

Dunn City Council
Regular Meeting
Tuesday, May 10, 2022
7:00 p.m., Dunn Municipal Building

Minutes

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

Also present: City Manager Steven Neuschafer, Assistant City Manager Mathew Boone, Finance Director Jim Roberts, Chief of Police Clark White, Police Major Cary Jackson, Planning Director George Adler, Parks and Recreation Director Brian McNeill, Human Resources Director Connie Jernigan, Library Director Mike Williams, Communications Coordinator Kaitlin Adkins, City Attorney Tilghman Pope, and City Clerk Tammy Williams.

CALL TO ORDER AND INVOCATION

Mayor Elmore opened the meeting at 7:00 p.m. and Rev. Len Keever, Pastor of First Baptist Church gave the invocation. Afterwards, Mayor Elmore led in the Pledge of Allegiance.

AGENDA ADJUSTMENT AND APPROVAL

Motion by Council Member Turnage and second by Mayor Pro Tem Bradham to adopt the May 10, 2022 meeting agenda as presented. **Motion unanimously approved.**

PRESENTATIONS

Mayor Elmore recognized students in attendance from Midway High School in Ms. Christine Ess' AP Government Class and had each student introduce themselves to the council: Tayler C. Blackwood, Madalyn O. Stewart, Holden Sinclair, Lana Rhoads and Sharon Nettrour.

Police Recognitions

Chief White recognized Lt. Joseph Byrd and Sgt. Matthew Norris for completing the Leadership Institute through the North Carolina Justice Academy and Sgt. Norris for completion of the Leadership Certificate Program which requires 400 hours of leadership training.

New Employee Introductions

Finance Director Roberts introduced Alexa Kallesten, Accountant and Software Support Specialist; Library Director Williams introduced Library Program Specialists, Tiffany Owens and Jolinda Powell; and Planning Director Adler introduced Joshua Gainey, Code Enforcement Officer with the Inspections Department.

PUBLIC COMMENT PERIOD

The Public Comment Period was opened by Mayor Elmore at 7:13 p.m. Having no comments, the Public Comment period was closed.

CONSENT ITEMS

- Minutes of the April 12, 2022 City Council Meeting.
- Resolution to accept ARPA Funds for Stormwater. *A copy of the Resolution (R2022-13) is incorporated into these minutes as Attachment #1.*
- Special Event Permit – Temporary Blocking of Streets – Bicycle Safety Demonstration
- Special Event Permit – Temporary Blocking of Streets – Broad Street 5k Run/Food Truck Rodeo
- Resolution to Change Schedule of Council Meetings. *A copy of the Resolution (R2022-14) is incorporated into these minutes as Attachment #2.*
- Destruction of Records – Planning & Inspections
- Resolution Declaring Property Surplus and Authorizing Disposition. *A copy of the Resolution (R2022-15) is incorporated into these minutes as Attachment #3.*
- NC DOT Inspection of Bridges Municipal Agreement. *A copy of the Agreement is incorporated into these minutes as Attachment #4.*
- Resolution Requesting Authorization to Remove Parking Places on Clinton Ave/US Hwy 301. *A copy of the Resolution (R2022-16) is incorporated into these minutes as Attachment #5.*

Motion by Mayor Pro Tem Bradham and second by Council Member Gaulden to approve all consent items. **Motion unanimously approved.**

ITEMS FOR DISCUSSION AND/OR DECISION

Rezoning Request RZ-01-22, 600 S Clinton Ave

Mayor Elmore opened the Public Hearing at 7:16 p.m. Planning Director Adler presented request to rezone one parcel .37 acres +/- located at 600 S Clinton Ave. The property is currently zoned I-10, Restricted Industrial District and is proposed to be rezoned to C-3, Highway Commercial District for a used car lot. The Planning Board unanimously recommended approval of this rezoning. Said Slimani, applicant offered to answer any questions. With no additional comments, the Public Hearing was closed.

