

**Town of Spring Lake
Regular Meeting of the Board of Aldermen
Municipal Building
300 Ruth Street
Spring Lake, NC 28390**

April 13, 2020

MINUTES

7 p.m.

The Spring Lake Board of Aldermen held a special meeting in the Grady Howard Conference Room of the Spring Lake Municipal Building with Mayor Larry G. Dobbins presiding.

Board Members Present: Mayor Pro Tem Taimoor Aziz
Alderwoman Sofia Cooper (participated via Skype)
Alderwoman Jackie Jackson
Alderman James O'Garra

Others Present:

Daniel Gerald, Town Manager
Jason Williams, Fire Chief
Tonny McNeil, Economic Development
Tim Garner, Director of Water Treatment Plant
Melissa Pereira, Deputy Town Clerk

2. Invocation

Mayor Dobbins gave the invocation.

3. Pledge of Allegiance

Mayor Dobbins led the meeting in the pledge of allegiance.

4. Add or Deletions to Agenda

Mayor Dobbins asked are there any additions or deletions to the agenda.

Action: The Board approved a motion to approve the April 13, 2020 Board of Aldermen Regular Meeting agenda.

Motion by: Alderman O'Garra

Second by: Alderwoman Jackson

Vote: Unanimous

5. Approval of Consent Items

Mayor Pro tem Aziz asked to make a motion to approve the consent items the March 9, 2020, Regular Meeting minutes and the Minutes of March 23, 2020, Special Meeting.

Action: The Board approved a motion to approve the consent items for March 9, 2020, Regular Meeting and March 23, 2020, Special Meeting.

Motion by: Mayor Pro tem Aziz

Second by: Alderman O'Garra

Vote: Unanimous

6. Presentation

Mayor Dobbins stated he would like to present a message from North Carolina Governor Roy Cooper press conference. Mayor Dobbins stated he wanted to inform the citizens for whom that does not have access to watch. Mayor Dobbins stated around 3:20 pm that Governor Roy Cooper emphasized the importance of staying home order until the end of April and there's no promises to loosen these restrictions. Mayor Dobbins summarized that the COVID-19 is moving at a much slower pace because of the social distancing. Mayor Dobbins stated that the Governor Roy Cooper said what we are doing is working and saving lives. Mayor Dobbins stated our biggest enemy is complacency. Mayor Dobbins stated what happens in the next 2 weeks will determine what the Executive Order may be needed in May 2020. Mayor Dobbins stated these things are working by limiting social gatherings, school closures, bars, and restaurants. Mayor Dobbins said there have been statically 4,816 cases of COVID-19, 313 hospitalized, and 86 deaths. Mayor Dobbins said retail stores are to continue to limit customers with no more than 20% maximum capacity. Mayor Dobbins said retail stores are cleaning more frequently and continue to enforce the 6-foot distancing.

Update on Town Website

Mayor Dobbins introduced the first presentation. Mayor Dobbins asked for an update on the Town Website. Mr. Gerald, Town Manager, stated the Town's website was launched in February and emails were not working due to the server. Mr. Gerald called Jesse Burger back and they finally were able to work out the problems. Mr. Gerald said that we started to update the website but due to the Budget and COVID-19, we haven't had a chance to finish updating the Town's website. Mr. Gerald said our IT person will retire in May 2020, and that he will broadcast the position and hire someone to fix our website. Mayor Dobbins questioned that the website won't be up until another IT person is hired and when? Mr. Gerald stated sometime in June 2020. Alderwoman Cooper asked is this a new position that will be hiring for? Mr. Gerald stated it's the same position; we just hiring a new person. Alderwoman Cooper asked is the IT person retiring? Mr. Gerald stated that's correct. Alderwoman Cooper asked how much have we paid this website contract? Mr. Gerald stated I believe \$20,000. Alderwoman Cooper stated the original contract was \$50,000. Alderwoman Cooper asked the numbers on how much we have already paid to the person who did the website? Mr. Gerald stated yes, I can. Alderwoman Cooper asked when we can we have it? Mr. Gerald stated this week he can provide the numbers. Alderwoman Jackson concerns about the website and wanting to know the reasons why the website is not up. Alderwoman Jackson asked the reasons why our website is not up has nothing to do with the IT person? Mr. Gerald stated that's correct. Alderwoman Jackson stated the reason why its running slow because the website is not finished? Mr. Gerald stated that's correct.

