**CITY OF LAURINBURG**
**CITY COUNCIL MEETING**
**JUNE 18, 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, June 18, 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 Evans gave the Invocation and led the Pledge of Allegiance.

## 2. APPROVAL OF AGENDA

Councilmember Williamson moved to approve the agenda, with a second by Councilmember Evans, and the vote was unanimous.

## 3. PUBLIC COMMENT PERIOD

There was no one present to speak.

## 4. CONSENT AGENDA

Mayor Willis Read aloud the Consent Agenda:

a. Consider the approval of the draft minutes for the May 21, 2024, Special Meeting and May 21, 2024, Regular Meeting.

b. Consider Ordinance No. O-2024-20 to Amend the Fiscal Year 2023-2024 Annual Budget Appropriations Ordinance to Reallocate the General Fund Non-Departmental Budget to other Departmental Budgets within the General Fund.

c. Set a public hearing for a Request to Rezone Parcel ID # 01024601018 from General Business to Residential-20.

d. Set a public hearing for a Request to Rezone Parcel ID # 01000401013 from Residential-15 to Office/Institutional.

e. Consider the approval of a Preliminary Subdivision Plat on Gameland Drive & Idlewood Drive.

f. Consider the approval to close Railroad Street, from Gill Street to S. Main Street, and S. Main Street, from Railroad Street to Church Street, on July 4, 2024, from 8:00 a.m. to 10:30 a.m. for the July 4th Youth and Community Parade.

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

Ayes - Evans, Adams, Rainer, Rogers, Williamson
Nays - None
(Copy of Ordinance No. O-2024-20 on file in the clerk's office)

**5. PUBLIC HEARING**

Mayor Willis opened the public hearing for the budget items being addressed tonight. He asked the City Manager to explain the items and decisions being addressed tonight.

The City Manager gave an overview of the budget. He stated that what is in front of the Council tonight, after multiple budget meetings, is a total budget of $40,661,893. He stated that this includes all 4 funds. He stated that in order to balance the budgets, fund balance monies were used in 3 of the 4 funds. He discussed the amounts of fund balance monies used to balance the budget, which included about $594,000 being used for the General Fund, a little over $376,000 for the Electric Fund and $233,000 for the Solid Waste Fund. The City Manager stated that the budget includes a 5% cost of living adjustment and continuation of the 5% 401K contribution for the 150+ City of Laurinburg employees. He also discussed new positions in the budget to allow the City to have succession planning in place for positions which have people that will be retiring in the next few years. The City Manager discussed the tax rate of $.40 per $100. He stated that this is the 13th consecutive year that the City Council has been able to keep the tax rate at an extremely low $.40 cents per $100 valuation. The City Manager discussed the water and sewer rate restructuring that was approved by the Council. He stated that the result of the restructuring for the average customer would be an increase of $7.70 on the monthly rate. He stated that the electric rates and solid waste rates are flat in the proposed budget. A conversation ensued about the new proposed budget and if it would meet the Local Government Commission's requirements. The City Manager confirmed that it would meet the requirements.

Mayor Willis asked if there was anyone in attendance that wanted to speak regarding the budget. There wasn't anyone in attendance that wanted to speak regarding the budget. Mayor Willis closed the public hearing.

a. Consider adopting the Fee Schedule - Effective July 1, 2024.

   The City Manager stated that there are some minor changes on the Electric Fund side in the Fee Schedule. He explained that some changes address tampering charges. He stated that there are also changes on the water and sewer side due to the restructuring that was approved by the Council. He stated that the purpose of the restructuring is to try to get to an industry standard and make the schedule more efficient. He stated that even with the restructuring, the City of Laurinburg's rates are still dramatically below the state median. The City Manager explained that the end result of the restructuring will be an increase of $4.29 on the water side and $3.41 on the sewer side for the average customer.

   Councilmember Adams moved to approve the FY 2024-2025 Fee Schedule, with a second by Councilmember Rainer, and the vote was unanimous.

b. Consider the adoption of the 5-year Capital Improvement Plan.

   The City Manager asked the City Clerk to give a brief presentation on the 5-year Capital Improvement Plan.

   The City Clerk discussed the 5-year Capital Improvement Plan. He stated that it is a long-term plan for identifying the capital needs of the City over the next 5 years. He stated that capital projects are investments in non-disposable items with a life expectancy of more than 1 year that exceeds $5,000 in cost.

