

**CITY OF LAURINBURG
SPECIAL MEETING/
BUDGET WORKSHOP
MAY 1, 2018
MUNICIPAL BUILDING
303 W. CHURCH ST
LAURINBURG, NC
6:00 P.M.**

Minutes

The City Council of the City of Laurinburg held a special meeting/budget workshop on May 1, 2018 at 6:00 p.m. in the council chambers of the Municipal Building located at 303 West Church Street, Laurinburg, NC, with the Honorable Mary Jo Adams, Mayor Pro Tem, presiding. The following Councilmembers were present: Mary Jo Adams, Mary Evans, James J. Garby, Jr. Curtis B. Leak, and Andrew G. Williamson, Jr. Mayor Matthew Block, MD arrived at 6:14 p.m.

Also present were Charles D. Nichols III, City Manager, and Jennifer A. Tippet, City Clerk. Leadership Team members present included: Robert Ellis, Treatment Plants Director; Harold Haywood, General Services Director; Stacey McQuage, Public Utilities Director; Tim Pierce, GIS Administrator; Darwin Williams, Police Chief; Randy Gibson, Fire Chief; Michael Mandeville, Community Development Director; Betty Galloway, Human Resources/Risk Management Director.

Mayor Pro Tem Adams called the meeting to order at 6:02 p.m.

Councilmember Williamson gave the invocation.

PRESENTATION BY CAROLINA WIRELESS BROADBAND – RICHARD BYRD

The City Manager explained that Mr. Richard Byrd, one (1) of the owners of Carolina Wireless Broadband, notified him that Carolina Wireless Broadband (Carolina Wireless) was a local wireless internet service provider (WISP). He added that when the City agreed to work with Skyrunner, staff nor Mr. Don Davis of Skyrunner, were aware of Carolina Wireless and another WISP in the area. Mr. Davis did not believe that there was enough business for three (3) WISPs in the area, and were open for discussion and potential equipment swap with Carolina Wireless Broadband.

Mr. Richard Byrd explained that he had provided communications to first responders of the City for 18 years, and was currently working with Fire Chief Gibson on a digital radio system on the FCC (NC) tower. His partners include Randy McCall, owner of Associated Realty; Mr. Troy Hunter, owner of Carolina Straw; and Mr. Tristan McCall, owner of Academy Lawn Care. He discussed how Carolina Wireless began, and the towers owned by Carolina Wireless and the towers they are using to provide wireless service. He added that in addition to wireless service, Carolina Wireless would soon offer Voice Over Internet Phone (VOIP) service, and in the future

possibly television. He discussed the possibility of providing wireless service throughout the City and County, including areas that the major providers do not serve.

Upon question by Councilmember Williamson, the City Manager explained that Skyrunner had not had a lot of response from the flyers to build up its customer base for the Pilot Program.

Upon question by Councilmember Williamson, Mr. Byrd explained that he was familiar with the service that Skyrunner was going to provide to Laurinburg. He added that Carolina Wireless was willing to collaborate with Skyrunner if Council wanted to partner with Carolina Wireless.

The City Manager explained that staff had not reviewed revenue options with Skyrunner or with Carolina Wireless.

Mr. Byrd explained that Carolina Wireless was already profitable with its wireless service and would love to work with the City.

Upon question by Councilmember Williamson, Mr. Byrd stated that the physical address of Carolina Wireless was 306 McKay Street, Laurinburg.

Following discussion, it was consensus of Council for staff to work with Carolina Wireless Broadband on details for utilizing the City's fiber to provide wireless service.

FISCAL YEAR 2018-2019 BUDGET DISCUSSION

The City Manager explained that first discussion would be on the list of items discussed at Council's retreat.

Curbing and Beautification

The City Manager explained that Mr. Stacey McQuage, Public Utilities Director, had looked at different options for keeping the curbing vegetation trimmed. He added that a company named Rabo came and provided a demonstration of its street sweeper that would address the curbing vegetation. Two (2) videos with demonstration of the street sweeper were shown. The street sweeper has a third broom with barbed wire that will handle dirt, grass, pine straw, bricks, rocks and other debris and sweep into the machine. The cost of the street sweeper is \$230,000.00 and there is a lease option.

Mr. McQuage explained that the City has approximately 150 miles of curbing. He added that if a crew was hired to maintain only the main thoroughfares, it would not be fair to other areas in the City. He further added that with current staff, the vegetation curbing is trimmed back once a year, and then maintained.

Discussion ensued concerning the cost of the Rabo street sweeper, the warranty, and current street sweepers in use. It was consensus of Council to place the street sweeper on a "Want List" at this time in the budget discussion.

Leith Creek Project

The City Manager explained that the City owns property along Leith Creek between North Main Street and Caledonia Road which the City obtained through Community Development Block Grant projects. He added that the property is in wetlands and cannot be developed. Staff had researched getting the property cleared of all timber and de-stumping the property with a cost of approximately \$50,000.00.

Discussion ensued concerning grant possibilities. Mr. Michael Mandeville explained that most grants require a specific use, such as something for recreation. He added that a plan would need to be submitted with the grant application.

Following discussion, it was consensus of Council to put this item on the “Want List” at this time.

Downtown Walk Through/Parking Lot

Mr. Mandeville explained that he had talked with the City Attorney about options for obtaining the properties located behind the Walk Through. The City Attorney suggested that staff talk with the property owners to see if they would donate the property to the City with the City paying all legal fees for the exchange. The next option would be for the City to purchase the properties.

The City Manager explained that currently there are no funds to purchase the properties at this time. He added that staff wanted this project to be fair to all property owners with some property owners donating their property and others being paid market value.

