

**CITY OF LAURINBURG
AGENDA WORKSHOP
APRIL 9, 2013
W. CHARLES BARRETT ADMINISTRATION BUILDING
305 WEST CHURCH ST.
LAURINBURG, NC
7:00 P.M.**

Minutes

The City Council of the City of Laurinburg held an agenda meeting on April 9, 2013 at 7:00 p.m. in the conference room of the W. Charles Barrett Administration Building with the Honorable Thomas W. Parker, III, 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. Tippett, City Clerk; and William P. Floyd, Jr., Assistant City Attorney.

Mayor Parker called the meeting to order at 7:02 p.m. Councilmember Williamson gave the Invocation.

APPROVAL OF AGENDA

Motion was made by Adams, seconded by Willis, and unanimously carried to approve the agenda for April 9, 2013.

AGENDA FOR APRIL 16, 2013

The Interim City Manager reviewed the agenda for April 16, 2013 as follows:

- 3) Recognition of J. Robert Gordon
- 4) Consent Agenda
 - a) Approve minutes of October 23, 2013 recessed meeting; November 13 agenda workshop; November 20 regular meeting; November 26 special meeting; December 11, 2012 agenda workshop; December 18, 2012 regular meeting
 - b) Consider Resolution No. R-2013- adopting the City of Laurinburg Purchasing Policy *The Interim City Manager explained that this policy was primarily an internal policy to guide staff in purchasing goods and contracting.*
 - c) Consider Resolution No. R- 2013- adopting a Policy for Filling Council Vacancies *The Assistant City Attorney discussed the proposed resolution adopting a policy for filling Council vacancies. He explained that this policy can be changed by a majority vote by Council at any point.*
Upon question by Councilmember Williamson, the Assistant City Attorney explained that if an individual who resigns resignation date is effective in the future that person can continue to participate up until that effective date of resignation, including voting on his successor.

d) Consider Resolution No. R-2013- exempting the City from the Mini-Brooks Act
The Interim City Manager explained the Mini-Brooks Act and that passage of this resolution will expedite the infrastructure construction at the industrial site.

e) Consider Ordinance No. O-2013- amending Chapter 2 Administration, Sec. 2-1
Disposing of personal property of the Code of Ordinances of the City of Laurinburg
The Interim City Manager explained that this would allow the City Manager to declare items surplus that were \$30,000 or less, and is consistent with the General Statutes and what other municipalities do.

Upon question by Councilmember Leak, Mrs. Carpenter explained that when an item is declared surplus and sold on GOVDEALS, the revenue goes back into the fund from which the item was purchased.

f) Consider Resolution No. R-2013- authorizing the City Purchasing Officer to declare any item valued under \$30,000.00 to be surplus and sold through electronic auction
The Interim City Manager explained that this will identify and describe the specific procedures that are used to selling surplus items and to comply with General Statutes. A discussion ensued concerning purchasing and the procedures and that a purchase order is submitted, the Finance Director reviews it and the City Manager approves it. A discussion ensued concerning whether a job description for Purchasing Officer needed to be developed.

The Interim City Manager explained that once he was back in his job as General Services Director, then he would only be involved in large dollar purchases as the City has a decentralized purchasing system.

Following further discussion, Mayor Parker requested that staff provide pros and cons for having a centralized or decentralized purchasing system.

g) Consider Ordinance No. O-2013- condemning the property located at 109 East Vance Street and authorizing the City Building Inspector to demolish and clear the property
Mrs. Deese discussed the history of this property.

h) Set public hearing to be held on May 21, 2013 at 7:00 p.m. in the Council chambers to hear public comment on proposed electric rate structure changes to the City of Laurinburg Electric Rate Structure
The Interim City Manager explained that the public hearing was required by a bill that became effective in October 2012 requiring all members of ElectriCities to hold a public hearing prior to changing its rates.

A discussion ensued concerning the anticipated wholesale electric rate increases and the effects to the City, including how to encourage off-peak usage to reduce the City's load where the wholesale electric rate is so much higher.

It was consensus of Council for Mr. Fowler to be present at the May agenda meeting as well as the public hearing to fully explain the rate structure changes.

