

**Dunn City Council**  
**Special Meeting – Budget Planning Retreat**  
 Tuesday, January 28, 2022  
 8:30 a.m., Doubletree in New Bern NC

## Minutes

**PRESENT:** Mayor William P. Elmore Jr., Mayor Pro Tem Dr. David L. Bradham, Council Members J. Wesley Sills, April Gaulden, Billy N. Tart, and Chuck Turnage. **Absent:** Frank McLean

*Also present: City Manager Steven Neuschafer, Assistant City Manager Mathew Boone, Accountant Brittany Barefoot, Public Utilities Director Heather Adams, Planning Director George Adler, Chief of Police Clark White, Parks and Recreation Director Brian McNeill, Human Resources Director Connie Jernigan, Librarian Mike Williams, and Communications Coordinator Kaitlin Adkins. Also attending Michael Goliber and Mike Slusher with DMP, Inc.*

### **CALL TO ORDER AND INVOCATION**

Mayor Elmore opened the meeting at 8:33 a.m. and Council Member Chuck Turnage gave the invocation. Afterwards, Council Member Sills led in the Pledge of Allegiance.

Mayor Elmore thanked the staff for all the planning going into the retreat and thanked Council Members for their efforts in working together and handling the business that needs to be accomplished for our City especially as it relates to infrastructure.

City Manager Neuschafer made remarks and introduced the Facilitator Chad Sary. Sary has been involved in local government at different levels for over 26 years now and is now currently serving on the Wake Forest Town Council.

### **Session 1 – Getting Started**

Sary began the discussion by asking everyone to share their name, role with the City and to answer the Pre-Retreat questions: The first questions was “What is one lesson you learned in 2021 as an elected official or City representative?” Answers included: Learning to Adapt to change/uncertainty, Community’s expectations through the Imagine Dunn process, Sewer Moratorium slows growth and government wheels turn slow to make things happen, City’s infrastructure problems, can’t continue to put off infrastructure needs, and the importance of trained and informed staff as well as proper facilities. The second question, “What will a successful budget retreat look like to you?” ranged from clear and concise expectations, directions, plan for addressing infrastructure needs, plans for improved employee retention and morale, specific goals related to Imagine Dunn, and that big goals are important, but so are the small goals. Sary reviewed the retreat objectives and purpose as well as his role as a facilitator, staff’s role and the elected members’ role during the retreat.

He gave an update on NC demographics, some Dunn demographics from the Imagine Dunn and talked about the American Rescue Plan Act (ARPA) funds that must be spent by 2026 on water/wastewater, high-speed internet, and economic development with NC receiving \$5.7 billion. He further shared comparisons of Dunn with various cities similar in demographics. *(Slides related to the demographics are included in the minutes as Attachment #1.)*

### **Session 2 - Reflecting**

City Manager Neuschafer presented a six-month Progress Report. Every item in the budget message has been started, Paving and Water/Sewer on Broad St, Property Acquisitions, Land Use Plan/Ordinance Update (UDO), Equipment Purchases, Finance Software, Pavement Condition Study, Tart Park Completed, Demolitions, Wayfinding RFP, Stormwater Mapping RFQ, and Public Services Complex. He talked about all the planning that has been completed through various studies including the Pavement Condition Study, Stormwater study, Comprehensive Land-Use Plan as well as five other studies. These studies will assist the city in making the best decision for future planning.

### **Downtown Development**

Kaitlin Adkins, Communications/Downtown Director reported on twelve new businesses opened in Downtown in 2021 as well as other improvements. She shared that Downtown Dunn Development Corporation (DDDC) took over ownership of Stewart Theater and the theater is going through a \$5 million renovation project with Teresa Alphin spearheading this effort. She also updated on alleyway lights and events hosted by DDDC. Goals include hanging baskets, lights on poles, designating one alley for pedestrian use, and plan for building and lot development of the caboose property purchased by DDDC. Discussed the changes concerning the lot from last year’s presentation. Council Member Tart discussed the issues relating to business staff taking up the downtown parking so that parking is not available for customers. Mayor Pro Tem Bradham recommended speakers downtown playing music, the need for restaurants, and the need to deal with dilapidated buildings. Boone added that wayfinding signs should help visitors find parking easier.

