

Dunn City Council
Regular Meeting
Tuesday, March 9, 2021
7:00 p.m., Dunn Municipal Building

Minutes

PRESENT: Mayor Pro Tem Dr. David L. Bradham, Council Members J. Wesley Sills, April Gaulden, Frank McLean, Billy N. Tart, and Chuck Turnage. **Absent:** Mayor William P. Elmore Jr. *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, Planning Director George Adler, Chief of Police Clark White, Executive Assistant Connie Jernigan, Communications Coordinator Kaitlin Adkins, City Attorney Tilghman Pope, and City Clerk Tammy Williams.

CALL TO ORDER AND INVOCATION

Mayor Pro Tem Bradham opened the meeting at 7:00 p.m. He shared that Mayor Elmore and his wife, Edith, have both been diagnosed with Covid and they are at home resting. Rev. Sam Neal, Associate Pastor at Glad Tidings Church gave the invocation and afterwards, Council Member Turnage led in the Pledge of Allegiance.

AGENDA ADJUSTMENT AND APPROVAL

Motion by Council Member Turnage and second by Council Member McLean to adopt the March 9, 2021 meeting agenda with the following change:

Remove item #17 for discussion and/or decision

- Approval of Engineering Services Agreement for USDA Phase I Collection System and move to next month's agenda.

Motion unanimously approved.

PRESENTATIONS

Community Appearance Committee (CAC)

Meredith Bradham, Chairman of CAC gave a quick update on the committee's activities and asked Council members for their support for the upcoming Spring Litter Sweep set for Saturday, April 24. She shared efforts to clean up the cemeteries, implementation of more art/murals in downtown, and litter campaign theme, "Every Litter Bit Hurts." Other members in attendance: Ann Fairley and Tasha McDowell.

PUBLIC COMMENT PERIOD

The Public Comment Period was opened by Mayor Pro Tem Bradham at 7:10 p.m. Having no comments, the Public Comment period was closed.

CONSENT ITEMS

- Approval of the minutes of the February 9, 2021 City Council Meeting
- Approval of the minutes of the February 19-20, 2021 Budget Planning Retreat
- Temporary Closing of Alley – Stewart Theater
- Temporary Closing of Streets – Dunn Chamber Concerts
- Request to use City-owned Property – Passion Week Leaders
- Temporary Closing of Streets – Dunn Fun Run Downtown Dunn
- Budget Amendment – Police Department Travel and Training. *A copy of the Budget Amendment (BA2021-14) is incorporated into these minutes as Attachment #2.*

Motion by Council Member Tart and second by Council Member Gaulden to approve all consent items.

Motion unanimously approved.

ITEMS FOR DISCUSSION AND/OR DECISION

USDA Sewer Application Resolution

Steve Smith from USDA presented a letter of conditions that must be met for the next 24 months, for USDA funding of the City's Phase 1 of the wastewater collection system rehabilitation. Total cost of the project is estimated at \$2,636,000. USDA is offering funding through a loan in the amount of \$1,436,000 and grant of \$1,200,000. The loan will be for a term of 40 years with an interest rate at 1.25%. The security for the loan will be a water and sewer revenue bond.

After discussion, motion by Council Member Tart and second by Council Member Sills to approve the resolution authorizing the loans and grants by the USDA. **Motion unanimously approved.** *A copy of the Resolution (R2021-08) is incorporated into these minutes as Attachment #3.*

Harnett Health Systems Presentation/Resolution

Ben Thompson, representing Harnett Health, presented request for council to approve a resolution in support of the acquisition of Harnett Health by Cape Fear Valley. He recognized others in attendance: Walter Massey, Chairman of Harnett Health Board; Cory Hess, President of Harnett Health System; Mike Nagowski, President & CEO of Cape Fear Valley Health System; Tom Powell, General Counsel for Cape Fear; Dr. Brad Creed, President of Campbell University and member of Harnett Health Board. He reviewed the history of the hospital since 1996 when the city conveyed hospital property to Betsy Johnson Hospital Authority. He shared how the hospital was suffering huge losses in 2013 and entered into a management agreement with Cape

Fear Valley Health System in 2014. They have reduced the long term debt and current accounts payable. Under their management, Harnett Health was restored to a profitable position by 2016. One of the provisions was for Cape Fear Valley to acquire Harnett Health and to become the sole owners of the hospital. The annual payments made by Harnett Health to the City of Dunn per Restrictive Covenants requirements will continue after the acquisition of Harnett Health by Cape Fear Valley.

Motion by Council Member Gaulden and second by Council Member McLean to approve the Resolution for the acquisition of Harnett Health by Cape Fear Valley. **Motion unanimously approved.** *A copy of the Resolution (R2021-09) is incorporated into these minutes as Attachment #4.*

Rezoning Request RZ-01-21, 101 N Powell Ave

Mayor Pro Tem Bradham opened the Public Hearing at 7:30 p.m. to consider a request to rezone one parcel 1.01 acres +/- located at 101 N. Powell Avenue. Planning Director Adler reported that the property is currently zoned R-10, Single Family Dwelling District and is proposed to be rezoned to C-3, Highway Commercial District. He also reported that the request was unanimously approved by the Planning Board at the February 23, 2021 meeting. He told council that the rezoning is considered a reasonable request for this area.