PUBLIC HEARINGS

5) Consider Request for Conditional Use Permit to Construct a Solar Array Farm on a portion of a 181-acre tract of land on US 501 South (Johns Road)

The Assistant City Attorney explained the quasi-judicial hearing process and the requirements for Council to consider in making its determination and that he would also discuss the process prior to the start of the public hearing.

DELEGATION

- 6) Nancy Walker-Laurinburg Housing Authority-Request for Interagency Agreement for Security Cameras

The Interim City Manager explained Mrs. Walker's request and that she was not requesting free electricity.

Councilmember Leak discussed the previous year's request from Mrs. Walker regarding this matter.

The Interim Police Chief discussed the benefit the cameras will provide to the Police Department.

Robert Smith there should not be any problem with allowing the cameras on the City poles. A lengthy discussion ensued concerning the pros and cons of this request.

Upon question by Mayor Parker, the Assistant City Attorney stated that this project would not jeopardize the City's position in negotiations with Time Warner and AT&T on the pole attachment agreements.

CITY MANAGER REPORT

- 7) Authorize the Mayor and City Clerk to execute Agreement between the City of Laurinburg and Willis Engineers, Inc. in Connection with Wastewater Facilities to Serve US 401 Industrial Park

Mr. Ellis discussed the agreement between the City and Willis Engineers as part of the FCC project. He added that included in the agreement with Willis Engineering is that anything that Municipal Engineering designs for the FCC project, will have to be approved by the City and Willis Engineering. He added that it was recommended that Municipal Engineering do the engineering for the raw water process and keep Willis Engineering for the wastewater infrastructure since Willis is familiar with the City's wastewater infrastructure, but keep Willis involved with the raw water also the ensure that the well work is done properly. Mr. Ellis explained that the City will have a huge initial investment with the FCC project, around \$10 million, but that the City would recoup its money after several years.

Mrs. Carpenter explained she had received another estimate from Bruce Fowler for \$1.8 million for electric which adds to the total that the City might have to finance. She cautioned that the City should not go over \$10 million in loans.

The Interim City Manager explained that the County would be pursuing \$3.4 million in grant funding.

Upon question by Councilmember Spencer, the Interim City Manager stated that Chuck Willis would be the project manager over water and sewer, Bruce Fowler would be the project manager over electrical and fiber, and Mrs. Carpenter would be over finance.

Upon question by Councilmember Spencer, Mr. Ellis explained that Mr. Chuck Willis has the project schedule.

Further discussion ensued concerning the FCC project and the need to obtain definitive figures for the City to move forward on financing.

Mayor Parker requested that the Interim City Manager provide a copy of the Project Inventory Report as soon as possible.

APPOINTMENTS

- 8) Community Access Channel Advisory Committee -Carol Ann Lentz and Charles Campbell

Councilmember Leak discussed the history of the Community Access Channel Advisory

Committee.

A lengthy discussion ensued concerning the pole attachment agreements with Time Warner and AT&T, and that Electricities had become involved with the Time Warner negotiations. Mayor Parker requested that further information be provided as to what the City can do and how much Time Warner owes the City.

9) City Attorney - William P. Floyd, Jr.

A discussion ensued concerning the resignation of Mr. Gordon as City Attorney and his recommendation for Mr. Floyd to be appointed City Attorney.

Upon concerns expressed by Councilmember Leak, Mr. Floyd clarified that he will be merging with Etheridge, Moser, Garner & Bruner.

Discussion ensued concerning bidding out legal services.

Discussion ensued concerning the current contract with Gordon, Hicks and Floyd, PA.

Councilmember Williamson suggested that once Mr. Floyd gets to his new destination/firm that might be the appropriate time to look at proposals.

UPCOMING BOARD AND COMMITTEE APPOINTMENTS

The Interim City Manager explained that staff wanted to make Council aware of these upcoming expiring terms. He explained that all of the Beautification Committee members' terms will be expiring in May so staff needed direction from Council as to whether to gauge current members' interest in continuing to serve.

A discussion ensued concerning the necessity of revamping and revisiting the purpose of the committee, including determining whether current members wish to continue serving and advertising for committee vacancies as well as holding a meeting whether the current Chairperson could meet or not to let the committee members decide on the future of the committee.

