

**Dunn City Council**  
**Work Session**  
**Tuesday, January 13, 2026**  
**6:30 p.m., Dunn Municipal Building**

## Minutes

**PRESENT:** Mayor William P. Elmore Jr., Mayor Pro Tem April Gaulden, Council Members Raquel McNeil, Billy N. Tart, and Dr. David L. Bradham.

**ABSENT:** Council Members J. Wesley Sills and Alan Hargis.

**ALSO PRESENT:** *City Manager Justin Hembree, Assistant City Manager Billy R. Godwin, Finance Director, Cary McNallan, Interim Police Chief Nick Simmons, Captain Matt Smith, Administrative Support Specialist Christy Sweeney, City Attorney Tilghman Pope and City Clerk Melissa Matti.*

### CALL TO ORDER

Mayor William P. Elmore, Jr. called the Dunn City Council Work Session to order at 6:40 p.m. on January 13, 2026. The Mayor noted that two Council Members were absent, one due to being out of town and one due to illness. He confirmed there was a quorum present to conduct business.

### INVOCATION and PLEDGE OF ALLEGIANCE

Mayor Pro Tem April Gaulden led the invocation followed by the Pledge of Allegiance.

### CONSIDERATION & APPROVAL OF THE AGENDA

**Motion by Council Member Bradham, seconded by Council Member Tart to approve the agenda.** Motion carried unanimously.

### CONSENT AGENDA

The Consent Agenda included one (1) item:

- Approval of December 9, 2025 Regular Minutes

**Motion by Council Member Bradham, seconded by Council Member Tart to approve the December 9, 2025 Regular Minutes.** Motion carried unanimously.

### ITEMS FOR DISCUSSION & CALENDARING FOR JANUARY 27, 2026 REGULAR MEETING

#### *Water Treatment Plant Land Purchase*

#### *Financing*

Finance Director, Cary McNallan introduced Ty Welford from Davenport Public Finance to discuss financing options for the Bales property purchase for the Wastewater Treatment Plant Expansion.

Mr. Welford presented information on a \$3.5 million loan needed to reimburse the City for the land purchase. He explained that they had solicited proposals from various banks, receiving responses from JPMorgan Chase and Webster Bank. After analysis, Davenport recommended moving forward with Chase due to their competitive interest rate (approximately 4%) and more favorable collateral requirements.

Chase would allow the City to only pledge the portion of land designated for the water plant (shown in green on the presented map) as collateral at a 50% loan-to-value ratio. Webster would require all purchased land to be pledged, including parcels the City intends to resell (shown in blue on the map). The Chase loan would have a 15-year term with annual payments of approximately \$307,000.

Mr. McNallan noted that to cover this annual payment, water rates would need to increase by 9.75%. Council Member McNeil expressed significant concern about implementing another rate increase so soon after a previous one, stating that residents were already struggling with current rates. Mayor Elmore noted that this information was preliminary and would be discussed further at the upcoming retreat in February.

A Public Hearing was held at 6.58 p.m. regarding the financing, with no members of the public speaking.

**Motion by Council Member Bradham, seconded by Council Member Tart to approve the Resolution Making Certain Findings and Determination Regarding the Proposed Financing of the Acquisition of Land for Future Water Plant Expansions for the City, Approving the Purchaser and Requesting the Local Government Commission to Approve the Financing Arrangement.** Motion carried unanimously. *A copy of the Resolution Making Certain Findings and Determination Regarding the Proposed Financing of the Acquisition of Land for Future Water Plant Expansions for the City, Approving the Purchaser and Requesting the Local Government Commission to Approve the Financing Arrangement (R2026-01) is incorporated into these minutes as Attachment #1.*

#### **Rezoning Application**

#### **(RZ-25-03) - Vann Lane**

Interim Planning Director, William Deaton presented information on a Rezoning Application for over seventy (70+) acres on Vann Lane. The request is to zone this property R-7, consistent with the existing Seasons Development that it would connect to. Mr. Deaton explained this would be the initial zoning for an annexed property and noted that no action was required at this meeting. The rezoning Application will be brought back for a vote at the January 27, 2026 Regular Meeting.

#### **Rezoning Application**

#### **(RZ-25-04) - Dogwood Knoll Street and Fairground Road**

Interim Planning Director, William Deaton presented a second Rezoning Application involving property on Dogwood Knoll Street and Fairground Road. The property is currently zoned Commercial, and the applicant is requesting that

the property be rezoned to R-7 for Single-Family Residential Development. Mr. Deaton explained that a stormwater drain runs diagonally through the property, making Commercial development difficult. The Planning Department recommends approval as Residential would be more compatible with the existing Dogwood Knoll neighborhood.

Mr. Deaton answered questions about potential access issues for the lots, explaining that the developer would need to either improve Davis Street (an unimproved right-of-way) or reconfigure lots to have access from Fairground Road. No action was required at this meeting.

Before concluding this agenda item, Mr. Deaton introduced Stephanie Goodrich, the City's new Senior Planner who started December 1. He highlighted her extensive experience in local government planning across multiple states.

#### **Termination of Contract to Sell Real Property**

##### **Stoney Run Property**

City Manager, Justin Hembree explained that in early December, the City received notice from NVR Incorporated (Ryan Homes) requesting termination of their contract to purchase City property for the Stoney Run development. The developer cited changing market conditions as the reason for termination. Mr. Hembree noted that since the City Council originally approved the contract, they needed to formally approve its termination.