### **Library**

Librarian Mike Williams reported on the library accomplishments including how they have coped with the pandemic by offering programs outside and online. He added that the needs of the library include larger and improved facility, debit card terminal, change machine for self-service photocopying and fax machine. Neuschafer added that the current location does not work for adding space there and hopefully should be included in the municipal complex planning.

Police

Chief White reported on the department's accomplishments including CALEA Accreditation maintenance, Grant awards and also updated that the Police Cadet Youth Program and the Citizens Police Academy Program had been suspended due to covid. He shared their biggest challenge is the recruiting and retention of staff. He said a priority is to restructure the department's salary and career development plan, continue improvements to the firing range and efforts to train and equip a Water Rescue Team. He added that the last Pay study completed by the City was in 1998. Mayor Pro Tem Bradham remarked that public safety is as important as anything else we do and is extremely important to attracting growth. Discussion followed on the safety of the Dunn-Erwin Trail. White stated that all three agencies work together on the trail. White added biggest issues with staff retention is that these young officers can go 20 minutes down the road and make \$12,000 more a year. Cost to implement the career development plan developed for department would be \$120,000 the first year. Neuschafer added other agencies are facing the same issues and this is driving the workforce cost up for everyone. Council Member Gaulden added that if you are going to have quality staff you are going to have to pay them.

Finance

Brittany Barefoot gave an update on the Finance Department accomplishments including the purchase of new financial software with Tyler Technologies. This new software requires training and converting old data which should be complete by hopefully June. Also provided customers' ability to choose email bills, text bills, print and pay through South Data and the department is now fully staffed. Goals are to finalize software implementation and to continue to assist with Imagine Dunn implementation through financing options and to continue to provide excellent customer service. She shared about the reappraisal meetings being held by the county. Neuschafer added that this impacts the budgeting for this year and we will need to budget with existing and new projected funds. He added this is the first time they have ever done a full measure which is sending someone to every house to take pictures adding additions to the property values, which should be a significant increase in values. Barefoot also shared how the tax dollar is spent in the City of Dunn. *(This slide is incorporated in these minutes as Attachment #2.)*

Parks and Recreation

Parks and Rec Director McNeill reported the biggest accomplishment was completion of the Tart Park Renovation. Council Member Turnage asked for more information on the cost and economic impact of tournaments held at the park. Boone added that there are plans to market Tart Park to attract additional tournaments. McNeill added that the Parks Comprehensive Plan is being included in the City's Land Use Plan with projected completion in June. He discussed the need to improve Codrington Park with guidance to be provided through the comprehensive plan. The City was awarded \$150,000 from the NC General Assembly for the park. He added that most of our parks and equipment are minimally ADA compliant and need to be updated.

Planning Department

Planning Director Adler reported the Imagine Dunn Strategic Vision Plan and ADA Transition Plan were completed. He said one evidence of the growth is the activity in the Planning and Inspections Department which has doubled since FY 2020. Plans in progress are the Comprehensive Plan and update of Development Ordinances - Unified Development Ordinance, as well as the Future Land Use Plan. Pedestrian Plan should be complete by June with plans to combine with ADA and work on pedestrian and bicycle infrastructure with the first project, the trail from Tyler to Tart Park. He shared about developer interest and revitalization of neighborhoods through use of existing vacant lots. He said that to increase efficiency in the department there is a need for updated permitting and code enforcement software with an upfront cost for software and conversion of \$27,800 and \$4,000 annually.