The City Clerk stated that what occurs in the first year of the plan represents the upcoming FY 2025 budget. He stated that future years give a perspective of what is on the horizon so that the City can plan accordingly and help forecast needed revenues in upcoming years. The City Clerk went over the Capital Improvement Plan process which included review of goals and policies, identifying needs, determining cost and financing, prioritizing projects and adopting a formal CIP. He also reviewed the Capital Project budgets for the next 5 years for all 4 funds. The City Clerk stated that the City will continue to seek funding to assist with the projects from sources such as the legislature. He explained that the 5-year plan highlights the necessity to fund ongoing operating expenses each year, it makes sure that the rates are able to withstand and build cash reserves, and it makes sure that funds for future critical needs and debt service are sufficient. The City Clerk stated that the total capital needs for the next 5 years are approximately $73 million. He stated that, even after grant funding, this leaves quite a substantial gap in funding that the City needs to plan for.

Councilmember Williamson moved to approve the 5-year Capital Improvement Plan, with a second by Councilmember Evans, and the vote was unanimous.

c. Consider the adoption of the 10-year Capital Improvement Plans for Water & Wastewater.

The City Manager stated that the City gets additional points for many grants if it has a 10-year Capital Improvement Plan for water and wastewater. He stated that Willis Engineering helped develop this Capital Improvement Plan. He stated that they update the plan yearly and remove any projects that have already been accomplished. The City Manager discussed grant funding and low interest loans that were shown in the plan. He stated that this item is being brought before the Council tonight in order to approve the 10-year Capital Improvement Plans for water and wastewater.

Councilmember Adams moved to approve the 10-year Capital Improvement Plan, with a second by Councilmember Williamson, and the vote was unanimous.

d. Consider Ordinance No. O-2024-21 to Approve the Fiscal Year 2024-2025 Budget Appropriations Ordinance.

The City Manager stated that this item is the official budget ordinance for the fiscal year 2024-2025 budget. He stated that the City is held accountable for the items in the ordinance during its audit to ensure it stays within departmental budgets.

Councilmember Evans moved to approve Ordinance No. O-2024-21, FY 2024-2025 Budget Appropriations Ordinance, with a second by Councilmember Rainer, and the vote was as follows:

Ayes: Evans, Rainer, Adams, Rogers, Williamson
Nays: None
(Copy of Ordinance No. O-2024-21 on file in the clerk's office)

e. Consider Ordinance No. O-2024-22 to Approve the Fiscal Year 2024-2025 Budget Appropriations Ordinance for Downtown.

The City Manager stated that this item is for a separate budget for the DAC group to give them more flexibility. He stated that it gives them a set budget to stay inside the perimeter. He explained that Downtown has a separate municipal service district that generates $.21 per $100 valuation. The City Manager stated that the district is generating around $25,000 per year and has a match from the City, which results in the district generating about $50,000 per year. He stated that these funds go towards the efforts of Downtown development and improvements.

Councilmember Rainer moved to approve Ordinance No. O-2024-22, FY 2024-2025 Budget Appropriations Ordinance for Downtown, with a second by Councilmember Williamson, and the vote was as follows:

Ayes: Rainer, Williamson, Adams, Evans, Rogers
Nays: None
(Copy of Ordinance No. O-2024-22 on file in the clerk's office)

## 6. CITY MANAGER REPORTS

a. Consider Update to Personnel Certification List.

The City Manager stated that this item is for updates to the Personnel Certification List. He stated that the certifications are the same as prior except for 2 new certifications for the fire department and 10 new certifications for the police department. He stated that Chief Johnson has been working closely with the Human Resources Department in order to add tools for the retention and attraction of police department employees.

Councilmember Adams moved to approve the updated Personnel Certification List, with a second by Councilmember Evans, and the vote was unanimous.

b. Consider bids for Fleet Wash Facility construction project and award contract.

The City Manager stated that this item is for the construction project and awarding of the contract for the Fleet Wash Facility that was approved by the Council prior. He stated that the Fleet Wash equipment was already purchased before the price increase took place, as it was approved by the Council. He stated that the funds were already allotted in the FY 2024-2025 budget just approved by the Council to begin construction on the facility. The City Manager stated that the City opened for bids on June 11, 2024. He stated that they opened 3 bids for the facility. He stated that the apparent low bid did not meet the bid requirements related to General Statues. The City Manager stated that PCI was the next lowest bidder. He stated that it is in front of the Council tonight is to award the contract to Precision Contractors, Inc (PCI) in the amount of $812,880.00 and authorize the City Manager to execute the contract, pending review by the City Attorney.

