

**MINUTES
CITY OF DUNN
DUNN, NORTH CAROLINA**

The City Council of the City of Dunn held a Regular Meeting on Tuesday, July 13, 2010, at 7:00 p.m. in the Dunn Municipal Building. Present was Mayor Oscar N. Harris, Mayor Pro Tem N. Carnell Robinson, Council Members Buddy Maness, Bryan Galbreath, Billy Tart, Chuck Turnage and Joey Tart. Also present was City Manager Ronnie Autry, Finance Director Mark Stephens, Public Works Director Billy Addison, Public Utilities Director Dean Gaster, Police Chief B.P. Jones, Planning Director Steven Neuschafer, Chief Building Inspector Mike Blackmon, Librarian Mike Williams, City Engineer Ed Powell, City Attorney P. Tilghman Pope, City Clerk Debra West, and Daily Record Reporter Reece Murphy.

INVOCATION

Mayor Harris opened the meeting at 7:00 p.m. and asked Reverend Tim Rice of Glad Tidings Assemblies of God Church to give the invocation. Afterwards, the Pledge of Allegiance was repeated.

AGENDA ADJUSTMENT AND APPROVAL

Motion by Mayor Pro Tem Robinson and seconded by Council Member Maness to adopt the July 13, 2010 meeting agenda with changes, if any, as listed below.

Items Added to the Agenda:

- Presentation Report by Police Chief Jones – Implementation of R-U-Okay Health Check Program for Senior Citizens Who Live Alone

Agenda Items Removed:

- none

Motion unanimously approved.

PRESENTATION

**Report by Police Chief Jones -
Implementation of R-U-Okay Health Check Program
for Senior Citizens Who Live Alone**

Police Chief Jones stated that this program will allow the Police Department to check on senior citizens who register for this program. This is a computerized program that will automatically call registered senior citizens each morning. This system will call the number three times and if no one answers the phone, an administrative assistant will personally call that number. If there is no answer, then an officer will be dispatched to the residence. Seniors must complete an application available in the Police Department. This program is available to seniors which reside in the City limits of Dunn.

Cindy Carter, Administrative Assistant, will monitor this program. She explained that all HIPAA information on the application is kept confidential and the only information entered in the computer system is a phone number.

PUBLIC COMMENT PERIOD

Mayor Harris opened the floor for a (30) minute public comment period.

Hearing no comments, the public comment period was closed.

CONSENT ITEMS

Minutes – Council considered approval of minutes of the June 8, 2010 Council meeting.

Tax Releases/Refunds – Council considered approval of Tax Releases/Refunds #291 - #293. *Copies of Tax Releases/Refunds are filed in the office of the Tax Collector.*

Ratify termination of 2% Tax Discount – Council affirmed elimination of the 2% tax discount allowed for payments received on or before August 31, 2010 as previously discussed and agreed upon during the FY 2010-2011 budget work sessions.

Motion by Council Member Joey Tart and seconded by Mayor Pro Tem Robinson to approve all consent items. **Motion unanimously approved.**

ITEMS FOR DECISION

**Award Bid for Bank Financing
2010 Equipment**

Manager Autry stated that a request for financing proposals was submitted to local financial institutions for the financing of the following equipment approved for Fiscal Year 2010-2011:

(6) Police Cars
Flail Mower

Principal **\$190,000**

The debt service payments will begin in July 2011 with a five (5) year pay-back. Finance Director Mark Stephens recommends award be granted to BB & T.

The proposals received are as follows:

Financial Institution	Term	Rate	Origin. Cost	Total Cost
BB & T	5 years	2.44%	-	\$204,131.45
RBC Bank	5 years	3.01%	\$100	\$207,596.05
Four Oaks Bank	5 years	3.24%	-	\$209,142.13
First Citizens	5 years	3.47%	\$300	\$210,171.29
New Century	5 years	4.32%	-	\$215,317.00

Motion by Mayor Pro Tem Robinson and seconded by Council Member Turnage to award bid for financing to BB & T at a rate of 2.44%. **Motion unanimously approved.**

Board Appointments

Planning Board (3 year term)

In-town Incumbent, Blaine Everhart is eligible to serve another term. In-town incumbent, Rick Lashmit does not wish to serve another term. No applications have been received.

Motion by Council Member Turnage and seconded by Council Member Joey Tart to re-appoint Blaine Everhart for in-town membership to the Planning Board with a term ending June 30, 2013. **Motion unanimously approved.**

Board of Adjustment (3 year term)

In-town incumbents, Oscar McPherson and Joseph Miriello are eligible to serve another term. In-town incumbent, Roy V. Tew, III does not wish to serve another term. No applications have been received.

