

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

The City Council of the City of Dunn held a Special Call Meeting on Thursday, March 13, 2008, 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, and Chuck Turnage. Also present was City Manager Ronnie Autry, Fire Chief Austin Tew, Police Captain Jimmy Pope, Police Lt. Ronald Radcliffe, City Attorney P. Tilghman Pope, City Clerk Debra West, and Daily Record Reporter Lisa Farmer.

Absent/excused was Council Member Joey Tart

INVOCATION

Mayor Harris opened the meeting at 7:00 p.m. and asked Council Member Maness to give the invocation. Afterwards the Pledge of Allegiance was repeated.

AGENDA ADJUSTMENT

A motion was made by Mayor Pro Tem Robinson and seconded by Council Member Maness to adopt the March 13, 2008 Special Call meeting agenda with changes, if any, as listed below.

Items Added to the Agenda:

- Consideration to Extend the Contract with Preservation North Carolina for an Option to Purchase the McKay House under "Items for Decision"

Agenda Items Removed:

- none

Motion unanimously approved.

PUBLIC HEARING

**MERGER OF THE DUNN FIRE DEPARTMENT
WITH DUNN RESCUE TO CREATE
DUNN EMERGENCY SERVICES, INC.**

The public has been notified that oral and written comments will be heard and received concerning the merger of the Dunn Fire Department with the Dunn Rescue Squad to create Dunn Emergency Services, Inc.

The public hearing was duly advertised on March 11, 2008.

Before hearing from the public, Mayor Harris stated that this was an idea which developed during the budget/planning retreat. This public hearing is not required, however, this Council wanted to hear from the citizens of Dunn about this issue.

Mayor Harris explained that the Fire Department currently operates with four full-time employees and eighteen (18) volunteers. The City of Dunn along with the Averagesboro Fire District makes up the Averagesboro Fire District. The City of Dunn provides approximately two-thirds of the funding while the Averagesboro Fire District makes up one-third of the funding.

Mayor Harris explained that they will talk about transferring the personnel grant the Fire Department just received from Homeland Security to the new organization, Dunn Emergency Services, Inc. if adopted, as well as the purchase of a new fire truck grant award from Homeland Security.

Mayor Harris explained that the current operating budget for the Fire Department is approximately \$544,250. They will talk about the two buildings currently owned by the City that will be leased to Dunn Emergency Services, Inc. One building is located on Wilson Avenue and the other is located on Powell Avenue, both currently serve as fire stations. The City plans to keep the administrative area of the building on Powell Avenue for the offices of Planning and Inspections, if deemed appropriate by the Council. All

fire personnel would be transferred to Dunn Emergency Services, Inc. and no employee will lose their job. The city will transfer assets of equipment to Dunn Emergency Services, Inc., with a clause in the contract, that should this organization cease operations, those assets would be transferred back to the City. He stated that it is their goal to make this effective July 1, 2008.

Mayor Harris stated that the members of the Board of Directors for the Dunn Rescue Squad are James P. "Pat" Godwin (Chairman), Pete Skinner, Dallas "Bo" Dafford, and Pam Tripp. Department representatives are Patsy Powell, James McLamb, and Robert Taylor.

Mayor Harris stated that the board members of the Averasboro Fire District are Kenneth Lee (Chairman), Ricky Miller, Huey Bass, Chris McLamb, Doug Lee and Rodney Eason.

Mayor Harris stated that this is the first time this proposal has been revealed to the public. It was discussed in executive session during the budget/planning retreat. There are a number of processes that must be completed for this merger. At the April 10, 2008 City Council meeting, the Council will consider approval of the contract for the merger of the Dunn Fire Department and Dunn Rescue subject to the approval by the Harnett County Board of Commissioners to expand the Averasboro Fire District to include the municipal limits of the City of Dunn. Also if the Council approves the proposed contract with the Dunn Rescue Squad, it would vote to approve the resolution requesting that the Harnett County Board of Commissioners incorporate the municipal limits of the City of Dunn into the Averasboro Fire District. The Harnett County Commissioners will hold a public hearing in April, 2008 on the proposed resolution. In May, 2008, the Harnett County Commissioners will consider the resolution, if passed by the Dunn City Council, to incorporate the municipal limits of the City of Dunn into the Averasboro Fire District and to set the fire tax rate for the district. Following approval, the Dunn Rescue Squad will take the necessary actions to amend their bylaws, change their name and prepare to accept the assets of the Dunn Fire Department as of July 1, 2008.

Mayor Harris stated that the proposal that has been presented to the City Council, as amended, is available for anyone. He added that the proposal will be reviewed in detail tonight to give the citizens as much information about this process as possible.