Public Works

Assistant City Manager Boone reported for Public Works Director Vincent Washington. He shared the accomplishments of the department which include street repairs, sidewalk and curb/gutter repair, stormdrain repairs and assisting multiple departments as needed. Also reported on sales at the cemeteries. Goals are to continue to repair older storm drains and the storm mapping study should help in these efforts. The department needs to add 4 additional employees to concentrate on storm drains and pothole repairs. Neuschafer added that Washington is also looking at a new dump truck. Boone stated the department is looking at being more proactive than reactive with the additional staff. Council Member Tart talked about standards for developers for streets especially for cul-de-sacs where trash trucks are damaging and he asked about residents being able to report potholes through the website. Public Utilities Director Adams added that this is in the works.

The meeting was recessed at 12:05 p.m. and reconvened at 12:50 p.m.

Public Utilities

Public Utilities Director Heather Adams reported on the department's accomplishments including sewer line and water line projects as well as securing \$45.555 million in funding for additional rehab work on the Wastewater Plant, Sewer System and Waterlines. She showed plans for how the city can get out from under the sewer moratorium and how the city can support growth after the moratorium. She talked about the sanitary sewer evaluation and the need for a dedicated crew. She added that it is important not to forget about the need to secure funding for the water plant. She said that a decision needs to be made soon about expanding or building a new water plant so the City can apply for ARPA funds. Right now, the city still qualifies for USDA funding but once the population goes above 10,000 that may no longer be an option. *(The Public Utilities presentation is incorporated in these minutes as Attachment #3.)*

I95/301 Corridor Improvements

Michael Golliber of DMP reported on the Highway 301/I-95 Corridor Improvements study. He talked about the improvements opening up the corridor and increasing the ability for growth on the eastside. The conceptual budget for the two outfalls and the pump station is \$6.325 million.

#### Black River Wastewater Treatment Plant Expansion

Mike Slusher presented the study information to include the Effluent Limits and Flow Projections. Sary recommended some sort of allocation formula or process for developers to help with capacity issues for the future. Slusher showed the current location of the WWTP, the city-owned property around it, the wetlands and bodies of water, along with the FEMA flood plains and showing how these surrounds and divides the property. He added that a bridge would be needed to access the property on the other side of Juniper Creek. It would be hard to divide the plants process unless it was a slush field. He showed a conceptual drawing of increasing the capacity at the existing plant. On the attachment, blue is clarifier and chlorine tank projects, orange is current plant and red is the projected additions including the ability to reduce nitrogen. *(This slide is incorporated in these minutes as Attachment #4.)*

#### Storm Water Project Discussion

City Manager Neuschafer reviewed the various priorities to include the stormwater fee study, which is now complete and the mapping which is currently under bid. Stormwater Fee Study, if changes are approved by Council, will increase annual income from \$240,000, which is a flat fee, to around \$400,000 per year allowing the city to fund more stormwater projects. The other stormwater projects include: Westhaven Subdivision, Cole Street, Juniper Creek, Black River, Stoney Creek, Watauga Avenue property, Ditch Cleaning and E Bay St to Juniper Creek. WithersRavenel has looked at various options for Bank Stabilization and Sloughs for Juniper Creek. The Natural Bank Stabilization is the safest and best option. He reviewed the various cost per linear foot of these recommendations. *(Portions of this Slide Presentation are incorporated into these minutes as Attachment #5.)*

#### Mid-Year Financial Report

Brittany Barefoot presented the Mid-Year Report and Overall Financial Outlook including an update on the General Fund, Debt Service and Water and Sewer Fund. She also provided budget data for the current year showing the expenditures through December 31, 2021 compared to the amount budgeted for the fiscal year with 80% of budgeted funds restricted. Neuschafer added the state health plan has had a 33% increase this year, which was not anticipated. However, the rate is still better than the insurance rate before.

#### Session 3 – Priorities

Sary brought in the information from the Imagine Dunn Strategic Vision Plan to include it in the priorities process. He read the Vision: *“Dunn is a dynamic engaged community where a diversity of people want to live, visit, play and do business. We embrace growth, opportunity and progress while preserving the hometown character that makes our community proud.”* The amount of the public engagement in developing the plan should validate this plan to staff and council. He highlighted some of the opportunities presented in the trail. Boone reviewed the work, accomplishments and plans already in progress related to the strategies established in the plan.