Motion by Council Member Joey Tart and seconded by Mayor Pro Tem Robinson to re-appoint Oscar McPherson and Joseph Miriello for in-town membership to the Board of Adjustment with a term ending June 30, 2013. **Motion unanimously approved.**

ABC Board (3 year term)

Incumbent Helen Blue Alsphaugh has served one term and no applications have been received.

Motion by Council Member Galbreath and seconded by Council Member Joey Tart to re-appoint Helen Blue Alsphaugh, to the ABC Board with a term ending June 30, 2013. **Motion unanimously approved.**

Library Board (3 year term)

Incumbents Elizabeth Bynum and Virginia Marshall are eligible to serve another term. No applications have been received.

Motion by Council Member Joey Tart and seconded by Council Member Turnage to re-appoint Elizabeth Bynum and Virginia Marshall to the Library Board of Trustees with a term ending June 30, 2013. **Motion unanimously approved.**

Recreation Commission (3 year term)

Incumbents Laronda Abney, Melinge Frazee and Whit Bradham are eligible to serve another term.

One application has been received from Ms. Brunell L. Williams of 113 Venus Drive, Dunn, NC.

Motion by Council Member Maness and seconded by Council Member Joey Tart to re-appoint Laronda Abney, and Whit Bradham to the Recreation Commission with a term ending June 30, 2013. **Motion unanimously approved.**

Motion by Mayor Pro Tem Robinson and seconded by Council Member Billy Tart to reappoint Melinge Frazee to the Recreation Commission with a term ending June 30, 2013. **Motion failed 3-4.**

Ayes	Nays
Robinson	Maness
Billy Tart	Turnage
Joey Tart	Galbreath
	Mayor Harris

Motion by Council Member Galbreath and seconded by Council Member Turnage to appoint Ms. Brunell Williams to the Recreation Commission with a term ending June 30, 2013. **Motion unanimously approved.**

*Dunn Housing Authority (Tenant Representative-1 year term)
(Mayoral appointment)*

Mayor Harris re-appointed Charles McNeill as tenant representative to the Dunn Housing Authority with a term ending June 30, 2011.

**ITEMS FOR DISCUSSION
AND/OR DECISION**

Financial Report

Finance Director Mark Stephens provided the following financial update to the Council:

- The City as of May 31, 2010 had \$2.6M cash in the General Fund and \$1.8M cash in the Water/Sewer Fund.
- Investment earnings are in the .35% - .20% range.
- Building Permit Fees were \$71,544 or 110.07% of budget. The City should be at 91.67% of budget.
- The Sales Tax Revenue for May was \$930,353 or 65.52% of budget. The City should be at 75.00% of budget. The City is \$134,000 behind in sales tax revenues.
- Water and sewer revenues were \$3.7M or 91.21% of budget. The City should be at 91.67% of budget.
- Fuel cost per gallon was \$2.16 in May.
- Property taxes collected as of May were 99.71% of budget. Same period last year, the City had collected 99.52% of budget.
- Expenditures were 87.84% of budget in the general fund and 86.23% in the water/sewer fund. The benchmark for this period is 91.67%.

ADMINISTRATIVE REPORTS

Motion by Council Member Billy Tart and seconded by Council Member Joey Tart to approve the Administrative Reports. **Motion unanimously approved.**

ANNOUNCEMENTS

The following announcements and/or comments were made.

Mayor Harris:

- The City of Dunn will host the National PAL Basketball Tournament on Wednesday, July 21, 2010.
- Mid-Carolina Council of Government meeting scheduled for Thursday, July 22, 2010 has been cancelled.
- Crime Stoppers National Night Out will be held on August 3, 2010 from 6 – 9 pm at Tart Park.
- The next City Council meeting is scheduled for Tuesday, August 10, 2010 at 7:00 pm.

Manager Autry:

- The National PAL Basketball Tournament has not been held for the past two years; however, plans are to re-start the tournament this year. Teams will be limited and not as wide-spread as originally thought.

Council Member Galbreath:

- Neighbors are not satisfied with the condition of a parcel of property located in the 600th block of E. Vance Street. It contains a house which has been vacant for approximately five years and is not secure. The yard has not been kept up and the City has been informed of this problem. Everyone else in this neighborhood maintains their property.
- There are two parcels of vacant property in the 900th block of E. Divine Street with furniture thrown outside the houses, on the porch and by the street.
- He asked that the Manager provide a plan of action by Friday of this week with regard to these properties.