Mayor Harris asked if the Council had any preliminary comments before beginning the public hearing. None were heard.

Mayor Harris asked if there was anyone present to speak for or against this merger.

Attorney Cecil "Bo" Jones, 1004 W. Pope, attorney representing Dunn Rescue Squad, Inc. summarized the proposal to consolidate these services.

- Dunn Rescue Squad, Inc. has made a proposal to consolidate services.
- Dunn Rescue is currently the only stand alone rescue squad in the County.
- When this proposal was made, they were thinking about efficiency and effectiveness.
- By consolidating services, they will provide more qualified people for fire and rescue, 24/7 coverage, and eventually a cost savings for the citizens of this community.
- Dunn Fire Department has four full-time employees, annual call volume of approximately 700, with an annual budget of approximately \$600,000.
- Averasboro Fire District board of advisors represents the citizens of the township and recommends budget contributions to the City of Dunn for services provided outside of the City Limits.
- Dunn Rescue and EMS Services is an incorporated 501 (c) (3) non-profit corporation with a seven member board of directors, 24/7 coverage with paid staff, a call volume of approximately 4300, with an annual budget of approximately \$932,000.
- This proposal is more of an acquisition or transfer of assets to a new incorporation, Dunn Emergency Services, Inc. By amending the existing charter, it would be the same corporation.
- Two members of the current Dunn Rescue Squad, Inc. Board of Directors, two members of the Averasboro Fire District Board of Advisors, two members appointed by the City of Dunn and one volunteer member of Dunn Emergency Services, Inc. will constitute the new Board of Directors for the organization. Members will serve staggered two year terms. Election of future members will be conducted as prescribed by the Bylaws of the Corporation in a manner consistent with the General Statutes.
- Career personnel would be required to cross train for all aspects of the department's responsibility.

- EMS will be funded through a contract with Harnett County. Fire services will be funded by a Tax District. The new tax district will include the Averasboro Fire District and the City of Dunn. This would require the City of Dunn be included within the Averasboro Fire District. This would require specific steps by the Dunn City Council and the Harnett County Board of Commissioners. Similar steps have been taken in Coats and Angier in the past to accomplish a single district for the purpose of providing fire protection.
- The Board of Directors will approve a budget and recommend a tax rate for the district. The County Commissioners would set the tax rate for the district. The department will receive funds as they are collected by Harnett County.
- All current personnel would be retained under this proposal. There may be some changes of job titles and salaries. No jobs will be lost.
- Under General Statute, the Fire Inspector position must be retained by the City.
- Dunn Emergency Services, Inc. will provide around the clock career fire personnel available for immediate response to incidents on a 24 hour per day, 7 day per week basis. This will immediately reduce response times and result in a reduction in the loss of life and property. A three person engine company will be staffed by career personnel and supplemented by volunteers for this purpose.
- To ensure a seamless transition, the City of Dunn and Dunn Rescue Squad, Inc. will allow its career personnel to assist in the development of plans and policies for Dunn Emergency Services, Inc.
- The only loss of benefits would be the loss of the Local Government Employees Retirement program. This program is not available to employees of non-profit organizations.
- Dunn Rescue Squad, Inc. currently operates from a facility located at 101 W. Cumberland Street. The facility is nine years old and is approximately 15,000 square feet. It can currently house ten personnel, but can be expanded with little expense if additional sleeping facilities were required. Two classrooms are available, one of which can accommodate up to 75 people. Ten bay spaces are available for vehicles, and are designed to be expanded as additional bay spaces are needed. The building is in a good state of repair and is not in need of any immediate major repairs.
- Dunn Fire Department currently has two stations. One station is located on Powell Avenue and the other is on Wilson Ave. Dunn Emergency Services, Inc. will retain the entire facility located on Wilson Avenue at the intersection of Harnett Street, and will retain the bay space located at the Powell Avenue Fire Station. The remainder of the facility located on Powell Avenue will be available for City of Dunn purposes; however, the City shall allow access to common areas by Dunn Emergency Services personnel.
- Dunn Emergency Services, Inc. will maintain ownership of all assets of Dunn Rescue Squad, Inc. The City of Dunn will transfer ownership of an equivalent amount of assets to the department; however, the City will retain ownership of the balance of vehicles and facilities and would lease those assets to the department as needed. The Averasboro Fire District Fund Balance would be transferred to Dunn Emergency Services, Inc. The details of which vehicles would be transferred would be negotiated to the mutual benefit of all agencies involved. The values of all assets in question will be established by independent appraisal by individuals experienced in valuing emergency services equipment and commercial real estate. In the event of dissolution of Dunn Emergency Services, Inc., all assets transferred to the corporation by the City of Dunn shall revert back to the City.
- The City of Dunn will transfer all records pertaining to fire protection to Dunn Emergency Services, Inc. at the time of transition. Those records will include, but not limited to: Personnel Records, Training Records, Hydrant Maintenance Records, Service Testing Records, and Vehicle Maintenance Records.
- This is a win-win unique situation in that Dunn Rescue Squad, Inc. is already established, set up and ready to go once this transfer happens.
- Disadvantages of consolidation:
 - *Change.* Individuals who have been involved with organizations for a period of time resist change and this will be the case for members of each department.
 - *Retirement Benefits:* Employees of the City of Dunn will lose their opportunity to Participate in the Local Government Retirement System.
- Advantages of consolidation: far outweigh the disadvantages
 - *Efficiency of operations*-Consolidation will allow a single department to manage fire and rescue operations with a single group of Operational Guidelines, rules, expectations and leadership.