Update on Town Operations about Corona Virus

Mr. Gerald stated on March 19, 2020, after the stay-at-home order was executed by the NC Governor, we closed Town Hall to the public. Mr. Gerald stated after we closed Town Hall, we established a rotation of the working employees. Mr. Gerald said then we began making contact with different towns in the areas to see how that were functioning. Mr. Gerald stated they were also doing the same thing as far as rotating people out. Mr. Gerald stated we closing the Town Hall at 3 pm and notified the public, the media, and social website. We gave travel letters to essential personnel just in case they needed to be out, and also that's the reason why we changed to 3 pm for employees to make it home. Mr. Gerald stated each morning the Fire Department is checking employee's temperatures to ensure they are not contagious or feverish. Mr. Gerald said we also checking on their whereabouts and who they are around. Mr. Gerald stated we starting buying masks to control the virus. Mr. Gerald said we bought the masks on Amazon and waited 3 weeks and bought another additional 25 masks. Mr. Gerald stated the masks should be in March 24th and will give to Board members. Mr. Gerald stated we don't have people together in offices and we rotate people. Mr. Gerald stated the essential departments are Fire, Police, Water, Water Revenue and Billing, Inspections, IT, Finance, and Public Works. Mr.

Gerald stated as of today there are 86 cases of COVID-19 in Cumberland County and 2 deaths also. Mr. Gerald stated we do have one case in Spring Lake and they are hospitalized in Lillington, North Carolina. Mayor Pro tem Aziz asked if we had any luck getting hand sanitizer? Mr. Gerald said we have not but I gave out some of my own sanitizer; however, we do have sanitizer wipes. Mayor Pro tem Aziz asked have we looked into producing our own hand sanitizer? MR. Gerald stated he would look into it. Alderwoman Jackson asked the case in Spring Lake is it in the city limits or on the outer parts? Mr. Gerald stated the one I mentioned is in Spring Lake. Alderwoman Jackson asked how are we notifying the citizens? Mr. Gerald stated in notified in the meetings but he did not want to cause a mass hysteria. Mr. Gerald said we do have one citizen and that person is isolated at the hospital and no longer in Spring Lake. Alderwoman Jackson asked what part are they from? Mr. Gerald said the County has not released that information. Alderwoman Jackson asked does the County tell you if there is a case? Mr. Gerald stated yes.

Alderwoman Cooper stated there was something going around on social media that there was a confirmed case at one of our local establishments. Mayor Dobbins stated the County investigated it, and it was not true. Mayor Dobbins respectfully request that Mr. Gerald send an email daily on the COVID-19 cases to the Board of Aldermen.

7. Public Forum (Participate via Telephone)

Mayor Dobbins introduced Ms. Felecia Ewell and Mr. Troy Simmons. Ms. Felica Ewell stated her address at E. Brinkley Drive, Spring Lake, NC 28390. Me. Felecia wanted to say on behalf of the Town Hall Happy Birthday to Mayor Dobbins and we love you. Mayor Dobbins said thank you.

Deputy Town Clerk Melissa Pereira introduced the next public speaker Mr. Troy Smith. Mr. Simmons stated his address at 1504 N. Bragg Blvd, Spring Lake, NC 28390. Mr. Simmons requesting the Board to waiver the building permit fees for my home at 1504 N. Bragg Blvd. Mr. Simmons stated his home has been in my family since 1952. Mr. Simmons stated Hurricane Florence caused 5 feet of water damage to the first floor. Mr. Simmons during the year needed a building permit to continue construction. Mr. Simmons stated the Habit for Humanity has stepped up and will rebuild if they can obtain a building permit. Mr. Simmons stated it would be \$300 for the building permit but asking if the Board would waiver those fees. Mayor Dobbins asked what would be your overall cost for the fees? Mr. Simmons stated its approximately \$300. Mayor Dobbins stated we will respond to you shortly. Alderwoman Cooper asked if Mr. Simmons received those fees before? Alderwoman Cooper stated we already waived fees after Hurricane Florence. Mr. Gerald stated that time has ended to waive those fees.