Councilmember Williamson explained that he believed it would be best to explore donation first.

Mr. Mandeville explained that the cost to appraise all of the properties involved would be approximately \$90,000.00.

The City Manager explained that if the properties are donated, the City would pay for all legal work including any surveying costs. He added that money was included in the Electric fund budget to get all of the electrical underground.

The City Manager explained that McAdams was developing a plan for the parking lot property and staff wanted that in hand before talking to the property owners. He added that there were no funds budgeted for property acquisition.

Health Insurance Update

Mrs. Betty Galloway, Human Resources/Risk Management Director, explained that cost for renewal of the health insurance plan for employees with Blue Cross Blue Shield increased by 32.5%. She further explained that the reason for the huge increase was due to the number of larger claims filed this year by employees, 15 that ranged from \$13,000.00 to \$75,000.00, and two (2) claims in excess of \$100,000.00. She added that she had looked at the North Carolina

League of Municipalities' insurance program and two (2) other brokers. The NCLM plan was Medcost and if an employee did not meet three (3) mandatory requirements, there would be penalties for the employee. The quotes from the other two (2) brokers were comparable to the first quote from Blue Cross Blue Shield since the rates are claim-driven. She further added that the current broker had verbally agreed to keep the plan closely aligned with the current plan with only an 11.7% increase provided the City made the commitment to stay with the broker.

The City Manager explained that until several years ago, FirstCarolinaCare Insurance was the health insurance provider for the City, and throughout the 15 years, there were constant small increases each year based upon the claims of the City. He added that two (2) years ago, a broker approached the City and offered a plan that would save the City approximately \$300,000.00 based upon the claims. He further added that one broker sent a quote for FirstCarolinaCare and the other with Blue Cross Blue Shield, with both quotes being comparable to the original quote. He further explained that the Leadership Team has not discussed the insurance options, and work is still being done to get the premium quotes down.

Discussion ensued concerning the deductible and out-of-pocket maximum. Councilmember Garby suggested that the employees be surveyed to determine what is most important to them.

Mrs. Galloway explained that the majority of employees are not reaching the out-of-pocket maximum, so only the employees and retirees who had large claims are affected by the out-of-pocket maximum, and those are the employees driving the claims.

The City Manager explained that this item was still a work in progress. He added that all quotes should be submitted next week and discussed with the Leadership Team.

Further discussion ensued concerning health insurance options.

Pay Plan Update

Mrs. Galloway explained that Springsted and staff were still working on the Classification and Compensation Plan, and it is approximately 99% completed. She added that a Springsted representative would discuss the plan at the May Council meeting and present three (3) options for Council to consider, and possibility a more open pay plan to allow more flexibility.

Pump Station Repairs

The City Manager explained that based upon email questions from Mayor Block concerning pump station repairs, Mr. Robert Ellis, Treatment Plants Director, would provide some background information. He added that upgrading and retrofitting 20 pump stations was included in the Capital Improvement Plan. He added that also there is a potential pump station needed providing development continues on Caledonia Road.

Mr. Ellis discussed how the pump stations installed during the 1994-1995 annexation project are constructed such that when the pumps are pulled for repair, an employee must go inside the well to have access to the check valves. This process requires a minimum of three (3) employees and

is very time consuming and extremely dangerous. He added that the methane gas in the wells have eaten metal parts of the check valves and any other metal in the well, and have basically met their life expectancy. He further added that staff has chosen to upgrade and retrofit three (3) to five (5) per year instead of all 20 at one time. He explained that since the City does not have the equipment necessary to work in extremely wet areas, staff and the engineer were looking at different styles of pumps. He further explained that several pumps have been replaced on Barnes Bridge Road, and that is why staff chose the Barnes Bridge Pump Station to begin retrofitting.

Upon question by Councilmember Williamson, Mr. Ellis explained that the estimate for retrofitting the Barnes Bridge Road Pump Station was \$155,000.00 and the contract has been awarded. He added that \$350,000.00 had been included in the draft budget to retrofit three (3) pump stations.

Mayor Block called for a break at 7:28 p.m. The meeting resumed at 7:52 p.m.

Input from Council

The City Manager explained that staff was seeking input and direction from Council in order to present an updated draft budget. He added that Council could consider having another budget workshop prior to the May 22, 2018 regular meeting. He further added that over the next two (2) weeks, the bigger ticket items such as the health insurance and Classification and Compensation Plan would be more firm; therefore staff could provide a more concrete draft budget showing what Fund Balance was needed.

Councilmember Garby suggested that staff look for grant opportunities for the Leith Creek area.

A brief discussion ensued concerning types of recreational activities would be suitable for the Leith Creek area. The City Manager explained that McGill and Associates had plans for walking trails. He added that staff could research grant opportunities with different recreational terms.

Councilmember Leak explained that approximately six (6) years ago, Council discussed a crosswalk on West Boulevard over US Highway 74 in addition to the pedestrian crossing at West Boulevard and US Highway 74.

The City Manager explained that the crosswalk has been discussed in transportation meetings. He added that North Carolina Department of Transportation (DOT) has estimates for construction of the crosswalk.

Upon question by Councilmember Williamson, the City Manager explained that bids for the pedestrian crossing at West Boulevard and US Highway 401 were over budget, so DOT is rebidding the project. He added that DOT is working on obtaining rights-of-way.

ADJOURN/RECESS

Councilmember Williamson motioned to adjourn the meeting. The motion was seconded by Councilmember Adams, and carried unanimously.

APPROVED 8/28/18

The meeting adjourned at 8:01 p.m.

Matthew Block, MD, Mayor

Jennifer A. Tippett, City Clerk