

Dunn City Council
FY2021-2022 Budget Planning Retreat
Friday, February 19, 2021
8:00 a.m., Hotel Ballast, Wilmington 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. *Notice, relating to the Special Meeting Conditions, is incorporated into these minutes as Attachment #1.*

Also present: City Manager Steven Neuschafer, Assistant City Manager Mathew Boone, Finance Director Jim Roberts, Public Utilities Director Heather Adams, Public Works Director Vince Washington, Planning Director George Adler, Chief of Police Clark White, Parks and Recreation Director Brian McNeill, Human Resources Director Anne Thompson, Librarian Mike Williams, Communications Coordinator Kaitlin Adkins, City Attorney Tilghman Pope, and City Clerk Tammy Williams. Guests recognized by Mayor Elmore: Emily Weaver and Elliott Duke with The Daily Record and Joy Williams.

CALL TO ORDER AND INVOCATION

Mayor Elmore opened the meeting at 8:00 a.m. and Council Member Gaulden gave the invocation. Afterwards, Council Member Turnage led in the Pledge of Allegiance. Mayor Elmore shared that he takes pride in the accomplishments made in the past year. He felt setting the goals with the monthly reports helped keep us on track and council informed. He added that it has been a challenging year with Covid-19 and the political unrest but our city has done a great job in navigating through this.

City Manager Neuschafer introduced Facilitator, Rick Rocchetti and introductions of all those in attendance were made.

Imagine Dunn Strategic Vision Plan

Planning Director Adler reported on the highlights of the process and initial draft plan. Two videos were shared featuring the consultant, Aaron Arnett, who explained the Imagine Dunn process and shared the results and goals established using the community input and market research.

Council Member Turnage stressed the importance of the comprehensive land use plan. Adler agreed and stated this is also a state requirement and the timing is perfect to align with the Strategic Vision Plan. Mayor Pro Tem Bradham added that he hopes the Council will use this plan and get to work on some of these initiatives right away after the plan is finalized. Adler added that the goals are using examples such as the reuse of existing buildings, may not necessarily be the building that is suggested – the idea is to use this concept in planning for the future. The plan helps us prepare and be ready to handle opportunities as they become available. Council and department heads were also asked to vote for their favorite logo and color during break.

Funding for these initiatives were questioned and discussed. Neuschafer added that once the priorities are established, you determine the ones that are the most important, do the research and determine how the goals can be implemented including funding requirements. At that point, it will be brought back to the Council for decision. Adler added that the partnerships included in the plan are important as some of our partners will be charged with the implementation. After question, Neuschafer answered that land and buildings can be purchased by the city and repurposed for the greater good, for housing and job creation. Mayor Pro Tem Bradham added that he is interested in determining the rights the city has as far as ordinances, requiring businesses to take care of their buildings and parking lots. He also encouraged that items be broken down into the cost so that some of the smaller, less expensive initiatives can be checked off and people can see progress.

Elmore added that things are already happening related to the plan and pointed out some of the projects happening downtown such as with the Stewart Theatre. He added that some of these initiatives can be done inexpensively, like placing seating in some of the parking places. City Attorney Pope shared that the Stewart Theatre is owned by DDDC and the city could allow them to keep the \$35,000 they pay each month on debt service for the downtown revitalization and those funds could help expedite the Stewart Theatre project but then the city would have to figure out the way to replace that \$35,000. Adler added if we determine we want to do an initiative, then we can figure out a way to make it happen. Council Member Tart suggested a one page document for businesses and property owners to inform them on available incentives and grants like the building re-use grants. He expressed concerns over taking these recommended incentives out of the city budget.

After a short break, Rocchetti led a team exercise in evaluating the draft Vision Statement: *Dunn is a dynamic, engaged community where people want to live, visit and do business. We embrace growth and progress, while preserving the small-town character that makes our citizens so proud. Our community provides prosperity and opportunity for all people.* Overall the Council and department heads supported the Vision Statement but offered their input on some edits with a revised draft statement: *Dunn is a dynamic, engaged community where a diversity of people want to live, visit and do business. We embrace growth and progress while preserving the small-town character that make our residents proud. Dunn provides the opportunity for prosperity to everyone.*

Mayor Elmore added that he was not sure about the “small town” since he is not sure that is what we want to remain. He suggested changing small town character to community character.