Response Times should improve dramatically as the consolidated department will provide for a larger volunteer pool and will have around the clock personnel for immediate response.

Volunteer Pool will increase immediately for both agencies.

Career Personnel – Career Firefighters will be provided on a 24 hours per day, 7 days per week basis for immediate response. Career personnel will have a broader range of skills to offer the community as they become more cross trained in Fire and EMS. The citizens will have thirteen more professional firefighters available, and ten more professional EMS personnel available.

Attorney Jones stated that he would yield to any questions.

Council Member Turnage stated that it was mentioned by Mr. Jones that the retirement benefits would be a disadvantage; however, is there an advantage that a 401 (k) plan will be available for City personnel that transfer. Mr. Jones responded that there is a 401 (k) retirement plan in place. Mayor Harris added that any full-time employee that has vested five years of service prior to the merger, can freeze their local government retirement and then participate in the 401 (k) plan with Dunn Emergency Services.

Council Member Galbreath asked if it has been determined which assets of the Fire Department will be transferred to Dunn Emergency Services. Attorney Jones responded that all assets of the Fire Department will be transferred; however, as far as the values, he does not know if the appraisals have been done but they will be compared to the Dunn Rescue's assets with a goal to do an even exchange. Mayor Harris added that assets from each department will be equivalent based upon appraisal. Once an equal amount of assets have been transferred, then the balance of the equipment would be leased to the Rescue Squad.

Mayor Harris asked for further comments from the public.

Mr. Robert Jordan, 1101 W. Cole St., Dunn, NC - Stated he is in favor of the merger.

Mr. William "Billy" Barfield, 1304 Guy Avenue, Dunn, NC – He retired as Assistant Chief of the Dunn Fire Department in 1996 with 36 1/2 years of service. He spoke against the merger. He does not resist change but change is not always good. He's fighting against an attorney, rescue members and the City Council. He was hesitant about coming tonight because of a statement made at the last Council meeting when it was said that this was the first of many steps that had to be done to complete the acquisition which made him think this issue has already been decided. The Fire Department did not have a voice in this decision. Many years ago when he served as auxiliary on the Dunn Fire Department, they attempted to form a rescue squad. They went out, raised money, and bought a truck and they were given the choice of fire or rescue and they chose fire. He gave history of how this truck was given over to eventually begin rescue. Dunn has the best rescue squad. A former Fire Chief, Alan Cain tried unsuccessfully to bring rescue under his department. The fire department training is completely different than rescue. Firemen are close knit and he does not feel this merger is right for the City of Dunn. This idea of merging has been in consideration for a long time. Dunn does provide 24/7 fire service. The Fire Department is not as rich as the rescue squad. The Fire Department has not received what they have needed for many years from the City to make progress. They have been given new buildings and equipment but equipment and buildings don't put fires out, it takes personnel. The City of Dunn employed two firms in the last two years to analyze the Fire Department and did an extensive survey. Mr. Sherman Pickard, consultant, told the previous Council that Dunn did not need full-time 24 hour personnel. Mr. Barfield suggested that the City contract with the firemen for full-time firefighting. He said he was just as guilty, when he served on the council, when he did not give the Fire Department what they wanted but he did not agree with what they asked for. He stated that he doesn't believe the rescue wanted this merge because it has been tried in the past and they were not interested in merging. He suggested the City bid out the Fire Department services if they want to get rid of it. Certification requirements for the Fire Department have increased. He mentioned the issue of turning over other services to the county. The citizens of Dunn do not need the .07 cents fire tax that may be imposed if this merger occurs. He spoke of the sacrifices made by firemen. It is not necessary to approve this plan before the next budget year. Why rush this important issue. At one time, the Dunn Fire Department had one of the best insurance ratings of any group.