#### Exercises with Pre-Retreat Questions

Sary asked everyone what they feel is the Uniqueness of Dunn. Responses included: Railroad Possibilities, Cotton Festival, Small Town Lifestyle, Location, Parks Service, Grid of Alley Street System, Theater/Downtown, Spirit of Care of the People, Council in Tune with Residents, Historic Background, Infrastructure Availability, and Financial Stability.

Sary then asked Council what they hope will still be true in 5 years. Responses were Council still in tune with Residents, Maintain Small-Town Feel while Embracing Growth, Sense of Community, and Low Crime Rate.

Sary then asked what Council wants to be true in 5 years that is not yet. Responses included: Infrastructure Issues Resolved, Better Job Market, More Dining Options in Downtown, established “Niche” for Dunn, Growth, Clear Direction for Land Use and Growth Decisions, and Better Connectivity throughout the City.

City Council members were asked to provide a maximum of three initiatives they would like the City to pursue in the next 12-24 months, using the S.M.A.R.T. goals technique. Each Council member provided at least one priority project. The facilitator documented these priorities for further discussion.

Meeting was recessed at 4:15 p.m.

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Mayor Elmore reconvened the meeting on Saturday, January 29, 2022 at 8:30 a.m. Council Member Gauden gave the invocation and then the Mayor led in the Pledge of Allegiance.

Sary reviewed the discussion from Friday afternoon and showed how the priorities selected tied into the Goals and Priorities of Imagine Dunn. During the review, Council Member Turnage added that it is important that we don't just focus on downtown and incentives should be citywide and related to partnerships. Neuschafer shared how the City is partnering with the Wayne Avenue Shopping Center to rearrange meters and some delivery methods to help prevent blocking of Broad Street at busy times of the day. This arrangement will be beneficial to the business as well as the traveling public. Mayor Elmore shared that we need to get the public to buy in to these ideas to bring to reality.

Sary recognized the need to communicate successes with the public. Council Member Sills said that the Police Dept does a good job but the city gets the word out about road closures but not successes. Adler added that he thought it would be a good idea for the city to do a story explaining why the city is spending \$30 million on sewer. Council Member Sills added that marketing is important for the city – “other cities are doing it and we are not.” He added that we need to celebrate our parks. Council Member Sills further asked if the city was able to put a pot of money to the side and give to businesses for grants and the answer was yes.

Sary then reviewed the items with Council added to the parking lot during discussions. He asked them to define what the item means and to come up with three action items to work toward making this happen.

Police retention

Council Member Turnage said that this is not just the police department – this is a total staff issue in order to provide professional workforce for the residents we are going to have to have the pay to attract and keep that workforce and we need to start with a study. Neuschafer added there needs to be a commitment to follow through once the study has been completed or it could impact morale and could have a negative impact. Human Resources Director Jernigan added that the study would take approximately two and one-half to four months but it could take a couple of years for full implementation. Mayor Elmore feels that pay increases should be merit-based not just across the board. The need for a comprehensive update to the job description was added to the action plan. Council Member Turnage said that we need to be prepared to fund if we proceed with this study. Mayor Pro Tem Bradham added that all the planning for these goals are fine but if we don't have the staff to implement then what?

Codrington Park

The comprehensive plan the city is currently working on has a park component so this should help get the information and public input to make the best decisions for the park system.

Private lines failing that impact Inflow and infiltration

Council Member Tart recommended cutting off the water until the problem is fixed. There is no formal violation notice for issues with sewer pipes. Sary recommended a formalized process to require that these issues be handled as this is a significant issue affecting the inflow and infiltration into the sewer system. Council Member Turnage stated that if this is significant, we need to have procedures and guidelines in place. Neuschafer said that this could be very expensive for the homeowner so the city may want to form a nonprofit to put a matching grant in place. Currently, only letters are sent so need to figure out the next step. Neuschafer added this could be considered part of the minimum housing requirement making the city more proactive before permitting Certificate of Occupancy.