Brian Soltz, with Commercial Site Design, spoke in support of the request and offered to answer any questions. With no further comments, the public hearing was closed.

Motion by Council Member Turnage and second by Council Member Tart to approve rezoning request RZ-01-21 to rezone 1.01 acres +/- located at 101 N Powell Avenue from R-10, Single Family Dwelling District to C-3, Highway Commercial District. **Motion unanimously approved.**

Rezoning RZ-02-21, 1000 & 1001 Susan Tart Rd and parcels on Bruce Dr

Mayor Pro Tem Bradham opened the Public Hearing at 7:35 p.m. to consider a request to rezone 4 parcels totaling 62.65 acres +/- located at 1000 and 1001 Susan Tart Road and parcels on the western side of Bruce Drive. Planning Director Adler reported that the parcels are currently zoned I-10, Restricted Industrial District; R-10, Single-Family Dwelling District; R-20, Single-Family Dwelling District; and RA-40, Single Family Dwelling and Agricultural District. The request is to rezone these parcels to R-7, single-Family Dwelling District. The request is a reasonable change for the current conditions of the area around it. He referred to the old meat packing plant that has been vacant for years and will soon be demolished. The Planning Board voted unanimously to approve this request at their February 23, 2021 meeting.

Zack Angle, owner of the property, spoke in support of the request and offered to answer any questions. Council Member Turnage asked about the wetlands. Mr. Angle said they are working with an engineer and the wetlands have already been delineated and they are planning on keeping that 20+ acres as greenspace.

Motion by Council Member Turnage and second by Council Member McLean to approve rezoning request RZ-02-21 to rezone 62.65 acres +/- located at 1000 and 1001 Susan Tart Road and parcels on western side of Bruce Drive from I-10, Restricted Industrial District; R-10, Single-Family Dwelling District; R-20, Single-Family Dwelling District; and RA-40, Single Family Dwelling and Agricultural District to R-7, Single-Family Dwelling District. **Motion unanimously approved.**

Audit Report FY2019-2020

Ben Ripple, partner representing the firm, Bernard Robinson & Company, LLP, presented the FY 2019-2020 audit. He told council that the city received an unmodified opinion, which is what you want – a clean report with statements free of material misstatement.

Motion by Council Member McLean and second by Council Member Gaulden to accept the Audit for FY2019-2020 as presented. **Motion unanimously approved.** *A copy of the Audit Report is on file with the City Clerk's records.*

Purchase Replacement/Trade-in Police Service Weapons

Chief White presented request for replacement of service weapons with an average age of 10 years and for approval of the budget amendment to allow for the trade-in of old service weapons and purchase of new police service weapons to include leather duty gear. Total cost, after the trade-in, is approximately \$12,000.00.

Motion by Council Member Sills and second by Council Member Turnage to approve the purchase of service weapons and duty gear and to approve the budget amendment to allow for the purchase. **Motion unanimously approved.** *A copy of the Budget Amendment (BA2021-15) is incorporated into these minutes as Attachment #5.*

Solid Waste Contract Decision

City Manager Neuschafer requested authority to negotiate and extend contract with Republic Services with current contract ending June 30, 2021. The current contract with Republic Services is competitive compared to other recently bid contracts and the fixed maximum increase of 2% (annually) is better than others in the area.

After discussion concerning recycle and yard debris cans, motion by Council Member Sills and second by Council Member Turnage to authorize the City Manager to negotiate with Republic Services for a contract extension. **Motion unanimously approved.**

Contract Award – Stormwater Fee Study

City Manager Neuschafer reported that proposals were received from firms that could develop and implement a stormwater utility fee that is fair, equitable, legally defensible and publicly acceptable. Willdan Financial Services was selected from the proposals received based upon their explanation of their methods and experience in establishing new stormwater fees. Cost of the study will be paid out of the stormwater enterprise funds.

Motion by Council Member Turnage and second by Council Member McLean to authorize the City Manager to enter into a contract with Willdan Financial Services to develop a stormwater utility fee with total cost of the study not to exceed \$45,000. **Motion unanimously approved.**

Contract Award – Citywide Pavement Condition Study

City Manager Neuschafer reported that a selection process for the city-wide street pavement condition study was also conducted where firms submitted their qualifications and cost of the project. SEPI Inc. was selected due to their combination of experience and reasonable cost. The study is projected to be completed by July 2021 and funds to complete the study will need to be moved from fund balance.

Mayor Pro Tem Bradham felt the more objective information the city can get, the better. He also felt it is important to continue to educate the residents on the expense involved with paving projects. Neuschafer did confirm that the study will be done for each block not by street.