Mayor Harris asked if there was anyone else present to speak for or against this proposal.

Mr. Pat Godwin, Chairman of the Dunn Rescue Squad Board, in response to Mr. Barfield's remarks, stated that he and Rescue Chief Gary Whitman started this proposal and if they had took the lead, then they would be in this position; however, they have set back and done nothing. The current fire rating is five while other places are three. He wants to lower his fire rating and with the present Fire Department, he can't get it but he along with Rescue Chief Gary Whitman can lower the fire rating within three years.

Mayor Harris asked if there was anyone else present to speak for or against this issue. Hearing none, the public hearing was closed at 7:47 p.m.

City Attorney Pope clarified that the copies of the proposal that were made available tonight was an old draft and if anyone would like a copy of the new draft, they may obtain a copy from the City Clerk. *A copy of the Proposal to Consolidate Fire, Rescue and EMS Service in the City of Dunn and Averagesboro Township is incorporated into these minutes as Attachment #1.*

ITEM FOR DECISION

**AWARD BID FOR PURCHASE
OF TRACK EXCAVATOR**

Manager Autry stated that this bid information was provided at the last Council meeting. Bids were received and opened on Wednesday, February 27, 2008 for the purchase of a track excavator for the Public Works Department. The quotes are as follows:

<u>Submitted</u>	<u>Model</u>	<u>Bid Amount</u>
ASC Construction Equip. 3561 Jones Sausage Rd. Garner, NC 27529	Volvo EC140CLC	\$96,740.00
Interstate Equip. Co. 7979 W. Chapel Hill Rd. Cary, NC 27513-4166	JCB JS-130	\$98,005.32
Linder Industrial Machinery Co. 6515 Chapel Hill Rd. Raleigh, NC 27607	Komatsu PC138USLC-8	\$100,600.00
Interstate Equip. Co. 7979 W. Chapel Hill Rd. Cary, NC 27513-4166	JCB JS145	\$102,372.30
Gregory Poole 5633 US Hwy 301 S Hope Mills, NC 28348	Caterpillar 312DL	\$119,998.00

After reviewing the quotes and equipment specifications, it is the recommendation of the Public Works Department to award the bid to ASC Construction Equipment for the purchase of a Volvo Track Excavator.

Motion by Mayor Pro Tem Robinson, seconded by Council Member Billy Tart to award the bid to ASC Construction Equipment for the purchase of a Volvo Track Excavator at the low bid price of \$96,740.00. **Motion unanimously approved.**

**CONSIDERATION TO
EXTEND CONTRACT WITH
PRESERVATION NORTH
CAROLINA FOR AN OPTION
TO PURCHASE THE MCKAY HOUSE**

On March 15, 2007, the City of Dunn entered into a contract with the Historic Preservation Foundation of North Carolina, Inc. the exclusive option to purchase, upon certain terms and conditions, the McKay House property. This contract will expire March 15, 2008.

The Council is being asked to extend this option to purchase for an additional six month period; which would end September 13, 2008.

City Attorney Pope explained that the prior council granted an option to purchase to Preservation North Carolina, for the McKay House, in order that they might market the property to find a buyer which included a division of 50% between Preservation North Carolina and the City of Dunn of the net sales proceeds. The original option was for a period of one year and will expire March 15, 2008. Preservation currently has people interested in this property and they are showing it frequently.

The Council discussed the options of extending the contract beyond the six month period; however, it was determined that the six month extension would be a better option than extending it for another year.

Motion by Council Member Galbreath, seconded by Council Member Turnage to approve the Option to Purchase the McKay House contract between the City of Dunn and Preservation North Carolina for an additional six month period ending September 13, 2008. **Motion unanimously approved.** *A copy of the extended Option to Purchase to Preservation NC for the McKay House, is incorporated into these minutes as Attachment #2.*

Information

Council Member Turnage stated that he appreciated the City giving him the opportunity to attend the Essentials of Municipal Government which was a very informative class.

Mayor Harris reminded everyone of the NCDOT informational meeting to be held in the Council chambers on Wednesday, March 19, 2008 from 5-7 p.m. with reference to the realignment of NC 55 at US 421.

Mayor Pro Tem Robinson commended the local DACC in forming a local education committee to assist the local schools and education system. There will be three one-stop voting sites for the upcoming May primaries.

With no further business to discuss, a motion was made by Council Member Billy Tart and seconded by Council Member Turnage to adjourn the meeting at 8:00 p.m.

Oscar N. Harris
Mayor

Attest:

Debra G. West
City Clerk