Rocchetti divided Council members and department heads in groups and asked them to pick the top two initiatives in order of priority for each Strategic Theme in the draft Strategic Plan with the following results:

Planning for Growth

1. PG.1 Update the Comprehensive Land Use Plan and Development Ordinances
2. PG.7 Continue to implement the goals and objectives of department strategic plans to accommodate sustainable growth (water and sewer, stormwater, planning, etc.)

Quality of Life

1. QL.1 Expand market-rate residential by recruiting developers that will build new products.
2. QL.5 Continue to support efforts of Harnett County Schools and CCCC to ensure programming meets the needs of residents and businesses.

Community Character

1. CC.2 Create Entertainment District in Downtown
2. CC.4 Strip Mall Makeover

Business Development

1. BD.1 Recruit businesses based on gaps identified in comprehensive market analysis.
2. BD.9 Partner with Harnett County Schools to incorporate entrepreneurial training in their curriculum. Coordinate with Chamber and DDDC to encourage youth business startup or mentoring with existing business.

Market Positioning

1. MP.2 Establish a consistent and unified market position.
2. MP.13 Implement a comprehensive wayfinding system directing locals and visitors to cultural, parks and recreation and civic destinations.

Partnerships

1. P.3 Create economic development planner position to recruit desired business and market development opportunities.
2. P.12 Create mechanism to evaluate the implementation of this plan.

Adler shared that these recommendations will be shared with the Dunn Vision Group and Consultant, Aaron Arnett.

The meeting was recessed for lunch from 11:55 a.m. to 12:45 p.m.

Rocchetti then proceeded with another group activity with teams working together to determine the Strengths, Weaknesses, (internal – council and organization) Opportunities and Threats (external to the organization).

Strengths listed included: communications, management, active participation by council, synchronization of DVG and council, business mindset, open to regionalization, staff, council changed mindset, fund balance, downtown and debt capacity. Weaknesses included the lack of funding and personnel, aged facilities and infrastructure, losing institutional knowledge from retirement and job changes, can't fix everything, employee retention, and fixed mindset. Opportunities included educational improvement, 95 gateway, grants and loans, qualified grant writers, opportunity zone, location, population growth, career development, regionalization and partnerships. Threats included covid's impact, funding unfunded mandates, competition, vacant properties with absent owners, infrastructure, unwillingness to change, I-95 expansion, climate and apathy.

Major Projects/Updates and Information

City Manager Neuschafer led the discussion and started with updating the Council on the widening of the *Interstate 95 project*. He was informed by DOT engineers that the contracts will be let this summer. Need to be prepared for work to begin this fall, which will definitely have an impact and be an external threat for Dunn. In the project, infrastructure is being replaced that conflicts with roadway designs and DOT will be making improvements such as curb and gutter and sidewalk. These improvements will open doors to give the city opportunities for “betterment” projects by requesting work be done by DOT contractors. By incorporating these projects at this time, the city will realize significant savings over contracting the projects ourselves. Examples shared included upgrading water and sewer on Jackson Rd, Bud Hawkins and the Spring Branch interchange. He added that Interlocal agreements on these projects will be coming to the council in the upcoming fiscal year and payment will be due once the project is complete.

He updated Council that the Memorandum of Understanding will soon be finalized for the *195/140 Crossroads of America Economic Planning Alliance*. The Council will most likely have a special meeting within the next 30 days to review and approve the MOU.

City Manager Neuschafer reviewed the study of *Juniper Creek* completed by Wood Environment & Infrastructure Solutions, Inc. He stated that the city's storm drain system needs to be able to handle a normal storm event. He added that there is no pipe large enough to handle the major storms like hurricanes. DMP was hired to design some improvements on Watauga and the City purchased property to help ease some of the issues there. Draft shows some small pond areas and improvements of the water shed in the flood zone to the point of shifting to an improved park-type situation at the site. The project would include clearing underbrush and invading species to improve appearance. The water table and wetlands are too high to create a whole water area as initially planned. These projected improvements will allow the flood area to absorb

more water so it will improve downstream flow but will not be a large static pond due to site conditions. The site is just too wet and will hold water all the time. This is not the perfect solution but will result in about a 30-40% improvement down flow. The project could be done in phases, with the storm drainage being completed first and then holding onto the park project for later.