Motion by Council Member Gaulden and second by Council Member McLean to authorize the City Manager to enter into a contract with SEPI Inc. to develop a city-wide street pavement condition study; total fee not to exceed \$30,000, and to approve the budget amendment allocating the funds. **Motion unanimously approved.** *A copy of the Budget Amendment (BA2021-16) is incorporated into these minutes as Attachment #6.*

Council Member Sills noted that the business being hired for the study is a woman-owned business and is recognized by the state as a historically underutilized business.

Goals Update from FY2021-2022 Budget Planning Retreat

City Manager Neuschafer presented listing of Goals and Objectives as developed at the Budget Retreat. The reports will be updated and the new Goals and Objectives will be incorporated into the reports for the April Council meeting. Goals not completed in FY2020-2021, have been incorporated into the list.

Motion by Council Member McLean and second by Council Member Sills to approve the short-term and long-term goals as presented. **Motion unanimously approved.**

Council Goals/Reports

City Manager Neuschafer updated on upcoming zoom meeting with NCDOT concerning the Tyler to Tart Parks trail.

Motion by Council Member Gaulden and second by Council Member McLean to acknowledge receipt of the monthly administrative reports pertaining to goals and objectives set by council at the FY2020-21 Budget Retreat. **Motion carried unanimously.**

Administrative Reports

City Manager Neuschafer reported that construction has started on utility work on Broad Street and then will move to E Bay St and then Watauga with this project taking approximately 120 days. He added that the city has also received a lot of calls concerning railroad tracks. CSX showed up early to do the repairs and left tracks in great disrepair. Several calls have been made and the information has been reported to CSX with no response from contractors. Council Member Sills added that the state of the tracks is a disgrace to our city and is unacceptable.

Finance Director Roberts provided the following financial report for the period ending February 28, 2021:

- \$9,200,912 in the General Fund and the Water-Sewer Fund combined compared to \$7,753,087 as of last year.
- City has received \$3,961,827, approximately 98%, of Property Tax revenue, as of January 31, 2021 compared to \$3,846,780 in 2020.
- Sales Tax Revenue continues to be very strong with December receipts of \$217,269 for total, July through December of \$1,288,410, up 19.65% from the same time last year which was \$1,076,826.
- Utilities Sales Taxes received \$337,594 compared to \$343,048 in 2020.
- Building Permit Fees for the month of February were \$8,767 with total collected of \$101,030 or 101% of budget. Last year, collections were \$88,146.
- Water and Sewer Revenues for the month of February were \$460,330 with total of \$3,922,065 or 67.04% of budget compared to \$3,902,542 last year.
- General Fund expenditures in February were \$807,774 with total expensed to date - \$6,798,227 or 58.3% of Budget compared to \$7,406,775 last year.
- The Water and Sewer fund expenditures in January were \$367,603 with total expensed to date - \$3,837,223 or 52.6% of budget compared to \$3,545,140 in 2020.
- The benchmark for this period is 67% of budget.

He also updated on debt service payments, CD at Select Bank and liens and accounts receivable.

Reports were also received as follows: Communications/Public Information, Planning and Inspections Report, Public Works Report, Public Utilities Report, Parks and Recreation Report, Library Report and Police Report.

Mayor Pro Tem Bradham asked if there is a plan for utilizing parks for travel ball and tournaments. City Manager Neuschafer said that a plan will be put together and presented at the next meeting.

Council Member Sills inquired about the Lester Group property on Fayetteville Ave. City Manager Neuschafer reported that it still has not been completed and Mayor Elmore has spoken to the Lester Group concerning the lack of work and was assured that the work will be completed. Council members expressed frustration with the lack of progress at the Fayetteville Ave property and wants pressure with fines or whatever to be placed on the owners, The Lester Group, to make sure this lot is completely cleaned.

Motion by Council Member Sills and second by Council Member Gaulden to acknowledge receipt of Administrative Reports. **Motion unanimously approved.**

Announcements/Information

Mayor Pro Tem Bradham acknowledged invitation received from Wilkins Cemetery Committee. Council Member Gaulden added they will have a community service day this Saturday to work on clean-up of the cemetery. She also recognized Madalyn Marshall, a 2015 Triton High School graduate who is now employed as a Grassroots Associate with the North Carolina League of Municipalities. Mayor Pro Tem Bradham announced other upcoming events and activities.

Council Member Turnage asked for a report to be presented at the next meeting concerning the Highway Inn.

Motion by Council Member Sills and second by Council Gaulden for council to enter Closed Session in accordance with [N.C.G.S. 143-318.11(a)(3)] to consult with City Attorney to protect the attorney client privilege. **Motion unanimously approved.**

The meeting was recessed for Closed Session at 8:38 p.m.

Mayor Pro Tem Bradham reconvened the meeting and with no further business to discuss, motion by Council Member McLean and second by Council Member Gaulden to adjourn the meeting at 9:27 p.m. **Motion unanimously approved.**

William P. Elmore Jr.
Mayor

Attest:

Tammy Williams
City Clerk