PLAN FOR COMMERCE SECRETARY SHARON DECKER'S VISIT ON FRIDAY, MAY 3RD

The Interim City Manager explained that Sharon Decker, NC Commerce Secretary, would be visiting the City of Laurinburg on May 3, 2013 for informal discussions regarding the City's successes and needs. He added that since she would be visiting the Scotland County Economic Development Corporation that afternoon, an itinerary needed to be developed for her visit.

A discussion ensued concerning the need for the City and the Scotland County Economic Development Corporation to present the same message to Secretary Decker.

Following further discussion, Mayor Parker explained that he and the Interim City Manager would discuss this with Greg Icard and County Commission Chair McCook.

FINANCIAL UPDATE

Mrs. Carpenter then discussed the Financial Date as of March 30, 2013 with highlights as follows:

- The General Fund revenues are at 77% of budgeted amount.
- Expenditures in each department should be at approximately 75% at this point of the year.
- The Administration budget is at 83% in the salary line item due to payment of vacation time for former City Manager. Overall, that budget will be fine.
- The Personnel Department will need a budget amendment at year end due to payment of vacation time for former HR Director and for recruitment of the new HR Director.
- A budget amendment will be needed in Electric Administration due to expenditures for consultants on the Automated Meter Reading System and the industrial park project.
- In Electric Operations, operating expenses are overspent; however, once the matter with the Automated Meter Reading System is resolved, this over-expenditure will be taken care of.
- The Water/Sewer Fund is on track with expenditures and revenue.
- The Finance Department's server is failing and it is doubtful that it will last through the end of the current fiscal year, and the estimated cost of a new server is \$8,000.00.
- The Police Department server also needs to be replaced. NWN, the City's IT contractor is investigating this matter and will make a recommendation.

A lengthy discussion ensued concerning IT needs, software issues and the Automated Meter Reading System.

Motion was made by Councilmember Spencer, seconded by Councilmember Willis, and unanimously carried to authorize the Finance Director to purchase a server with the cost not to exceed \$10,000.00.

Council requested that the Finance Director provide Council with information concerning the status of all of the City's servers.

FINANCING FOR 2013 – USE FUND BALANCE

The Interim City Manager explained that in response to Council discussion at the January meeting, there was an interest to look at our fund balance to pay off current loans and for some capital expenditures in lieu of seeking further financing. He added that if Council wanted to use fund balance, a budget amendment will be provided at the May meeting; otherwise staff will continue seeking a financing alternative. He added that one option would be to decrease the amount of transfer from the Solid Waste Fund to the General Fund by \$250,000 and instead use fund balance to balance the General Fund and use the \$250,000 to pay for the truck that was recently purchased so that we are not financing that vehicle.

Following discussion, it was consensus of Council to leave Fund Balance alone because of the FCC project.

CONSIDER SEVERE WEATHER POLICY FOR CUT-OFFS

The Interim City Manager explained that in 2011, Council was presented with a policy whereby would have a policy in writing stating that the City would not cut-off for non-payment of utility bills during extreme hot or cold weather days, which included a definition of “extreme weather”. He added that the ordinance was tabled in 2011 and never brought back to Council. He explained that the City and Scotland County Department of Social Services (DSS) are working together to ease the cut-off process for both agencies, and DSS has requested that the City officially adopt said policy.

Following discussion, it was consensus of Council for this ordinance to be updated and placed on the May agenda for Council’s consideration.

CLOSED SESSION

At 9:24 p.m. Councilmember Willis moved 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 Spencer and carried unanimously.

At 9:55 p.m., motion was made by Councilmember Spencer, seconded by Councilmember Williamson, and unanimously carried to adjourn the closed session and resume the regular meeting.

RECESS

Motion was made by Councilmember Williamson, seconded by Councilmember Adams, and unanimously carried to recess the meeting to Wednesday, April 10, 2013 at 7:00 p.m. in the council chambers of the Municipal Building located at 303 W. Church Street, Laurinburg, NC for a Budget Retreat.

The meeting recessed at 9:56 p.m.

Thomas W. Parker III, Mayor

Jennifer A. Tippet, City Clerk