8. New Business

North Carolina Statewide Emergency Management Mutual Aid and Assistance Agreement

Jason Williams, Fire Chief, asked the board to approve the North Carolina Statewide Emergency Management Mutual Aid and Assistance Agreement. Chief Williams stated its to receive help. Chief Williams stated he created a booklet to show what it entails and what their duties are. Chief Williams stated gets the ball rolling for different things. Mr. Hankins, Town Attorney, stated it does call for a vote to agree or disagree like any other agreement that the Board authorizes. Mr. Hankins stated the background of this agreement when Hurricane Fran came through it taught us across the state that it was impractical to have a patchwork of mutual assistance agreements across the state with hurricanes. The adoption of the agreement provides assistance for every city and county in the state.

Action: The Board approved a motion to approve the North Carolina Statewide Emergency Management Mutual Aid and Assistance Agreement.

Motion by: Alderwoman Jackson

Second by: Alderman O'Garra

Vote: Unanimous

In addition, Chief Williams reiterated that we cannot tell no one where people live or addresses who contract the COVID-19 due to HIPPA violation. Alderwoman Jackson said she was not asking where they lived just asking what areas they may have been so people could be aware. Alderwoman Jackson stated she knows she can't ask for anyone information. Chief Williams said it great everyone wears their masks but ensure you wash your hands before anything. Chief Williams stated we do have a request in to get hand sanitizer. Mayor Por tem Aziz stated while wearing the masks its hard to touch your face.

WWTP-FEMA OPTIONS

Mr. McConnell stated what options the Spring Lake Water Treatment Plant by showing the direct cost and a fixed cost repair due to Hurricane Florence destruction. Mr. McConnell explained the flooding of the Water Treatment Plant and the extensive damaged throughout the facility. Mr. McConnell stated FEMA has come forward and providing cost offers. One is a direct cost offer and a fixed cost offer with repairs and mitigation. He explained the damage estimate completed \$654,792.64, uncompleted, \$1,265,545.84, Total estimate, \$1,920,338.48 and fixed cost offer \$3,793,237.00. The mitigation estimates for estimated cost \$1,771,094.82 and fixed cost offer \$3,695,186.00. Mr. McConnell explained with subtracting the insurance reductions \$730,388.09 and combined fixed cost offer \$6,758,034.91. Mr. McConnell stated over \$650,000 has been spent already. Mr. McConnell stated with a fixed cost offer FEMA don't have to do a lot of record keeping. He explained if the Town submit invoices and FEMA would reimburse the cost of the repairs and FEMA pays actual cost of repairs. Mr. McConnell stated this will require significant Administration on the Town's part. Mr. McConnell stated with the fixed cost offer, it has two components, repair and mitigation costs. Mr. McConnell explained FEMA made a lump sum offer to the Town and the Town is responsible for or benefits from difference (lump sum- actual cost). In addition, can apply for alternative Project at a later date. Mr. McConnell discussed if the fixed cost offer is accepted the Town can apply for an alternate project, meaning, make necessary repairs to current facility or remaining funds put toward a new Water Treatment Plant. Mr. McConnell stated FEMA will have to approve the alternative Project and determine if mitigation funds will be eligible.

Mr. McConnell recommends accepting the fixed cost offer for repairs and mitigation. Mr. McConnell stated this would allow the Town to apply for an alternative project at a later date, and mitigation funding can be deobligated if the alternative project is not pursued. Mr. McConnell stated the deadline for the fixed cost offer is April 17, 2020. Mayor Pro tem Aziz asked could we use the six million dollars to go toward building a new one? Mr. McConnell stated yes. Alderman O'Garra stated what we want to do is change the location with your guidance that we could do that. McConnell stated it would have to be approved by FEMA. Mr. McConnell stated if the Town accepted the lump sum instead of a fixed cost offer, we would get more to build a barrier around and fix repairs at the plant. Alderwoman Cooper asked can we use the money to build a bigger plant? Mr. McConnell stated if you asked for the fixed cost offer and accept that the Town would get \$6,758,034.91. Alderman O'Garra asked how much would a new plant cost? Mr. McConnell said we don't have a dollar amount at this time but we have requested one. Alderman O'Garra asked if it would be over thirteen million? Mr. McConnell stated very possibly.

