CITY OF LAURINBURG
CITY COUNCIL MEETING
MAY 21, 2024
CITY HALL AND POLICE DEPARTMENT
303 WEST CHURCH ST.
6:00 PM

Minutes

1. CALL TO ORDER

The City Council of the City of Laurinburg held its regular meeting on Tuesday, May 21, 2024, in the Council Chambers of the City Hall and Police Department at 6:00 p.m. with the Honorable James T. Willis, Mayor, presiding. The following Councilmembers were present: Mary Jo Adams, Mary Evans, Rosemary Rainer, Barbara Rogers, and Andrew G. Williamson, Jr.

Also present were Charles D. Nichols III, City Manager; William P. Floyd, Jr., City Attorney; Harold W. Haywood, Administrative Services Director / City Clerk; Amanda Futrell, Administrative Support Assistant/Deputy City Clerk.

Mayor Willis called the meeting to order at 6:00 p.m. Councilmember Mary Jo Adams gave the Invocation and led the Pledge of Allegiance.

2. APPROVAL OF AGENDA

The City Manager stated that an item f needed to be added to section 6 of the City Manager's Reports. He stated that this item is for the City of Laurinburg's audit service contract to allow the start of the audit at the end of June 30, 2024.

Councilmember Adams moved to approve the amended agenda, with a second by Councilmember Rainer, and the vote was unanimous.

3. RECOGNITION

a. Laurinburg Junior Service League

Mayor Willis welcomed two members of the Laurinburg Junior Service League. He thanked them for all the things that the group does for the community.

4. PUBLIC COMMENT PERIOD

There was no one present to speak.

5. CONSENT AGENDA

Mayor Willis Read aloud the Consent Agenda:

a. Consider the approval of the draft minutes for the April 16, 2024, Regular Meeting.

b. Set a public hearing to be held on June 18, 2024, at 6:00 p.m. to consider the Fiscal Year 2024-2025 Proposed Budget.

c. Consider Resolution No. R-2024-08 to amend the City of Laurinburg Personnel Policy to add Juneteenth Day to the City's holiday schedule.

d. Consider Resolution No. R-2024-09, Findings of Facts, for a Special Use Permit request for the development of a 48-unit apartment complex between Plaza Rd. and West Blvd.

Councilmember Evans moved to approve the Consent Agenda.
Councilmember Williamson moved to second the motion, and the vote was as follows:

Ayes - Adams, Evans, Rainer, Rogers, Williamson
Nays - None
(Copy of Resolution No. R-2024-08 and Resolution No. R-2024-09 on file in the clerk's office)

6. CITY MANAGER REPORTS

a. Water and Wastewater System Asset Inventory and Assessment Presentation.

The City Manager stated that Mr. Chuck Willis will be giving a presentation in order to finalize the water and wastewater asset inventory and assessment. He stated that the City received grant funding for this project.

Mr. Chuck Willis gave a presentation regarding the water and wastewater asset inventory and assessment. He stated that this study included inspection of water treatment plants, collection of data on all the water and wastewater assets owned by the City and conducting a rate study. Mr. Willis presented a a water system asset summary to include the amount of water distribution piping, valves, fire hydrants, water storage tanks, and customer connections. He stated that they updated the mapping of the water assets and all employees that work in the field at the water department get a copy of the maps in a book. He stated the book is updated by the employees when they find additional water assets. Mr. Willis stated that the books are returned to Willis Engineers with updates so that the GIS system can be updated. Mr. Willis stated that they also did an inspection of all the raw water wells components, water treatment plant components, and all water tanks. He discussed flow testing that was completed to build a water distribution model for the water system. Mr. Willis stated that this model is a good tool to use to analyze the ability to grow the water system and the ability to maintain the system. He advised the Council of a list of water project recommendations which include, water line replacement, raw water system expansion, McColl Road water line replacement, and elevated storage tank improvements. Additional recommendations were improvements at the water treatment plant including bulk chemical storage improvements, pipe filter gallery improvements, high service pumps upgrades, and McGirts Bridge pumps upgrades.