Closed Session

7:40 pm - Motion by Council Member Joey Tart and seconded by Council Member Maness to enter closed session to consult with the City Attorney to protect the attorney client privilege. **Motion unanimously approved.**

Mayor Harris announced that they anticipate taking action once the Council returns from closed session.

Closed session adjourned at 8:23 pm.

Motion by Council Member Joey Tart and seconded by Council Member Billy Tart to approve the minutes of the closed session as recorded by City Attorney Pope. **Motion unanimously approved.**

Addition to Agenda:

Motion by Council Member Joey Tart and seconded by Council Member Turnage to amend the agenda by adding the consideration of a contract by Davis-Martin-Powell & Associates for Downtown Dunn Redevelopment Program. **Motion unanimously approved.**

Consideration of a Contract by Davis-Martin-Powell & Associates for Downtown Dunn Redevelopment Program

In referencing a proposal letter dated January 29, 2010 (revised), City Engineer Ed Powell stated that this letter identifies the sequence of work that began in 2003 as the Downtown Dunn Redevelopment Program. At that point and time, the previous Council authorized \$100,000 to be spent to provide a survey of an enlarged downtown area that would be considered for redevelopment. A target area was identified and is now under construction. The preliminary design, detailed survey and target area have been completed.

Mr. Powell stated that in November, 2009, the USDA talked about the potential for funding. To qualify for funding, the City must prepare a preliminary feasibility report of the whole area, submit a loan and grant application and advance the plans from preliminary state to bid documents in accordance with their requirements, specifications, technical, and front end documents.

He added that in January, 2010, a letter from DMP was addressed to Manager Autry and it stated that in order to progress from the preliminary stage to the final preliminary engineering report acceptable to USDA and to develop final construction documents, an additional \$116,000 for planning and final design services would be required. An application has been submitted and reviewed by USDA and they are prepared to make a grant and loan offer to the City of Dunn on August 10th after a public hearing is held on the downtown redevelopment project. The grant/loan project would consist of a 2.6M loan and \$400,000 grant and will include the following:

- \$1,385,000 for street and sidewalk improvements
- \$800,000 for placing overhead power lines underground
- \$445,000 for a total new traffic signal system with mast posts to meet the theme of the Downtown area
- \$370,000 for communications systems to be placed underground along with power wiring

The Downtown Dunn Development Corporation has agreed and has been in negotiations with the City for their share of the funding of capital costs and amortization/future loan payments that would be the responsibility of the City since the loan would be made to the City of Dunn.

Mr. Powell stated that the City has already awarded the sewer which is funded out of the 2009 Wastewater System Improvements Project that is now under construction. Pricing is now being secured for the water system which will enhance the undersized mains in the downtown area and provide adequate fire protection; removing bad mains under roads being built. These projects will be completed by October-November of this year. It is being proposed with the acceptance of the USDA loan/grant that the remaining project will be bid so they can be given notice to proceed after the first of 2011 for completion before Christmas of 2011.

Mayor Harris explained that the other two projects previously approved are water and sewer projects and funding will come out of the water/sewer fund. This project is a general fund capital project in conjunction with the Downtown Development Corporation with the City of Dunn being the host for this. Mayor Harris asked Mr. Powell to explain why this matter was not on the posted agenda for tonight; adding that the Council did not intentionally add it to the agenda at this late date.

Mr. Powell explained that initially when talks were held with USDA, they were informed that the review process for this project would take approximately three (3) months, an additional six (6) months to get in line for monies with the potential to acquire funding by the end of 2010 so that construction could begin in early 2011. USDA contacted the City today and stated they are scheduled to make a loan and grant offer to the City of Dunn no later than August 23, 2010 and advised that the City will be required to hold a public hearing at the August Council meeting with attendance by USDA representatives. After satisfactory completion of the public hearing, USDA will immediately make an offer of a \$3M dollar combined loan/grant program.

Mayor Harris entertained a motion to approve the contract.

Motion by Council Member Galbreath and seconded by Council Member Maness to approve the engineering contract with Davis-Martin-Powell for the Downtown Dunn Redevelopment Program. **Motion unanimously approved.** *A copy of the contract between the City of Dunn and Davis-Martin-Powell & Associates is incorporated into these minutes as Attachment #1.*

City Attorney Pope advised that the City Clerk will advertise the public hearing to consider the USDA loan for the August 10, 2010 Council meeting.

With no further business to discuss, a motion was made by Council Member Turnage and seconded by Council Member Maness to adjourn the meeting at 8:35 p.m. **Motion unanimously approved.**

Oscar N. Harris
Mayor

Attest:

Debra G. West
City Clerk