Motion by Council Member Turnage and second by Council Member McLean to approve RZ-01-22 to rezone 600 South Clinton from I-10, Restricted Industrial District to C-3, Highway Commercial District as presented. **Motion unanimously approved.**

Rezoning Request RZ-02-22, 110 N Orange Ave

Mayor Elmore opened the Public Hearing at 7:19 p.m. Planning Director Adler presented request to rezone one parcel .24 acres +/- located at 110 North Orange Avenue. The property is currently zoned O&I, Office & Institutional District and is proposed to be rezoned to C-4, Neighborhood Business District. Corey Black, applicant, plans to use as a beauty salon. The Planning Board unanimously recommended approval of this rezoning. Marc Phillips, owner of the property, offered to answer any questions. With no additional comments, the Public Hearing was closed.

Motion by Council Member Gaulden and second by Council Member McLean to approve RZ-02-22 to rezone 110 North Orange Avenue from O&I, Office & Institutional District to C-4, Neighborhood Business District as presented. **Motion unanimously approved.**

Rezoning Request RZ-03-22, 204 Cooke St

Mayor Elmore opened the Public Hearing at 7:23 p.m. Planning Director Adler presented request to rezone one parcel .28 acres +/- located at 204 Cooke Street. The property is currently zoned R-7, Single-Family Dwelling District and is proposed to be rezoned to I-10, Restricted Industrial District to allow the storage business to expand. With General Use Rezoning any allowable - "Permitted" use will be allowed. The Planning Board unanimously recommended approval of this rezoning. Marc Phillips offered to answer any questions. With no additional comments, the Public Hearing was closed.

Motion by Council Member McLean and second by Council Member Gaulden to approve the RZ-03-22 to rezone 204 Cooke Street from R-7, Single-Family Dwelling District to I-10, Restricted Industrial District as presented. **Motion unanimously approved.**

Rezoning Request RZ-04-22, 400 E Best St

Mayor Elmore reported that this rezoning request has been withdrawn by the applicant.

Conveyance of 511 E Townsend St to Dunn Community Development Corporation (DCDC)

Assistant City Manager Boone presented request for Council to consider donating city-owned property located at 511 E Townsend to DCDC for the construction of a new home using the CDBG funds allocated for rehabilitations and relocation for low to moderate income families in the specific target area approved by HUD. The owners of 411 Magnolia were approved for a rehab within the CDBG rehab program. Unfortunately, the property is in such disrepair that a rehab is not within the program's abilities monetarily. If Council approves the donation, DCDC will in-turn sell the lot to an already approved developer for \$1, who has agreed to build on the lot within the allowable CDBG budget fund amount for the relocation of the family. The DCDC board voted unanimously to accept the donation from the City.

Motion by Mayor Pro Tem Bradham and second by Council Member Gaulden to approve the resolution conveying Real Property located at 511 E Townsend St to the DCDC. **Motion unanimously approved.** *A copy of the Resolution (R2022-17) is incorporated into these minutes as Attachment #6.*

Design-Build Team Selection for Black River WWTP Improvements

City Manager Neuschafer presented recommendation for contract negotiations with a design build team to design and construct the wastewater treatment plant improvements. The following WWTP improvements have received State Revolving Fund loan approval: addition of a new clarifier, rehabilitation of an existing clarifier, new aeration splitter box, upsize internal piping, construct new chlorine contact chamber, and chemical addition improvements. The project will increase the WWTP's hydraulic capacity therefore improving treatment during peak flow conditions. In August 2021, the City was awarded a \$3,626,000 loan for the above referenced Black River WWTP improvements. This project is incorporated into the Special Orders by Consent agreement. The City received three Statement of Qualifications and of those received, staff scored each using the same criteria for comparison. TA Loving received the highest collective score.

Motion by Council Member Turnage and second by Mayor Pro Tem Bradham to authorize the City Manager to negotiate design-build contract terms and conditions for WWTP Improvements with TA Loving Company. **Motion unanimously approved.**

USDA Phase 1 Sewer Rehabilitation Bids

City Manager Neuschafer reported the project was bid on April 28, 2022 and two of the three bidders did not comply with one of the technical bid specifications. After conferring with the City Attorney, recommendation is to reject all three bids and authorize staff to re-bid.