Councilmember Williamson moved to award the contract for the Fleet Wash Facility construction project to Precision Contractors, Inc in the amount of $812,880.00 and authorize the City Manager to execute the contract, pending review by the City Attorney, with a second by Councilmember Rainer, and the vote was unanimous.

c. Discussion of Sanford Building lease and future options.

The City Manager stated that the City of Laurinburg acquired the Sanford Building from Richmond Community College years back. He stated Smart Start approached the City about leasing the building. The City Manager stated that the commercial lease agreement on the Sanford Building with Smart Start is scheduled to expire on August 31, 2024. He discussed the terms of the current lease, which is monthly rent of $2000 per month. He stated that there has been discussion with Smart Start about possibly purchasing the building. He addressed possible upcoming costs that may be on the horizon, such as HVAC expenses and roof expenses. The City Manager and the City Attorney discussed the process and provisions for the possible sale of the building. The City Manager stated that the current lease rate for the building is fair but could be a little higher. He stated that Smart Start would like to know what the wishes of the Council are when it comes to the building. He discussed the options of maintaining ownership of the building, paying future expenses and negotiating a lease or negotiating a price to ask for the building. The consensus of the Council was to get an appraisal done on the building, obtain rental recommendations, and obtain estimates on future potential upgrade cost and bring them back before the Council for further discussion.

d. Consider an Agreement between Scotland County, City of Laurinburg, and the Scotland County Humane Society, Inc.

The City Manager stated that there had been a long-standing agreement between Scotland County, the City of Laurinburg and the Scotland County Humane Society. He stated that the last time it had been looked at was around 1995. He stated that Scotland County thought that it was best to update the long-standing agreement. The City Manager stated that the County had made some revisions to the agreement. He stated that Chief Johnson and the City Attorney had both reviewed the revisions to make sure that they were comfortable with the proposed revisions. The City Manager addressed the revisions with the Council in their agenda packets. He stated that as of January, the Humane Society had quit accepting outside animals and were only accepting animals from animal control officers of the County and the City. The City Manager stated that they receive email updates to advise when the Humane Society is close to overcrowding or overcrowded and can't accept any more animals.

Mayor Willis advised the Council that there are contingents of the Scotland County Humane Society in attendance tonight in case the Council would like to ask them any questions.

A conversation ensued about whether the contingents of the Scotland County Humane Society had reviewed the agreement and if they agreed with the revisions. Mr. Alan Livingston, of Angus Drive in Laurinburg, NC, was in attendance with the contingents of the Scotland County Humane Society. He advised the Council that there are parts of the revisions that they are not comfortable with. The City Manager stated that the County Manager wanted the City to approve the revised agreement so that the County could approve it during their budget meeting. He stated that the County hoped to have an approved updated agreement by July 1, 2024. He stated that all 3 parties would have to approve the agreement for it to be official. Mr. Alan Livingston asked if the Council would table this item. He stated that they had asked Mr. Bill Purcell to help them to negotiate with the City Attorney and the County Attorney to tweak some of the terms of the agreement. Mr. Livingston discussed a clause in the agreement that penalized the Humane Society for their fees if they were unable to take an animal. He explained that forcing the Humane Society to take in animals when they are at capacity, in order to avoid paying penalties, would result in an increase in the number of adoptable animals that will be euthanized. The contingents for the Scotland County Humane Society were advised that they should go to the Scotland County budget meeting to voice their concerns in front of the County due to the revisions made. The consensus of the Council was to table the issue to allow the contingents of the Scotland County Humane Society to discuss their concerns with the County.

Councilmember Mary Jo Adams moved to table the approval of the agreement between Scotland County, City of Laurinburg, and the Scotland County Humane Society, Inc, with a second by Councilmember Evans, and the vote was unanimous.

e. Scotland County discussion topics (911 Agreement, I.E. Johnson Community Center Financial Support, Interlocal Water Agreement)

The City Manager stated that this item deals with some topics with Scotland County. He stated that he received a call from the County Manager of Scotland County during which they discussed the 911 agreement. The City Manager gave a brief history of the 911 agreement and the building of the consolidated 911 center. He explained that the center streamlined the dispatching of emergency personnel and reduced response times significantly. He stated that some City employees had to move under the County's umbrella. The City Manager stated that there was initially some resistance from the City Council due to the City's loss of control of 911 and dispatch. He stated that there was concern that if something wasn't dispatched, it would be a County employee and the City Council or City Manager wouldn't have any control. He discussed the 911 board that meets to allow various representatives to discuss the program. The City Manager stated that there was a Memorandum of Understanding for the initial agreement. He stated that the funding, including personnel funding, initially in the agreement was to be phased out. He explained that the City paid the County $250,000 the first five years, and it scaled down to the $100,000 that was paid this year. He explained that the agreement stated that the City's funding would "forever terminate at midnight on June 30, 2024. The City Manager stated that the County wanted to negotiate a new 911 agreement with the City making a $750,000 contribution. He explained that 51% of 911 calls happen inside the city limits. He stated that the County is open for negotiations. The consensus among the Council was to uphold the contract and terminate the funding at midnight on June 30, 2024, as stated in the agreement.