Action: The Board approved a motion to approve the FEMA fixed cost offer AND \$6,758,034.91.

Motion by: Alderman O'Garra

Second by: Alderwoman Cooper

Vote: Unanimous

Update on Town 2018 Audit

Mr. Lee Grissom began discussing the purpose of an audit is to give an opinion on the financial information on Fiscal Year ending June 20, 2018. Mr. Grissom stated on page 4 of the 2018 Audit, there are two auditor opinions with governmental audits. He stated the first one is the financial statement and second is the internal control. Mr. Grissom stated the Town received an unmodified opinion meaning a Clean Audit Opinion is an opinion statements are presented fairly in all material respects. Mr. Grissom discussed the difficulties encountered in performing the audit. He stated that we were told on multiple occasions that the Finance Director had submitted the necessary information to the actuary to complete the OPEB report even after writing the Board of Aldermen a letter dated September 25, 2019. We did not receive the OPEB report until February 17th 2019. Mr. Grissom stated the 2018 OPEB report is due by the year of Fiscal Year June 30th. Also, Hurricane Florence was the issue. Mr. Grissom stated they had completed 95% of the 2018 Audit in April 2019, that 5% that we needed took the Town 9 ½ months to provide us with that information. Mr. Grissom stated he contacted the Finance Director numerous times. Mr. Grissom discussed there were two findings on page 6 of the handout. Mr. Grissom explained the first finding was the excess of expenditures over appropriations, Meaning the Town expended more than appropriated in the annual budget ordinance in the Water and Sewer Fund, Public Safety Grants and Project Fund, and Recreation Capital Projects in the amounts of \$482,013, \$98,719, and \$6,251. The Town should implement internal control procedures to ensure that all purchases go through the preaudit process to ensure budgetary compliance. Mr. Grissom stated the Town should amend the budget during the year. Mr. Grissom stated the only thing that was holding up the audit was the actuary report, which was related to post-employment benefits. Mr. Grissom asked if there are any questions. Mayor Pro tem Aziz asked about the Public Safety Grants and Projects Fund of \$98,719 overage is that correct and what happened? Mr. Grissom stated an accumulation over 4 years on page 70 of the June 2018 Audit. Mr. Grissom stated that for now on start budgeting more for these expenditures. Mr. Grissom stated it will be on the 2019 Audit also. Mr. Grissom stated that this could be fixed Fiscal Year 2020, and he recommended the Board look at it immediately. Mr. Grissom also stated the Board needs to approve an amendment to that Project.

Mr. Grissom discussed that he should have a trial balance by the end of the week to begin the Fiscal Year 2019 audit. Mr. Grissom stated he is working diligently with the Finance Director, Gay Tucker, and he thinks she is a very strong director but you really need more people to have a proper staff for additional duties. Mr. Grissom explained the Cash fund in 2018 \$ 4,415,447, and the breakdown of the General Fund. Mayor Pro tem Aziz asked if this particular drop was unusual? Mr. Grissom stated no, its pretty normal to see that even with community colleges. Mayor Pro tem asked has other municipalities seen the same effect? Mr. Grissom said yes. Mr. Grissom stated he doesn't want to make any assumptions yet on 2019 Audit.

Action: The Board approved a motion to approve the 2018 Audit Report.

Motion by: Alderman O'Garra

Second by: Mayor Pro tem Aziz

Vote: Unanimous

9. Closed Session

G.S 143.318.11 (a)(4) -- Personnel

G.S 143.318.11 (a)(6) -- Economic Development

Action: The Board approved a motion to approve to go into Closed Session for G.S 143- 318.11(a)(4) Personnel and Economic Development G.S.143-318.11 (a)(6).

Motion by: Alderwoman Jackson

Second by: Mayor Pro tem Aziz

Vote: Unanimous

Action: The Board approved a motion to approve coming out of Closed Session at 9:54pm.

Motion by: Alderman O'Garra

Second by: Mayor Pro tem Aziz

Vote: Unanimous


10. Adjournment.

Action: There being no further business to come before the Board, the meeting was adjourned at 10:00pm.


Motion: Alderwoman Jackson

Second by: Alderman O'Garra

Vote: Unanimous


Melissa Pereira
Deputy Town Clerk

ATTEST:


Larry G. Dobbins
Mayor