Motion by Council Member McLean and second by Council Member Gaulden to reject all three bids that were received on April 28, 2022 and authorize staff to rebid the Phase 1 Sewer Rehabilitation Project. **Motion unanimously approved.**

USDA Bond Sales for Sewer Line Upgrade Resolutions

Finance Director Roberts presented request for approval of resolutions allowing the Water and Sewer Department to receive grants and loans for work to be done on the City's sewer lines. This funding is from the USDA and the City has hired Bond council to assist with the proper process of closing this loan. The loan and grant from the USDA require a process that takes all the questions and the documentation for the project and provides it to the Local Government Commission (LGC). These two resolutions are required to allow us to take the documentation for the sale of the bonds to fund this project to the LGC and request them to sell these bonds and notes while the second resolution is meant to allow the City to move forward and begin work with the intent to reimburse expenditures that qualify under the US Department of Treasury.

Motion by Council Member Turnage and second by Council Member McLean to adopt the two resolutions for USDA bond sales for the preliminary findings through the LGC and the reimbursements as presented. **Motion unanimously approved.** *A copy of the Resolutions (R2022-18) and (R2022-19) is incorporated into these minutes as Attachment #7.*

Consideration to Apply for USDA Stormwater Loan – Street Sweeper

Finance Director Roberts presented request to apply to the USDA Rural Development Division for funds to purchase a Street Sweeper to assist with Stormwater mitigation and reduce the debris entering the Stormwater system. The repayment for this piece of equipment will be approximately \$22,900 per year. It will be a 10-year loan at approximately 1.25%.

Motion by Mayor Pro Tem Bradham and second by Council Member Sills to approve allowing the City to submit an application to the USDA for a new Street Sweeper for Stormwater services. **Motion unanimously approved.**

Consideration to Apply for USDA Loan – Police Cars

Finance Director Roberts presented request to apply to the USDA Rural Development Division to request funds for the purchase of police cars for the 2021-2022 year. The repayment for these police cars will be approximately \$12,500 per year. It will be a 7-year loan at approximately 1.5%.

Motion by Council Member Sills and second by Council Member Gaulden to approve allowing the City to submit an application to the USDA for new police cars. **Motion unanimously approved.**

Consideration to Apply for USDA Loan – Public Services Facility

Finance Director Roberts presented request to apply to the USDA Rural Development Division to request funds for the construction of the new Public Services Complex. This application will get our request in the queue to potentially qualify for grants as well as low interest loans. The USDA has funds available for up to a 40 year time span and interest rates can be locked in now at a lower interest rate than anticipated for the future. The City has purchased land for this new building and architects hired to assist with the layout and design of a facility for public works, public utilities, including offices for both departments. This application is not a commitment but will lock in interest rates, maximum loan amounts and potential grant funds.

Motion by Council Member Sills and second by Council Member Turnage to approve allowing the City to submit an application to the USDA for the construction of a new Public Works facility. **Motion unanimously approved.**

Set Special Meeting for Budget Workshop

City Manager Neuschafer presented a request to set a Special Called Meeting for the purpose of holding a Budget Workshop and possible Closed Session.

Motion by Council Member McLean and second by Council Member Gaulden to set the Budget Workshop for Monday, May 23, 2022, 6:00 p.m. in the Dunn Municipal Building as presented. **Motion unanimously approved.**

Voluntary Annexation Petition ANX-01-22, portion of 800 Tilghman Dr

City Manager Neuschafer presented petition requesting the voluntary contiguous annexation of a portion of 800 Tilghman Dr, owned by Harnett Health System, Inc. The property located at 800 Tilghman Dr is identified by the Harnett County Registry as a portion of PIN#1506-86-9966.000, which has not yet been annexed into the city limits. This is a small portion of the property with annexed city property currently surrounding it, so this will clean up the GIS map and have all the property identified by PIN #1506-86-9966.000 under one jurisdiction.