Mr. Willis discussed the scope of work completed by Willis Engineers for the wastewater asset inventory and assessment. The scope of work included updating the GIS database, developing maintenance maps, conducing flow monitoring, manhole inspections, inspecting pump stations, assessing the Leith Creek Wastewater Treatment Plant, creating a wastewater model, developing an asset management plan and commissioning a rate study. Mr. Willis discussed the City's wastewater asset summary to include customer connections, gravity collection sewer, manholes, pump stations, force main pipes and air relief manholes. He also discussed the wastewater project recommendations, which include pump station renovations and sewer system rehabilitation. Improvements at the Leith Creek Wastewater Treatment Plant were also recommended to include, electrical equipment improvements, chlorine contact chamber improvements, aeration basin renovation, solids handling improvements, clarifier rehabilitation, RAS/WAS system improvements, and other miscellaneous repairs.

A conversation ensued about funding that the City of Laurinburg has received to assist with the water and wastewater projects that need to be completed. The City Manager stated that Resolution No. R-2024-10 before the Council tonight is needed to accept and adopt the results of the asset management plans for the water and wastewater systems to allow the grant to be closed out.

Councilmember Mary Evans made a motion to approve Resolution No. R-2024-10 to accept and adopt the results of the Asset Management Plans for the Water and Wastewater Systems. Councilmember Mary Jo Adams moved to second the motion, and the vote was as follows:

Ayes - Adams, Evans, Rainer, Rogers, Williamson
Nays - None
(Copy of Resolution No. R-2024-10 on file in the clerk's office)

b. Water and Wastewater Rate Structure Alternatives.

The City Manager stated that Mrs. Elaine, with Raftelis, will discuss the City's rate structure and give recommendations.

Mrs. Elaine Conti stated that they were asked to build a model that would capture the cost of the utilities, which would allow them to project costs over a 5-year period. This would allow them to determine what type of rate adjustments were needed. She stated that they were also asked to identify alternatives to simplify the existing water rate structure. Mrs. Conti showed the Council the revenue sufficiency of the current rates in the City of Laurinburg. She stated that the revenues from the current rates were insufficient to meet all the needs, which included inflation in the cost of operations and maintenance, debt service on large capital projects, target reserve funds, and debt coverage. Mr. Conti showed a comparison between the current rates in the City of Laurinburg compared to the NC state median. The NC stated median for the average residential combined bill in fiscal year 2024 was $90.77, whereas the City of Laurinburg's current rate for 2024 was $61.53.

Mrs. Conti discussed the current rate structure of the water system. She stated that the current rate structure is complicated with 5 tiers, and it does not promote water conservation. Mr. Conti suggested an alternative rate structure which would keep the minimum monthly charge but reduce the number of tiers for residential customers to two tiers and have a uniform rate for all other customer classes. She showed a PowerPoint slide that compared customers' bills at the current rate structure in fiscal year 2024 and the alternative rate structure in 2025. The information showed the bill for an average residential customer, which uses about 5,000 gallons, increased $4.29 with the alternative rate structure. Mrs. Conti stated that it is the recommendation of Raftelis for Laurinburg to implement the alternative water rate structure because it is easier to understand, it reduces its impact on most low users, and it incentivizes customers to conserve water. A conversation ensued about what the impact would be if the alternate water rate structure wasn't implemented until 2025. Mrs. Conti stated that the debt service needs would not be met, and the deficiency would compound. She stated that it also would result in a much bigger rate increase to be needed in 2026 to compensate.

Mrs. Conti discussed the current sewer rate structure. She stated that the current rate structure for fiscal year 2024 has a monthly fixed charge which is based on meter size rather than usage. She stated that the current variable rate is charged on gallons of metered water used regardless of the customer class. Mrs. Conti discussed an alternative sewer rate structure that would match the water rate structure. She explained that the fixed rate would be charged for each unit rather than by meter size and would include a minimum of 2,000 gallons. The variable rate would have a uniform rate applied to all uses above 2,000 gallons. She stated that the change in the monthly bill for customers will have more variability due to switching from meter size to units when billing. A conversation ensued about the amount of rate increase that would be needed. It was advised that the 5-year plan would have a 25% rate increase in the first year, a 20% rate increase the second year, a 15% rate increase the third year, a 10% rate increase the fourth year, and a 5% rate increase during the fifth year. Mrs. Conti advised the Council that the average rate increase in the state of NC has been about 4% per year. A conversation ensued regarding the hope of some state funding to assist which had been requested. The City Manager addressed the fact that the Council could lower rates in the future if state funding is received.

