers.

Mayor Block commented that the water/sewer rates did go up.

Councilmember Williamson explained that he believed there is a perception that the City's electric rates are a lot higher. He added that the only way to address citizens' concerns is on a case by case basis.

The City Manager explained that citizens also need to see if the high balance was due to the bill covering two (2) months since the City does not cut-off electricity during extreme weather. He added that there could be many reasons for the higher utility bills.

Councilmember Adams explained that the North Carolina Division of Aviation would be offering to pay for internships from historically black colleges to work at local airports. She added that Mrs. Gentry at Laurinburg-Maxton Airport had applied to receive an intern.

CLOSED SESSION

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At 9:16 p.m. motion was made by Councilmember Adams to go into closed session pursuant to NCGS 143-318.11(a)(6) for personnel. The motion was seconded by Councilmember Williamson, and unanimously carried.

Mayor Block left the meeting at 9:19 p.m.

At 9:21 p.m. motion was made by Councilmember Adams to resume the regular meeting. The motion was seconded by Councilmember Williamson, and unanimously carried.

EMAILS AND SOCIAL MEDIA AS PUBLIC RECORDS

Councilmember Leak reminded Council that emails and posts on social media could be considered public records.

The City Attorney reminded Council to make sure that the individuals use the @laurinburg.org

ADJOURN

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

The meeting adjourned at 9:29 p.m.

Matthew Block, MD, Mayor

Jennifer A. Tippett, City Clerk