

**CITY OF LAURINBURG
COUNCIL MEETING
MARCH 19, 2013
MUNICIPAL BUILDING
303 WEST CHURCH ST.
LAURINBURG, NC
7:00 P.M.**

MINUTES

The City Council of the City of Laurinburg held its regular monthly meeting on March 19, 2013 at 7:00 p.m. in the council room of the Municipal Building with the Honorable Thomas W. Parker, III, Mayor, presiding. The following Councilmembers were present: Mary Jo Adams, Curtis B. Leak, Kenton T. Spencer, Andrew G. Williamson, Jr. and J. D. Willis.

Also present were: Harold W. Haywood, Interim City Manager; Jennifer A. Tippet, City Clerk; and William P. Floyd, Jr., Assistant City Attorney.

Mayor Parker called the meeting to order at 7:00 p.m.

The invocation was given by Councilmember Spencer.

APPROVAL OF AGENDA

Motion was made by Councilmember Willis, seconded by Councilmember Adams, and unanimously carried to adopt the agenda as presented.

PUBLIC COMMENT PERIOD

There was no one present to speak.

OATH OF OFFICE FOR FIRE CHIEF

Mayor Parker, assisted by Mrs. Leslie Gibson, wife of Fire Chief Randall "Randy" M. Gibson, Jr., administered the Oath of Office to Randall M. Gibson, Jr., the first full-time Fire Chief for the City of Laurinburg. Mayor Parker explained that Chief Gibson had worked his way up through the ranks. Mayor Parker also presented City pins to Fire Chief Gibson's children.

Fire Chief Gibson thanked the Mayor and Council for the opportunity to serve the citizens of Laurinburg and Scotland County. He pledged to continue to provide the highest level of fire protection to the area.

CONSENT AGENDA

The Interim City Manager presented the Consent Agenda as follows:

- a) Authorize Interim City Manager to execute Agreement with East Coast Pyrotechnics, Inc. for July 4th Fireworks Display for \$11,000.00

- b) Set public hearing to be held on Tuesday, April 16, 2013 at 7:00 p.m. in the Council chambers to consider a request for a Conditional Use Permit to construct a Solar Farm on Johns Road/US 15-501 Bypass
- c) Authorize Interim City Manager and City Clerk to execute contract for Police Department Website
- d) Consider Resolution No. R-2013-03 to support Laurinburg-Maxton Airport's exploration of purchasing the WestPoint Water and Wastewater Treatment Plants
- e) Consider Ordinance No. O-2013-06 condemning the property located at 219 Center Street and authorizing the City Building Inspector to demolish and clear the property

Councilmember Leak moved to approve the Consent Agenda as presented. Councilmember Spencer seconded the motion and it was approved by the following vote:

Ayes: Leak, Spencer, Willis, Williamson, Adams

Nays: None

PUBLIC HEARING

ECONOMIC DEVELOPMENT GRANT

Mayor Parker explained this is the second of the required public hearings for Economic Development Grant application.

Mayor Parker opened the public hearing.

There was no one present to speak in favor of or opposed to this grant application.

Mayor Parker closed the public hearing.

DELEGATION

BRUCE FOWLER, MCGAVRAN ENGINEERING – ELECTRIC RATE STUDY

Mr. Bruce Fowler of McGavran Engineering explained that McGavran Engineering was tasked with conducting a study of the City's electric rate structure in anticipation of wholesale electric rate increase from the North Carolina Eastern Municipal Agency (NCEMPA). He then discussed the following proposed changes to the City's electric rate structure:

- Proposed Residential Rate Adjustments
 - Combine existing rates JE and EL resulting in a net loss of \$84,36.00 per year for the City.
 - Increase discount credit to public housing rates from \$.50 to \$1.00 per bill resulting in a net loss of \$2,958.00 per year for the City.
 - The proposed residential rate adjustments would result in a loss of \$87,325.00 per year for the City.
- Proposed Demand Rate Adjustments

- Move base demand limit from 20 KW to 30 KW for all medium commercial, school and churches and other demand usage rates resulting in a net loss of \$848,749.00 per year for the City.
 - Move base demand from 20 KW to 30 KW for all small commercial, school and churches and other demand usage rates resulting in a net revenue of \$834,277.00 per year for the City.
 - The Proposed demand rate adjustments would result in a loss of \$14,472.00 per year for the City.
- Proposed Alternate Rate Adjustments
 - Add Rider RER (Solar Rider) with no net effect per year.
 - Combine off-peak residential rate adjustments to match residential rate schedule changes resulting in a net loss of less than \$1,000.00 per year for the City.
 - Increase time of load management control with increase in credit per switch for a net loss of \$14,436.00 per year for the City.
 - Because of the increased hours of load management control, an increase in savings for peak rates would result in a net revenue of \$18,750.00 for the City.
 - The proposed alternate rate adjustments would result in a net revenue of \$3,314.00 per year for the City.
 - Proposed All Rate Adjustments would result in a net loss of \$98,483.00 per year for the City.

