

**Dunn City Council
Regular Meeting
Tuesday, August 27, 2024
6:30 p.m., Dunn Municipal Building**

Minutes

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

Also present: City Manager Steven Neuschafer, Assistant City Manager Billy R. Godwin, Finance Director Cary McNallan, Chief of Police Cary Jackson, Planning Director George Adler, Human Resources Director Connie Jernigan, Public Works Director Dwayne Williams, Water Plant Manager Ian Stroud, Wastewater Plant Manager Donrie Dukes, Administrative Support Specialist Amber Groves, City Attorney Tilghman Pope, and City Clerk Tammy Williams. Collections and Distribution Manager Billy Cottle,

Department Heads Absent: Parks and Recreation Director Brian McNeill.

CALL TO ORDER

Mayor Elmore called the meeting to order at 6:30 p.m.

INVOCATION AND PRAYER

Reverend Grover Blackburn from North Clinton Avenue Baptist Church gave the invocation. Afterwards, Mayor Pro Tem J. Wesley Sills led in the Pledge of Allegiance.

AGENDA ADJUSTMENT AND APPROVAL

Motion by Council Member Hargis and second by Council Member Bradham to remove Item #6 The Special Use Permit #SUP-03-24 from the agenda until a complete application package and supporting documentation has been submitted to the Planning Department. **Motion unanimously approved.**

PUBLIC COMMENT PERIOD

The Public Comment Period was opened by Mayor Elmore at 6:53 p.m.

Reverend William T Clark of 211 Burke Street requested that the city provide something to help at the block between Johnson and the cemetery and the children's playground. It is just a two (2) block area, but there are no speed bumps or speed signs. They have children and people in wheelchairs and people use that as a path to go. Some of them go to the cemetery to do their daily constitution. Cars come down the street like they are at Burlington or Darlington or any other Speedway in this country, and it does not make sense. Law enforcement is never around when these people are doing this. And Noone's going to say anything until someone gets hurt. if there is a regular speed limit sign. It could curtail some of these things.

Shar Martinez of 800 S McKay Avenue expressed her concern regarding the flooding at her parent's home. Pictures were provided. They have lived in that house since May of 1996. Since then, their yard has been subject to terrible flooding and flood damage during thunderstorms as well as hurricanes. During Hurricane Floyd, they lost three (3) vehicles and a motorcycle. During Hurricane Matthew, the rainfall was so bad that the ground caved in, and it caused one of my dad's storage buildings to collapse with the vehicle inside. Since then, every time it rains my parents have to park their vehicles a block away from the property and it is really terrible because they have to wait until the flood waters recede just to be able to walk to go get their cars because they have to go to work. But they cannot walk through a flooded yard. They have even built higher decks just to be able to make it to our storage buildings in the backyard. But even the decks still get flooded, and they have taken measures themselves to prevent it, such as getting new gutters for the house, cleaning out the two ditches in front of the yard that belong to our property, and cleaning out the gutter behind our property. That belongs to the community of McKay Courts. We have no solutions, so we are pleading with you all today to help us. We do not have the proper tools or equipment to go deep inside the gutters in the front yard and it is not safe for us to be down there doing that because my parents are getting older. So, we are asking for help from City of Dunn to come clean out our gutters. We also think that roadside gutters in front of the property would help with the flooding situation, so all the water does not compile in one place.

CONSENT ITEMS

- Minutes of the July 9th, 2024 Special Call City Council Meeting.
- Special Event – Chalk Festival -Temporary Closing of Parking Lot – October 5, 2024
- Special Event – Trunk or Treat – Temporary Street Closing – October 31, 2024

Motion by Council Member Hargis and second by Council Member Gaulden to approve all consent items. **Motion unanimously approved.**

ITEMS FOR DISCUSSION AND/OR DECISION

Consideration to Adopt Four Resolutions & Accept Four Letters of Condition – USDA Loans/Grants FY24 Vehicle & Equipment Purchased

Finance Director McNallan reminded the Council that this agenda item is related to, it goes back to December of last year. The board had a public hearing, and it was related to buying vehicles for the city with a USDA grant and a low interest loan. This is the final step of that entire process. They bought all the equipment, and we have that all in service already. We are asking for you to approve the mayor and staff to sign the final documents, which is a letter of intent, and then the loan resolutions. Then we will close out on the loans here in the next probably 6 to 8 weeks. The total equipment purchase is a little over \$1,000,000 and you can see the list of equipment that was bought on the front page of your agenda, and we are getting about 145,000 in grant money and then the other 900 and some thousand is low interest loans at a 4% rate. It ranges anywhere from five to seven years. The impact on the budget will not be felt until next year because we do not make our first loan payment until a year after we have closed. I have listed the effects of the budget at about 78,000 for the general fund. About 68,000 for the water and sewer

fund and 39,000 for the storm water fund. We will have by FY26, when these first payments come due, we will have three loans in the general fund that will have expired in 25. So, the net loan payments actually decreases in '26 for the general fund as it does for the sewer and water fund. Stormwater Fund will have the effect of 39,000.