**Motion by Mayor Pro Tem Gaulden seconded by Council Member McNeil to terminate the January 15, 2025 contract between the City and NVR Incorporated for the sale of real property and to authorize the City Manager to execute the attached Termination of Contract to Sell Real Property.** Motion carried unanimously. *A copy of Termination of Contract to Sell Real Property is incorporated into these minutes as Attachment #2.*

##### **FY25 Audit Contract Agreement**

Finance Director, Cary McNallan explained that the FY25 audit had been completed by Thompson Price Scott Adams Company (TPSA). The original contract was for \$45,000, with an allowance for additional single audits at \$3,000 each. Due to the City's numerous grants, four (4) single audits were required instead of the three (3) originally estimated, along with additional reporting requirements. Mr. McNallan requested approval of a \$4,000 increase to the Audit Contract.

**Motion by Council Member Bradham, seconded by Council Member Tart to approve the attached Resolution Amending the FY25 Audit Contract with TPSA and Authorize the Mayor and City Manager to Execute the Required Documents.** Motion carried unanimously. *A copy of the Resolution Amending the FY25 Audit Contract with TPSA is incorporated into these minutes as Attachment #3.*

#### **Acceptance of Monetary Donation**

##### **Police Department**

Interim Police Chief Simmons explained that Tractor Supply had selected the Dunn Police Department as part of their "Hometown Hero" program and donated \$250 to the department. City Manager Hembree noted that while the amount was small, bringing such donations to Council for formal acceptance was important for transparency.

**Motion by Mayor Pro Tem April Gaulden, seconded by Council Member Tart to accept the \$250 donation from Tractor Supply and approve the Budget Amendment as presented.** Motion carried unanimously. *A copy of Budget Amendment (BA-2026-15) is incorporated into these minutes as Attachment #4.*

#### **REPORTS & UPDATES**

##### **City Manager's Report**

City Manager Hembree provided updates on several matters:

- He shared photos of the recently completed demolition of a house on property purchased for the Water Plant Expansion.
- He discussed the upcoming Budget Retreat, explaining that this year's format would be different from previous years. Rather than focusing on departmental operations, the retreat would concentrate on identifying priorities for the upcoming fiscal year and longer-term planning to guide the budget process.
- He noted that on Friday afternoon of the retreat, Ahmed Rachid El-Khattabi, Ph.D. from the Environmental Finance Center at the School of Government would give a presentation on setting utility rates.
- He presented a draft letter addressed to the Harnett County Board of Commissioners regarding concerns about the North Carolina Department of Adult Corrections, Probation and Parole office located in downtown Dunn. The letter detailed numerous issues caused by the office's placement in the heart of the downtown business district, including loitering, public urination on neighboring buildings, vulgar language, and intimidating behavior that negatively impacts downtown businesses and visitors.

Mayor Elmore noted that he, Billy Godwin, and the City Manager had discussed this issue multiple times with County officials. These officials didn't see the urgency in addressing the problem. He asked for the Council's consensus to send the letter and that was given. Council Member McNeil asked for clarification about who was responsible for the office placement, and Mr. Hembree explained that while it's a State program, the County is required to provide facilities for these offices. *A copy of the letter to Harnett County Board of Commissioners is incorporated into these minutes as Attachment #5.*

#### **UPDATES**

##### **Police Department**

Interim Police Chief Simmons provided an update on the department's Flock camera system, which has been in place for nearly two (2) years. He noted that the sixteen (16) cameras read between 1-1.4 million license plates monthly and have proven very successful for enforcement and investigations.

Chief Simmons addressed privacy concerns that had been raised about the system, explaining that they had temporarily limited their network access to only North Carolina until security improvements were implemented.

He shared two (2) success stories involving the camera system:

- In December, the system helped identify a murder suspect from Atlanta who was staying at the Fairfield Inn. Officers were able to safely apprehend the suspect who had warrants for murder, armed robbery, possession of a firearm during a felony, aggravated assault, and conspiracy.
- Recently, the cameras helped locate a mother who had fled Virginia with her seven (7) children after having issues with DSS. She was found at Tart Park with multiple warrants, and Virginia DSS was able to retrieve the children.

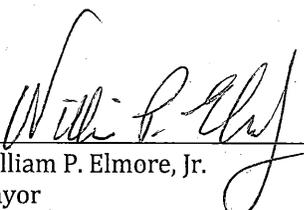
**ANNOUNCEMENTS**

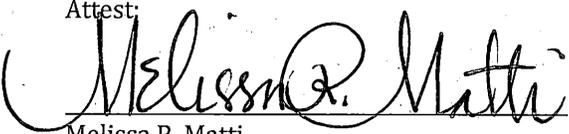
Mayor Elmore announced the following announcements:

- Monday, January 19<sup>th</sup> - Martin Luther King, Jr. Parade
- Thursday, January 22<sup>nd</sup> - Codrington Park Community Input at Senior Center at 6p.m.
- Friday, February 6<sup>th</sup> – 7<sup>th</sup> – City of Dunn Budget Retreat at Lumina on Wrightsville Beach

**ADJOURNMENT**

The meeting was adjourned at 7:45 p.m.

  
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William P. Elmore, Jr.  
Mayor

Attest:  
  
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Melissa R. Matti  
City Clerk