He asked if this is something council wants to move forward on. Consensus was for Council to investigate the findings, once additional information is gathered on the Watauga project.

He proceeded with reviewing the study and pointed out that most of the recommendations are to upsize pipes. He added the water flow needs to be improved but then you have to also worry about erosion. He pointed out that concrete channels would handle the flow of the water and help with the erosion but hopefully that it is not what we want here. In some areas, the surface of the road is at the top of the pipe, so the only way to enlarge is to increase the width. Neuschafer believes we need to at least investigate adding bridges to expand channeling instead of just putting in larger pipes. The timber bridges, like we have on Johnson, require a lot of upkeep. A bridge of steel and concrete will have a longer life cycle and require less maintenance and is a much more efficient way than creating a channel or enlarging pipe which elevates roadway. Council Member Tart added that the DOT has removed a lot of bridges and replaced with pipes and feels there must be a reason they stopped using those. After additional discussion concerning Gabion baskets, Council Member Tart recommended the corrugated seawalls which are more affordable, with a 50-60 year warranty and the city could install. Neuschafer added another big issue is related to the pipes that are going under private property without the needed easements to maintain.

Council Member Turnage stated that we need to take recommendations and plans and put together a plan of action, which includes the needed easements, with the costs associated and move on with this project. He added that the plan must start at Westhaven and go all the way down to Susan Tart Rd and suggested Council Member Tart's recommendation may be a part of the solution. He added this has to be a phased project but needs to get started. Can't be the quick win but they can come as we go through the phases.

Neuschafer added that the proposal is to find an engineer to take all the data we have and put together a design based on that data and the current condition (maybe even have a stakeholders group for input), formulize a design and then talk about phasing and cost. If proceed, next year this time, we will be talking about how to implement the approved plan.

City Hall/Facilities – He reviewed the plans for the Public Works facility which includes removing the building that use to house equipment and supplies. The utilities have been disconnected and we are ready to begin demolition. He pointed out that once the wall is removed there will not be a barrier and staff is looking at temporarily using concrete walls until a building is designed. This is the first step in the new public works facility.

After a short break, Public Utilities Director Adams discussed the process for the new *Water Treatment Plant* to include Merger Regionalization Feasibility Study, Funding Application and Approval (Grants received), Design, Permitting, Bid and Award and then Construction. She added that this is one of the 4-year goals established by council and the design should be presented for approval at the March meeting. She stated the city will receive the merger regionalization grant applied for and should receive that offer in the next 30-45 days with the study taking approximately 6 months. She added that the city has applied for disaster funding from the state and received to relocate infrastructure out of flood plan. She added that if the water plant is going to be built in the same proximity of the current plant then the city should accept the offer, however, if a different location, then the city should decline. She said the project will take almost 5 years to complete from start to finish.

Bonds Information/Debt Service – Finance Director Roberts reviewed the ends and outs of a municipal bond (for capital projects) including the difference between the General Obligation Bonds that pledges the city's taxing power and the Revenue bonds that are guaranteed by specified revenue-generation. He added that the residents must vote on General Obligation Bonds. Bonds are usually used because the interest rate is better, less restrictive, with greater flexibility in time, size of the loan, and the payments can be spread out to future residents to help pay for these projects. He also reviewed the timeline and costs involved in issuing bonds for debt.

He then reviewed the Debt Service spreadsheet, which identifies the various loans owed by the city and the maturity dates. He added that the city has \$55 million in maximum debt capacity and is currently at \$18 million. Roberts confirmed that the water and sewer funds cannot be used for other city expenses.