Mr. Fowler discussed the changes in electrical usage which justify the recommended changes. He also explained that the City should see fewer electric line losses in the system because the new billing and meter reading retrieval system was being installed and the payback of said systems was less than one (1) year. He further added that customers on the demand side will have a greater desire to reduce their demand in order to lower their electric bills.

Further discussion ensued concerning the proposed changes in the City's electric rate structure and the expected 3% rate increases every five (5) years beginning in 2015 from NCEMPA. Mr. Fowler explained that with the proposed rate structure changes, the City would need to increase its electric rates by 2.4% each year to its customers instead of the 3% that the City will see in wholesale rate increases from NCEMPA.

Mr. Fowler discussed new technology that has decreased the City's electric operating costs and that in the future there should be minimal capital improvements to allow the City to continue to provide reliable, clean and almost flicker-free electricity to its customers. He added that the next step once the proposed changes in the electric rate structure has been adopted, will be to redirect time of use rates and offering new and innovative rates to commercial customers.

Further discussion ensued concerning the proposed changes to the City's electric rate structure with no action being taken.

CITY MANAGER REPORTS

CONSIDER RESOLUTION NO. R-2013-02 ADOPTING A NEW PERSONNEL POLICY

The Interim City Manager explained that the City's Personnel Policy needed to be revised and updated to be in compliance with current employment law. Resolution No. R-2013-02 rescinds the previous Personnel Policy and all of its amendments and adopts a new Personnel Policy. He added that Mrs. Martin, HR Director, was present to answer any questions.

Mrs. Martin explained that the proposed changes in the Personnel Policy brought the policy up to date with employment laws, attempted to improve engagement of employees and provide mechanisms to recruit high caliber employees.

Upon question by Councilmember Adams, Mrs. Martin explained that she had been assured by the Finance Director that there was enough funding available to cover the additional pay for stand-by pay for the Fiscal Year 2012-2013.

A discussion ensued concerning the elimination of merit pay. Mayor Parker directed the City Clerk to research if Council had eliminated merit pay.

Motion was made by Councilmember Willis to adopt Resolution No. R-2013-02 rescinding the previous Personnel Policy, R-1996-19 and all of its amendments and adopting a new Personnel Policy for the City of Laurinburg. The motion was seconded by Councilmember Spencer and the vote was as follows:

AYES: Willis, Spencer, Adams, Williamson

NAYS: Leak

(Resolution No. R-2013-02 on file in the City Clerk's Office)

BUDGET PROCESS

The Interim City Manager explained that the Mayor had discussed holding a budget retreat in late March or early April. He added that in addition to results from the Citizen Input Session, staff needed to know what additional information Council wanted for the retreat.

Following discussion, it was consensus of Council to hold a budget retreat on Wednesday, April 10, 2013 at 6:00 p.m. in the council chambers of the Municipal Building.

Mayor Parker explained that Council would provide staff with direction on items to include in the Fiscal Year 2013-2014 Budget.

APPOINTMENTS

CRIME AND DRUG COMMITTEE

Mayor Parker explained that at the February 7, 2013 Crime and Drug Committee meeting, it was suggested that the Laurinburg Housing Authority (LHA) have representation on the Committee. Mrs. Nancy Walker, Executive Director of LHA, recommended Ms. Juliette McMillan be appointed to the Crime and Drug Committee, and in the event Ms. McMillan cannot attend, Mrs. Walker will attend the meetings.

Mayor Parker explained that Mr. Larry Johnson has recommended that Ms. Tamara Davison be appointed to fill his seat.

Mayor Parker explained that earlier in the year Ms. Wanda Bethea expressed that she no longer wished to serve on the Crime and Drug Committee; however, she had recently contacted the City Clerk and expressed that she wished to serve on the Committee.

Motion was made by Councilmember Williamson, seconded by Councilmember Spencer, and unanimously carried to appoint Ms. Juliette McMillan and Ms. Tamara Davison to the Crime and Drug Committee and to reappoint Ms. Wanda Bethea to the Crime and Drug Committee.

COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Councilmember Willis explained that he had heard comments from several local merchants regarding vendors coming from out of town on special occasions like Valentine's Day and Mother's Day to sell items. He added that the local merchants did not feel the process was fair to them.

Following discussion, Mrs. Deese, Planning & Community Development Director, was instructed to conduct research on privilege license fees and how the General Statutes are interpreted with regard to itinerant merchants.

CLOSED SESSION

At 8:06 p.m., Councilmember Willis made a motion to go into closed session pursuant to North Carolina General Statute 143-318.11(a) (6) for the purpose of considering the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee. The motion was seconded by Councilmember Williamson and carried unanimously.

At 8:20 p.m. motion was made by Councilmember Willis, seconded by Councilmember Spencer to adjourn the closed session and resume the open meeting.

RECESS

Motion was made by Councilmember Willis, seconded by Councilmember Williamson, and unanimously carried to recess the meeting to Wednesday, March 20, 2013 at 6:30 p.m. in the conference room of the W. Charles Barrett Building, 303 West Church St., Laurinburg, NC to conduct interviews for the City Manager position.

The meeting recessed at 8:21 p.m.

Thomas W. Parker III, Mayor

Jennifer A. Tippett, City Clerk