Councilmember Rogers motioned to approve the chosen alternative to be included in the updated fee schedule to be considered during the budget approval process at the June council meeting. Councilmember Williamson moved to second the motion, and the vote was unanimous.

c. Consider Resolution No. R-2024-11 to award the contract for the Elevated Storage Tank Improvements Project to the lowest, responsive, responsible bidder.

The City Manager stated that this item is for Resolution No. R-2024-11 to award the contract for the Elevated Storage Tank Improvements Project to the lowest, responsive and responsible bidder. He stated that bids were received on May 2, 2024, for the Caledonia Road tank and the 401 South tank. He stated that the lowest, responsive and responsible bidder was Classic Protective Coatings, Inc. The City Manager stated that the bid for this project came in under budget.

Councilmember Evans motioned to approve Resolution No. R-2024-11 to award the contract for the Elevated Storage Tank Improvements Project to Classic Protective Coatings, Inc. for the amount of $993,700. Councilmember Rainer moved to second, and the vote was as follows:

Ayes - Adams, Evans, Rainer, Rogers, Williamson
Nays - None
(Copy of Resolution No. R-2024-11 on file in the clerk's office)

d. Consider Ordinance No. O-2024-18 to amend the Special Revenue Fund for the additional Rural Transformation Grant Funds awarded by the N.C. Department of Commerce.

The City Manager stated that this item is the result of additional funding that the City received for the building located at 127 South Main Street. He stated that we received a Rural Transformation Grant in the amount of $650,000 last year and received an additional $450,000. He stated that what is in front of the Council tonight is to amend the special revenue fund to receive the additional Rural Transformation Grant Funds of $450,000 by increasing that budget amount to $1.1 million for the project. He stated that additional gap funding has been requested at the stated level.

Councilmember Williamson motioned to approve Ordinance No. O-2024-18 to amend the Special Revenue Fund for the additional Rural Transformation Grant Funds to appropriate the additional grand award of $450,000. Councilmember Rainer moved to second, and the vote was as follows:

Ayes - Williamson, Rainer, Rogers, Evans, Adams
Nays - None
(Copy of Ordinance No. O-2024-18 on file in the clerk's office)

e. Consider Ordinance No. O-2024-19 to amend the Annual Vehicles & Equipment Capital Project Fund.

The City Manager stated that this item is asking the Council to move excess funds for vehicles and equipment, that will not be received this year, into the Annual Vehicles & Equipment Capital Project Fund. He stated that this will prevent the normal annual budget from becoming artificially inflated once the vehicles and equipment are received.

Councilmember Evans motioned to approve Ordinance No. O-2024-19 to amend the Annual Vehicles & Equipment Capital Project Fund. Councilmember Williamson moved to second, and the vote was as follows:

Ayes - Evans, Williamson, Adams, Rainer, Rogers
Nays - None
(Copy of Ordinance No. O-2024-19 on file in the clerk's office)

f. Auditing Services Contract for Fiscal Year Ending June 30, 2024.

The City Manager stated that this item is for the auditing services contract for the fiscal year ending June 30, 2024. He stated that the contract is with Roche, Head & Associates for an amount not to exceed $48,980.

Councilmember Adams motioned to approve the contract with Roche, Head & Associates, PLLC in the amount not to exceed $48,980, and authorize the Mayor, City Manager, and Finance Officer to execute any and all contract documents to be submitted to the Local Government Commission for final approval. Councilmember Rogers moved to second, and the vote was unanimous.

7. APPOINTMENTS

a. Planning Board Appointments

1. Consider Resolution No. R-2024-12 to request Scotland County's reappointments to the City of Laurinburg Planning Board.

The City Manager stated that this item is for Resolution No. R-2024-12 to request Scotland County's reappointment to the City of Laurinburg Planning Board. He stated that county appointee board member Hal Jernigan's term had expired, and County appointee board member Ken Jackson's term would expire soon. He stated that both Mr. Jernigan and Mr. Jackson have expressed a desire and willingness to continue to serve. He stated that this resolution is to request Scotland County's reappointment of these members to the Planning Board.