Motion by Council Member Gaulden and second by Council Member Tart to approve. **Motion unanimously approved.** A copy of loan/grant applications attached in Laserfiche file. Attachment 1a.

Capital Project Ordinance Amendment
Pearsall St. – Culvert Replacement Project & Stormwater Mapping Project

Finance Director McNallan explained that this item is to create capital budget. The project is already created, but the funds are not there to cover the entire estimate of the project. So, this is an amendment to the capital project putting the funding in place and then increasing the total expenditure budget to match the engineers estimate and then also part of this agenda item is for a project called Stormwater Mapping Project which was from a few years ago. It still has \$151,000 of grant money in it. We got approval to move that into this project. The state has approved that. So, part of this agenda item is to amend that project to close it out and move the funding over to the Pearsall St. project. Then we did get a breakdown from the engineer on how much of this project is stormwater related, how much is street surfacing related and how much is related to utilities. That is where we came up with the funding allocation.

Motion by Council Member Bradham and second by Council Member Hargis to approve the Capital Project Ordinance, Budget Amendments, Loan Reimbursement Resolution for the Pearsall St. Culvert replacement project and the stormwater mapping project. **Motion unanimously approved.** *A copy of the Capital Project Ordinance Amendment (O2024-20), the Capital Project Ordinance Amendment 2-Pearsall Street Stormwater Culvert Local Assistance for Stormwater Infrastructure Investment Program (O2024-21), Budget Amendment (BA2024-27), and Budget Amendment (BA2024-28) is incorporated into these minutes as Attachment #1.*

Budget Amendment
Police Performance & Wellness Grant

Finance Director McNallan explained that this agenda item was discussed at the last meeting by Chief Jackson. She told you about a Police Performance and Wellness Grant that we were receiving. All this agenda item is doing is appropriating those grant funds in the general fund and then allocating funds to her expenditure budget to purchase that software.

Motion by Council Member McNeil and second by Council Member Gaulden to approve the attached budget amendment for the general fund. **Motion unanimously approved.** *A copy of the Budget Amendment (BA2024-29) is incorporated into these minutes as Attachment #2.*

Capital Project Ordinance Amendment
Clarence Lee Tart Park Renovation
Phase Two

Assistant City Manager Godwin presented a request to amend the project ordinance for phase two of the park renovation project. The current budget for that project is about \$400,000. \$200,000 of that is a part of the grant Parks and Recreation Trust Fund Grant. The other \$200,000 is a city match terms of the grant and the project ordinance has already been approved by council previously. This is a request to add a little more money to that. The scope of the project itself is to replace the old equipment in Tark Park. Tart Park has the oldest playground equipment of all the parks in the city. There is what we call playground #1-the big playground. Then playground #2- the smaller playground. Phase two of the project is to replace that. It is also to make improvements to the existing picnic shelter at Target Park, make some improvements to the sidewalk out there, and to make improvements to the landscaping in general. That is the scope of the project as it is currently. Their actual request is to increase the project budget-the project ordinance by \$40,000. The \$40,000 would come from additional funds that came in from a sales tax that came in at the end of the previous fiscal year that just ended. In July, fortunately the sales tax was higher than we had anticipated so there were some extra funds in there. If you approve the budget project ordinance amendment, those funds would come from that excess sales tax. It is kind of a way to illustrate what the beauty of shopping local does for our community. If you approve this, we would be able to further upgrade the playground equipment for the park as it is right now. We would certainly buy new equipment, but with this additional funding we would really be able to take the playground equipment to a whole new level and what you see up here is just an illustration of the piece of equipment that we are looking at that we would be able to do with the budget amendment and the difference in this equipment and what would what would be able to get under current budget. This equipment has more pieces, more activities. It also has sunshades, and it is more inclusive. By inclusive we mean more handicapped accessible. The other piece that we would be looking at is also inclusive, but this one is even more so. It just takes the equipment on playground #1 to a whole new level. That is one of the things, probably the primary thing that the additional funding would go toward. The other part of the additional funding, if you approve the budget, would go to some additional work on the picnic shelter. It is there already but the additional funds would allow us to add electrical outlets to the picnic shelter there. Right now, it does not have any electrical ability. If somebody wanted to hook up anything electrical this would enable us to do the electrical work there and it would allow some additional landscaping and amenities - maybe some additional benches, some more trash cans.

Motion by Council Member Tart and second by Council Member Gaulden to approve the Requested \$40,000 Capital Ordinance Budget Amendment. for the Clarence Lee Tart Part Phase Two Renovation Project. **Motion unanimously approved.** *A copy of the Capital Project Ordinance Amendment 1(O2024-22) and Budget Amendment (BA2024-30) is incorporated into these minutes as attachment #3.*

Consideration of SRP Funding Offer

Water System AIA

Project no. AIA-D-0302

City Manager Neuschafer advised that we have on our agenda tonight the acceptance of a state reserve grant. Approved funding for water AIA, which is asset and inventory assessment grant. This would help us do some inventory GIS work through the water system. We did receive similar funding probably about eight years ago. This would be in addition to the work that was done at that point. Location of valves and other apparatus that the water department has, they'll create a water model which helps us track usage and pressure across this system as well as helps us point out some areas that might need some attention in the future due to pressure or water age. This is a grant for \$150,000. There is a local match, but we have chosen to do an in-kind match, so we'll be using our in-house workforce to do that match and it won't be a cash match.