Motion by Council Member Turnage and second by Council Member McLean to adopt the Resolution Directing the City Clerk to Investigate the Voluntary Annexation Petition ANX-01-22 as presented. **Motion unanimously approved.** *A copy of the Resolution (R2022-20) is incorporated into these minutes as Attachment #8.*

Resolution of Intent of Annexation of City-owned Property – ANX-02-22

City Manager Neuschafer presented Resolution to set Public Hearing of the City's intent to annex City-owned property contiguous to the City of Dunn and to set Public Hearing for June 14, 2022. The City of Dunn purchased property on N McKay Ave, Pin#1517-71-6247.000, for the purpose of construction of a new Public Services Complex. A portion of the property and the street serving the property is not currently in the city limits and through this annexation, the total property owned by the city will be included within the city's jurisdiction.

Motion by Mayor Pro Tem Bradham and second by Council Member Turnage to adopt the Resolution of Intent to Annex Contiguous Property as presented and to set the Public Hearing for June 14, 2022. **Motion unanimously approved.** *A copy of the Resolution (R2022-21) is incorporated into these minutes as Attachment #9.*

Council Goals/Reports

City Manager Neuschafer presented the goals and priorities update for review and discussion.

Administrative Reports

City Manager Neuschafer reported staff is currently negotiating on the stormwater mapping and the contract should be final by the June meeting with an anticipated completion of six months.

Finance Director Roberts provided the following financial report for the period ending April 30, 2022:

- Based on the April 30th bank statements, the City has \$10,702,506 in cash compared to \$9,152,110 in 2021.
- Water and Sewer Revenues for the month of April were \$499,166, with total collected year to-date at \$5,121,903 or 83.83% of budget, compared to \$4,858,633 in 2021.
- Property Taxes received through March are \$3,940,093 compared to \$3,882,488 in 2021.
- Sales Taxes February receipts were \$219,258 with total amount collected year to-date of \$2,151,032.
- Utilities Sales Taxes are reported quarterly. For this year's third quarter, the city received \$163,021 compared to \$160,807 for 2021. This report is for the quarter ending December 31, 2021 and the amount received for this year was \$486,135 compared to \$491,922 in 2021.
- Building Permit Fees for the month of April were \$19,735, with total collected for the year of \$140,968 or 91% of budget compared to \$145,193 last year.
- General Fund expenditures for April were \$973,298, with total expensed to-date at \$10,201,776 or 81.26% of Budget compared to \$9,767,570 in 2021.
- The Water and Sewer fund expenditures for April were 404,571, with total expensed to-date of \$5,266,613, or 66.75% of budget compared to \$5,266,613 in 2021.
- The benchmark for this period is 83% of budget.

Roberts also reported on debt service and liens and assessments. He presented request for council to sign letter of financial indicator of concern required by the LGC due to the need for a single audit due to grants that required the audit be revised so the LGC considered the reports late.

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.

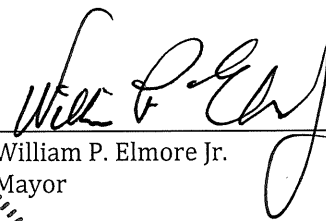
Announcements/Information

Mayor Elmore announced upcoming events and activities.

Motion by Council Member Turnage and second by Pro Tem Bradham to enter Closed Session in accordance with [N.C.G.S. 143-318.11(a)(5)] to establish or instruct the staff concerning the negotiation of the price and terms of a contract concerning the acquisition of real property. **Motion unanimously approved.**

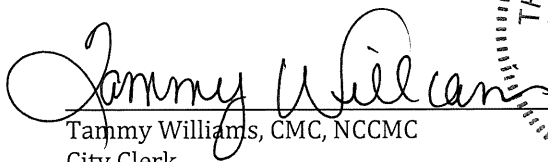
The meeting was recessed at 8:00 p.m.

Mayor Elmore reconvened the meeting and with no further business to discuss, motion by Council Member Sills and second by Council Member McLean to adjourn the meeting at 8:20 p.m. **Motion unanimously approved.**



 William P. Elmore Jr.
 Mayor

Attest:



 Tammy Williams, CMC, NCCMC
 City Clerk