City Manager Neuschafer shared that the Council needs to decide if they want staff to renegotiate the *Solid Waste Contract* with Republic Services for another term or if they want to send out for bid. Republic is interested in extending at the current rate with a cola increase of 2% each year for 5 years. He shared the concerns with sending out for bid, including increased cost. He said currently we have one of the lowest per resident charge around. Recycling options were discussed. He also reviewed various options for limb and leaf debris in place of using the brown cans. Mayor Elmore expressed concerns of replacing brown cans with bags that can blow over and wash into the stormwater system. Council Member Turnage and Mayor Pro Tem Bradham shared that a lot of the problems related to the leaves being placed into storm drain is commercial landscapers. Determined it is the responsibility of the property owners to ensure the ordinances are followed. Council Member Sills brought up the concern of lack of communication with residents when there are delays with trash pickup, which is why there needs to be a call system in place. Council Member Turnage suggested a

letter to the residents on the yard waste requirements and ensuring landscapers abide by these requirements.

Council determined they need more information, including what other municipalities are paying for these services to come to a consensus on this matter. This will need to be decided at the March meeting to allow time for the bidding process.

The day was summarized by sharing insights and what has been learned from the day's discussions.

With no objections, Mayor Elmore recessed the meeting at 4:32 p.m.

Mayor Elmore reconvened the meeting at 8:00 a.m. on Saturday, February 20, 2021. He gave the invocation and led in the pledge of allegiance.

Finance Director Roberts presented the Mid-Year Financial Report.

Department heads presented their major accomplishments as well as projects in progress. Priorities and goals for the upcoming fiscal year are listed.

Human Resources Director Thompson – Training to include CPR, Sexual Harassment, Fire Extinguisher and Blood Borne Pathogens; Recruitment – on-line fillable application and plan to attract best candidates; Retention plan to include Pay/Classification study. She did report on the major impact of Covid-19 on her department.

Police Chief White – Restructure of Salary plan to include scales for career development; continue improvements on the firing range; establish a water rescue team. Mayor Pro Tem Bradham expressed concerns about having a presence on the rail trail and the chief said that they acquired an ATV cost-free through a LESO grant program.

Finance Director Roberts – finalize the replacement of the financial software, provide customers ability to do more online (email bills, online paying.) Council Member Sills added that more services need to be handled on-line.

Administration – Neuschafer said they will be looking at realigning duties and the reorganization of staff, especially with public works, cemetery, parks and recreation, public utilities. Many staff members share job descriptions. We need to increase the flexibility of our existing manpower, so that when needed, they can work across departments.

Parks and Recreation Director McNeill – completion of Tart Park Renovation, start developing plans for Codrington Park improvements and increase program and event participation by ensuring that public safety is priority, increase promotions and scholarship program. Council Member Turnage encouraged the scholarship fundraising be promoted so that people can donate online. Mayor Pro Tem Bradham encouraged the facilities be used as much as possible reaching out to travel sports that run year round, which could be a boost to the hotels and the city overall. Council Member Turnage added need to work to attract more tournaments also. He also inquired about the city's paver repairing the courts at Covington and Neuschafer shared that those are too specialized for the city's paver and the ones at Covington are beyond repair.

Inspections – Assistant City Manager Boone presented for Chief Building Inspector Steven King – Inspections revenues were 162% of budget last year with 21 ordinances adopted and 24 new homes permitted. Goals are to update Minimum Housing Code and Non-residential Maintenance Code to include more stringent requirements, expedite permitting processes, hire a new level 2 or 3 multi-trade Inspector to perform plan reviews as well as inspections, continued progress on identifying, citing and repairing/demolishing dilapidated structures, and continue training for employees. Neuschafer added that the number of inspections is a large workload for the number of inspectors that we have. If we want to maintain the customer service and have a good reputation, we need to increase the staff.

Communications Coordinator Adkins shared goals for Downtown Dunn to include string lights in alleyways, inventory of buildings for sale/rent, annual fundraiser for DDDC, event space at caboose, alleyways more pedestrian friendly, Wi-Fi/Music, public art, hanging baskets, and wayfinding signs. Council Member Sills questioned design standards downtown and Neuschafer added that would be a role of the city through ordinances. Mayor Pro Tem Bradham asked how to require property owners to apply by the rules. Neuschafer said it usually depends on the cost and you give them a certain amount of time to come into compliance. After further discussion, City Attorney Pope added that you can have ordinances specific to downtown.