Councilmember Adams motioned to approve Resolution No. R-2024-12 to request a reappointment by Scotland County to the City of Laurinburg Planning Board. Councilmember Rainer moved to second, and the vote was as follows:

Ayes - Adams, Rainer, Evans, Rogers, Williams

Nays - None
(Copy of Resolution No. R-2024-12 on file in the clerk's office)

2. Consider Resolution No. R-2024-13 to request from Scotland County the appointment of a new representative to the City of Laurinburg Planning Board.

The City Manager stated that this item is to request from Scotland County the appointment of a new representative. It was discussed that Mr. Jerome John is subject to removal pursuant to section 3.2.3.4 of the UDO for not meeting the attendance requirements. The City Clerk stated it is the recommendation that the Council remove Mr. John and have the County appoint someone else to the position.

Councilmember Evans motioned to approve Resolution No. R-2024-13 to request a new appointment by Scotland County to the City of Laurinburg Planning Board. Councilmember Adams moved to second, and the vote was as follows:

Ayes - Evans, Adams, Rogers, Rainer, Williamson
Nays - None
(Copy of Resolution No. R-2024-13 on file in the clerk's office)

b. Board of Adjustment Appointments

1. Consider re-appointments to the City of Laurinburg Board of Adjustment for three (3) year terms.

The City Manager stated that this item is a motion needed to reappoint Mrs. Linda Douglas for a 3-year term to expire on 12/31/2025, and David Ellison, Jr. for a 3-year term to expire on 12/31/2026 to the City of Laurinburg Board of Adjustments.

Councilmember Rogers motioned to reappoint Linda Douglas for a 3-year term to expire on 12/31/25, and David Ellison, Jr. for a 3-year term to expire on 12/31/2026 to the City of Laurinburg Board of Adjustments. Councilmember Adams moved to second, and the vote was unanimous.

2. Consider posting a request for applications to fill four (4) vacant city-appointed seats for the City of Laurinburg Board of Adjustment.

The City Manager stated that this request is for the Council to consider posting a request for applications to fill 4 vacant city-appointed seats for the City of Laurinburg Board of Adjustments.

Councilmember Evans motioned to approve the recruitment for the vacant city-appointed seats by taking applications from residents interested and willing to serve on the Board of Adjustments. Councilmember Rainer moved to second, and the vote was unanimous.

3. Consider Resolution No. R-2024-14 to request Scotland County's reappointment of a regular member to the City of Laurinburg Board of Adjustment and to appoint a new alternate member to the Board of Adjustment.

The City Manager stated that this item is to request Scotland County's reappointment of a regular member, Larry Lainer, to the City of Laurinburg Board of Adjustment. He stated that Larry Lainer is a county alternate, and his term would expire this month. He stated that Larry Lainer had expressed the desire and willingness to continue serving on the Board of Adjustments for another term.

Councilmember Rainer motioned to approve Resolution No. R-2024-14 to request the reappointment by Scotland County of a regular member and appointment by Scotland County of a new alternate member to the City of Laurinburg Board of Adjustments. Councilmember Rogers moved to second and the vote was as follows:

Ayes - Rainer, Rogers, Adams, Evans, Williamson
Nays - None
(Copy of Resolution No. R-2024-14 on file in the clerk's office)

8. COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Councilmember Williamson discussed a letter sent to the legislators about a request for possible funding to assist St. Andrews University. He stated that the letter was sent on behalf of the Scotland Development Corporation. He stated that he wanted to bring this before the City Council tonight in order to request a letter of support from the Council.

Councilmember Williamson motioned to approve the City Council sending a letter of support to the legislators in support of the Scotland Development Corporation's request for funding to assist St. Andrews University in renovating its dining facility and kitchen. Councilmember Adams moved to second, and the vote was unanimous.

Councilmember Adams discussed the fly in at the airport on May 11, 2024. She stated that there was a great turnout. She stated they would be planning another activity in the fall.

Mayor Willis recognized the City Manager for doing a great job at the State of the Community Event.

9. CLOSED SESSION (If Needed)

No Closed Session Needed

10. ADJOURNMENT

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

The meeting was adjourned at 7:35 p.m.

James T. Willis, Mayor

Harold W. Haywood, City Clerk