The City Manager stated that the City received a letter from the County Manager requesting continued assistance for I.E. Johnson. He discussed the utility bills for I.E. Johnson and meeting minutes from October 19, 2021, when the Council approved utility reimbursement up to $50,0000 for a 2-year time frame. The City Manager stated that the County is partnering with Southeast Community Action Partnership to utilize some of the building at I.E. Johnson. He stated that there are only 2 electric meters and 1 water and sewer meter for the property. He advised the Council of discussions that were had with the City Attorney on how to regulate the utility assistance to only I.E. Johnson in the building with the possibility of a new tenant in part of the building. A conversation ensued among the Council about offering continued utility assistance. A conversation ensued about if the Council wanted to continue utility assistance even though the possible tenant using part of the building does not have a separate meter, citizens just had an increase in their electric rate, and water and sewer rates are increasing for citizens on July 1, 2024. It was discussed that I.E. Johnson had also received some state funding. The City Attorney advised the Council that Councilmember Rogers had recused herself from the conversation due to being the director of I.E. Johnson and having a direct financial interest in the matter. A conversation took place about how the City does not assist other non-profits and assisting I.E. Johnson could set a precedent.

Councilmember Evans moved to approve continued utility assistance to I.E. Johnson Community Center for recreation for only I.E. Johnson for a two year time frame, with a second by Councilmember Rainer, and the vote was as follows:

Ayes: Evans, Rainer, Williamson
Nays: Adams
(Councilmember Rogers was unable to vote due to direct financial interest in I.E. Johnson)

The City Manager stated that the last item tonight before the Council, concerning Scotland County, is the Interlocal Water Agreement. He stated that the 30-year agreement was from Nov 6, 1995, and will expire on November 6, 2025. He stated that the City must send notice to the County if the Interlocal Water Agreement needs to be amended or changed. He stated that the decision was made to send a notice to the County before the end of this fiscal year. He stated that the City wanted to continue the partnership with the County and provide them with water. He stated that there are a lot of things that need to be updated since the origin of the agreement almost 30 years ago. He explained that the City Attorney had been looped in and reviewed the agreement. He stated that giving the County notice now would allow time to get engineers involved and give the City Attorney and the County Attorney plenty of time to get an updated Interlocal Water Agreement completed. The consensus of the Council was to have the City Manager send notice to the County that the City wishes to terminate the current Interlocal Water Agreement at its expiration and begin negotiations for a new agreement.

The City Manager also addressed the press release for the July 4, 2024, fireworks display and invited everyone to attend.

## 7. COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Councilmember Adams discussed the transportation meeting that she attended with the City Manager and Councilmember Rainer. She stated that they prioritized a list of 20 potential projects for the City of Laurinburg and Scotland County. This included highways, aviation, rail, and sidewalk projects. She stated that there currently isn't funding, but the projects are long-term projects. She addressed the fact that Highway 74 was on the list. Councilmember Adams also stated that she attended her orientation for the board at the North Carolina League of Municipalities. She encouraged everyone to pay attention to the newsletters to see current events and what is being offered.

Councilmember Evans discussed Juneteenth being approved as a legal holiday for the City of Laurinburg. She invited everyone to attend a Juneteenth banquet taking place on Saturday at 6:00 p.m. at I.E. Johnson Community Center with guest speakers.

## 8. CLOSED SESSION

Councilmember Rogers moved to go into closed session at 7:54 p.m. pursuant to NCGS 143-318.11(a)(6) to discuss personnel. Councilmember Adams moved to second the motion, and the vote was unanimous.

Councilmember Adams moved to adjourn the closed session at 8:11 p.m. and return to the open meeting. Councilmember Evans moved to second the motion, and the vote was unanimous.

a. Set City Manager's Salary.

Councilmember Rogers motioned to approve the City Manager's salary increase (5%) to be consistent with the cost of living increase for all other city employees. Councilmember Adams moved to second, and the vote was unanimous.

## 9. ADJOURNMENT

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

The meeting was adjourned at 8:12 p.m.

James T. Willis, Mayor

Harold W. Haywood, City Clerk