Water Plant – Upgrade or New

City Manager Neuschafer stated that the decision on where the plant will be located is the next step to moving forward, which means a significant amount of money for the property. Still years of work left to do after the land is purchased, “we can't move forward until the decision on the land is made.” Mayor Elmore added that the water plant is 65 years old and if we have a major breakdown, we could be in trouble. He said that there have been several conversations with the county trying to purchase land where we are located but that is not going to work out. They are looking at building a plant, taking over water and sewer needs and becoming the regional player in this area. So this board needs to make a decision on what we are going to do. Adams added that the capacity could be doubled scientifically but would take a lot more time and then the funding might not be available. This decision needs to be made soon because the applications are due by May 2. Mayor Pro Tem Bradham added that Council needs to make the decision by March. Staff has already given us the information and now Council needs to make the hard decisions and be committed to the process.

Utility Limits for Developers

Sary advised that when you start experiencing growth and you have limited utility capacity, the city needs to form a way to decide who gets the service. City Manager Neuschafer said we could use the bond process and maybe the phased approach – don't put taps and lines in for 75 if you are only going to do 25 this fiscal year. Mayor Pro Tem Bradham said someone needs to come up with an objective decision that will benefit the City of Dunn.

Prioritize Stormwater Projects

City Manager Neuschafer added that funds should become available in the fall for stormwater projects so the city needs to prioritize these projects by this summer.

Government Complex

Council Member Turnage stated the land has been purchased. Sary stated the next step is do a study to determine projected needs and costs.

Mayor Elmore brought up the need for the technology updates that would allow people to report problems as they see them on the website. He also asked about reserving the land at the I95 corridor for industrial development. Sary said that is what the land use plan will have to do and then there may be some rezoning needed to match the land use plan as the city plans for growth.

The Council then prioritized the list using the “dot democracy” method, with each member getting a total of 9 dots (3 green, 3 yellow & 3 red). The list below, provided by Sary, illustrates these priorities, as selected by Council, and their connection to implementing the {goals of Imagine Dunn Strategic Vision Plan}.

1. Continued funding for infrastructure improvements {Planning for Growth}
  - Repairs and new lines should be sized to accommodate growth
  - Investments in stormwater control improvements (annual funding, clear annual priorities, consider fee increase, better development regulations)
  - Create an action plan to address water plant issues
  - Implement street repair improvements (prioritize issues & allocate funding)
2. Allocate additional funding that focuses on employee retention & recruitment efforts {Quality of Life}
3. Continue to fund & implement wayfinding sign program {Community Character/Marketing Position}
4. Create and fund incentives program for private sector investments, specifically for restaurants (facade grants, permit fee reductions, etc.) {Business Development/Marketing}
5. Allocate funding to update City technology (planning, permitting, library, etc.) {Planning for Growth}
6. Fund study to better understand impacts and opportunities of railroad on industry, transportation, etc. {Business Development/Planning for Growth}
7. Continue efforts to improve City's brand {Marketing Position/Community Character}

8. Create more/improved materials to better market the City's strengths {Marketing/Partnerships}
  - Create a digital "brochure"
  - Utilize social media more to reach people outside of Dunn
  - Continue to work with Chamber of Commerce on efforts
9. Create a plan to develop Wellons property for a park {Quality of Life/Planning for Growth}
10. Foster relationship with high school by creating an apprenticeship program with the City {Quality of Life/Partnerships}
11. Fund improvement efforts that provide connectivity to existing parks, sidewalks, greenways, etc. {Quality of Life/Planning for Growth}
12. Create a plan to address library expansion needs {Planning for Growth}
13. Create a plan for upgrades to City Hall {Planning for Growth}

After closing remarks the meeting was adjourned at 12:16 p.m. with no objections.

Attest:



Tammy Williams  
Tammy Williams, CMC, NCCMC  
City Clerk

William P. Elmore Jr.  
William P. Elmore Jr.  
Mayor