Motion by Council Member Hargis and second by Council Member McNeil to accept the state grant offer of \$150,000 and adopt A resolution. **Motion unanimously approved.** *A copy of the Resolution (R2024-30) is incorporated into these minutes as attachment #4.*

Capital Project Ordinance

Raw Water Pump Station Improvements

Finance Director McNallan explained that last month the council received a report about a BRIC grant, which is a Building Resilient Infrastructure & Communities Grant of about \$6.4 million. That money is going to be used for the raw water pump station improvements and based on that application and that cost estimate we're also taking to 3% city share; I'm taking a portion of that 7.1 million of state appropriation monies that we got for that can be used for water and sewer projects. So, those two amounts combined would fund this project based on that cost estimate. This agenda item is creating that project ordinance so we can track that money. The remainder of that 7.1 would be earmarked for the water tower and I'll bring that project amendment at a later date.

Motion by Council Member Bradham and second by Gaulden to approve the roll order, pump station improvements, capital project ordinance and related budget amendment.. **Motion unanimously approved.** *A copy of the Capital Project Ordinance Raw Water Pump Station Improvement Project (O2024-23), and Budget Amendment (BA2024-31) is incorporated into these minutes as attachment #5.*

Capital Project Ordinance

Juniper Creek Area Stormwater

Improvements Project

Finance Director McNallan explained that this project is related to the Juniper Creek area Stormwater Improvements, and this would be creating a project ordinance to track these funds and these expenditures. We have a \$500,000 grant from the Golden Leaf Organization, and we also have \$2.3 million from the North Carolina Department of Environmental Quality. Of that amount it is a loan where \$500,000 of that loan could be forgiven, but it would be probably a 20, maybe a 30-year loan and the interest rate on that is 0.76% interest. So, this project keeps track of that money, that project, those expenditures, and it would be 100% funded with grant money and loan money. I would just add that the title is a little bit misleading in that it refers to Juniper Creek area Storm Water Improvements. As you look at the ordinance, it does take in East Bay Street and S. Wilson Ave. A project that we have talked about in the past is going to be handling some sort of storm water from the east side of the railroad tracks and the Friendly Road area. I want to make sure that everybody understood, even though it says Juniper Creek area, you know that these are all tributary areas of Juniper Creek.

Motion by Mayor Pro Tem Sills and second by Council Member Gaulden to approve Juniper Creek Area Stormwater Improvements Project Capital Project Ordinance, related budget amendment, and project reimbursement resolution. **Motion unanimously approved.** *A copy of the Capital Project Ordinance (O2024-24, Budget Amendment (BA2024-32), Resolution Declaring Official Intent to Reimburse Expenditures from Proceeds of Borrowing (R2024-31) is incorporated into these minutes as attachment #6.*

Administrative Reports

City Manager Neuschafer briefly discussed the Goals & Objectives spreadsheet that was in the packet. He then answered questions from the council regarding a van, street improvements, fiber in town, Codrington Park, and demolitions.

Council Member Hargis asked about a van that was approved at the Budget Retreat. Manager Neuschafer told him that we would look into that.

Finance Director McNallan provided the following financial report for the period ending July, 2024:

- Finance Director McNallan provided the following financial report for the period ending July, 2024:
- The cash investments for all funds at the end of July was 9.5 million, which is compared to 99 million a year ago. And the increase is related to projects and grants and how they get expanded and reimbursed
- Property Taxes collected for June are \$73,000, compared to \$65,000 the year before. Total to date we have collected \$5.7 Million. We had a budget of 5.5.
- Sales Tax receipts were \$297,000 for May. This was down \$1500 from the year before
- Building permits for the month of July were \$6,400. Compared to last year, for July it was \$21,000.

Announcements/Information

Mayor Elmore announced upcoming events and activities.

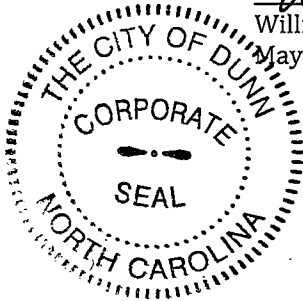
Closed Session

Mayor Elmore announced that they would be going into closed session, motion by Council Member Bradham and second by Council Member Gaulden to go into closed session at 7:15 p.m. **Motion unanimously approved.**

No decisions were made, and Closed Session adjourned at 8:15 p.m.

Attest:

Melissa R. Matti
Melissa R. Matti, CMC, NCCMC, CZO
City Clerk



William P. Elmore Jr.
Mayor