Librarian Williams – resume in-person and improve virtual programming, and upgrade live stream and video capability which will require equipment and software. He also requested additional staff to restore the capabilities prior to covid. Neuschafer added that there is no additional space in the library so when we are talking about facilities, we are definitely including the library.

Public Utilities Director Adams reported on the issues related to inflow and infiltration. This a big concern with approximately 75% of our pipes over 50 years old. She talked about how the rainfall has impacted the wastewater treatment system with the city treating clean water. Goals are sanitary sewer evaluation

survey/comprehensive wet weather plan to work on the extra water getting into the system, plan for wastewater treatment 80/90 rule, which is a state mandated rule, USDA Phase 1 Collection System Rehab, CDBG Infrastructure projects. When explaining the 80/90 rule, she added that the state could say no more connections after 90% which could impede growth. She also shared that the Town of Benson applied for a merger feasibility study on sewer and received, so we will be looking at partnering with them and sending some sewer that way. Adams added we either need to look at expanding plant or getting rain water and ground water out of the system. She showed a manhole with ground water coming in on the sides. When that manhole was corrected, it reduced flow about 300,000 gallons the next day. Neuschafer clarified that we are literally treating double the amount of what is consumed by the city. She updated that the city did not receive the grant for the 301 water tank. They are working on redoing application to resubmit this spring. Council Member Sills asked about call system to let residents know about problems with the water and sewer system. Adams said that will be available once the finance software is in place.

Mayor Pro Tem Bradham questioned the flooding around Black River which is probably happening due to it not being dredged. Neuschafer added that we have reached out and the office is about two months behind. Bradham requested that city staff stay on this.

Public Works Director Washington reported on how busy the cemetery crews were due to covid with 156 burials last year and already 57 in 2021. His goals include storm drain issues/repairs, pot holes, cemetery improvements, and small scale paving projects for training on paver. He said they need a sewer jet and crew so that they can be used to find blockages, clean and mark what needs to be repaired in the storm drain system.

Planning Director Adler – completion of Vision Plan, Chapter 160D updates, ADA plan, and for the upcoming fiscal year - develop new comprehensive plan, update zoning code, sign ordinance and work to improve flooding due to impervious surfaces through zoning, completion of pedestrian plan. He added that he will need planning board members due to one resigning and another stepping down this year. Mayor Elmore and City Attorney Pope added that it is important to have quality people on the board with what is coming up. Neuschafer added that the increase of workload coming into that department is another reason we need to add staff in the Planning and Inspections Department. Assistant City Manager Boone added that you don't want to get behind on reviewing plans and inspections that may hinder growth.

Motion by Mayor Pro Tem Bradham and second by Council Member Gauden to enter Closed Session in accordance with [N.C.G.S. 143-318.11(a)(3)] to consult with Attorney to protect the attorney-client privilege.

Mayor Elmore reconvened the planning session at 12:45 p.m.

Rocchetti divided the council into two groups to work on the goals for the upcoming year. New Goals for FY2021-2022 as discussed by Council:

- Personnel pay/retention/training program
- Wayfinding System
- Purchase Storm Water Sewer Jet
- Technology updates for Finance and the Library
- One page documents for builders/developers
- Upgrade Streets specifically Wards 2, 3 and 5
- Lobby to get Black River dredged to help with flooding
- Codrington Park
- Ordinance revisions
- On the job training where needed with documentation
- Storm Water Drainage (All of Dunn)
 - Consider seawall bulk heads along sections of Juniper Creek
- Initiate regular joint meetings with Education Officials
- Comprehensive Land Use Plan
- Sustain and Flourish I95/I40 Crossroads of America Alliance

Mayor Elmore thanked everyone for their time and with no further business to discuss and no objections, Mayor Elmore adjourned the meeting at 2:35 p.m.

William P. Elmore Jr.
Mayor

Attest:

Tammy Williams
City Clerk