

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

January 27, 2020

MINUTES

7 p.m.

The Spring Lake Board of Aldermen held a regular scheduled 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
Alderwoman Jackie Jackson
Alderman James O'Garra
Alderwoman Fredricka Sutherland

Others Present:

Daniel Gerald, Town Manager
Tim Garner, Water Resources Director
Jay Graves, Recreation Director
Claiburn Watson, Finance Director
Melissa Pereira, Deputy Town Clerk

Ellis Hankins, Town Attorney
Troy McDuffie, Police Chief
David Vandergriff, Director of Streets, Grounds, and Sanitation
Jason Williams, Fire Chief

2. Invocation

Pastor Borcharding gave the invocation.

3. National Anthem

Terra Lynn Harris sang the National Anthem.

4. Pledge of Allegiance

Mayor Dobbins led the meeting in the pledge of allegiance.

5. Additions or Deletions to Agenda

The Board added a discussion about the Town's auditors and Charter as item 10b. They deleted Item 7b, Minutes of the January 13, 2020 meeting because they did not reflect the conversation that occurred about the Charter and they deleted Item 9e Quarterly Finance Update so that the Board could receive a detailed report with the agenda packet prior to the presentation being made.

6. Approval of Agenda

The Board approved the agenda as amended.

Action: The Board approved a motion to approve the agenda with said corrections.

Motion by: Alderwoman Cooper

Second by: Alderwoman Sutherland

Vote: Unanimous

(A copy of the Agenda is hereby incorporated by reference and made a part of these minutes – see attachment one.)

7. Approval of Consent Items

The Board approved the consent items:

- a. Minutes of the January 9, 2020 Special Meeting
- b. Minutes of the January 13, 2020 Regular Meeting – not approved
- c. Minutes of the January 16, 2020 Special Meeting
- d. Resolution (2020) 3, Delinquent Taxes for Year 2019

(A copy of Resolution (2020) 3 is hereby incorporated by reference and made a part of these minutes – see attachment two.)

Action: The Board approved a motion to approve the consent items except for Minutes of the January 13, 2020 Regular Meeting.

Motion by: Alderwoman Cooper

Second by: Alderwoman Jackson

Vote: Unanimous

8. Public Forum

Mr. Efrain Delacruz, Fayetteville, NC (originally from Spring Lake) stated he did not mean any disrespect when he spoke at the last meeting, he is just concerned with the hiring process for the City Manager's position. He stated that his concern has nothing to do with Mr. Gerald. He believed that his experience would bring a lot to the table. He stated he studied for the position, reviewed the budgets and did all the things right to apply for the job and one of the things that makes him upset is that the entire time, some of the Board Members already knew they were not going to hire any of the candidates. Mr. Delacruz mentioned another candidate and mentioned some information about that candidate that he discovered. Mr. Hankins requested that he not mention any confidential information that he may be aware of. Mr. Delacruz stated that the information he stated is public information, that you can google it and find it. He then stated that he thought Ms. Christian was a very good candidate and that she should have gotten the position. The bottom line is that they went through the whole hiring process and the whole time Mr. O'Garra, Mr. Aziz, and Ms. Jackson knew there was going to be a special meeting after the inauguration to rehire Mr. Gerald. He stated he is ok with that; but, they could have held a special meeting, before the hiring process, advising the other Aldermen to postpone the hiring process so they don't waste people's time. He stated Mr. Aziz was the wildcard and undermined two of the Board Members who fired Mr. Gerald. He stated that he will be back.

9. Presentations

a. Presentation by Mayor Dobbins

Mayor Dobbins presented Pastor Borcharding a framed copy of the prayer he prayed at the 2019 Spring Lake Board of Aldermen Swearing In Ceremony. The Board asked Pastor Borcharding to read the prayer one more time.

Mayor Dobbins presented a clock to the Recreation Center so that All About Fitness, a group that exercises on Monday, Wednesday and Friday can see what time it is.

b. 2020 Census

Ms. Gross was unable to attend the meeting.

c. WWTP/FEMA Summary

Mr. MacConnell provided a summary of the FEMA payment options for damages from Hurricane Florence. He stated Hurricane Florence caused major damage to the Wastewater Treatment Plant. They include extensive damage to the electrical system, mechanical equipment, lab equipment, buildings, and the contents and other miscellaneous damages. To date, the necessary repairs have been made and the facility is operational and meeting permit limits. Additional repairs are required for normal operations to resume. The Town is waiting on unnecessary repairs until we find out what FEMA funding we will get. There are basically two parts that FEMA is involved in. FEMA pays for repairs to get the plant back to where it was and they provide funding for mitigation to protect the plant in the event we have the same type of flood event. Mitigation options include raising the equipment, construct a concrete flood wall and build an earthen berm. Raising the

plant and building a wall around the plant have been determined to not be feasible. The best option for the Town would be to go with is the earthen berm. There is some concern with maintaining the berm. He stated the berm would have a 3:1 slope and a 5-foot width at the top. There would be a sliding flood gate for access and a dewatering pump station during a flood event. Valves would be placed to control inflow and the stormwater drainage system would have to be expanded. He stated there are three decisions that must be made:

- Direct Cost. FEMA will pay direct costs, dollar for dollar. The Town can elect to repair equipment that has not yet been repaired. There is no risk to the Town and FEMA pays the actual cost of repairs to return the plant to the condition it was prior to the flood.
- Fixed Cost Offer. FEMA makes a lump sum offer to the Town and the Town decides how to spend the money. They could use the money for other things if they so desire. Whatever expenses exceed the allocated funds must be paid by the Town.
- Alternate Project. The Town accepts the fixed cost offer and applies for an alternate project. The alternative project, may or may not get approved. The Town makes necessary repairs to the current facility and uses the remaining funds toward a new wastewater treatment plant.

The current facility is aged and near capacity. The estimated cost of damages to the plant is approximately \$1.9M and to date just under \$300,000 has been spent on repairs. The remaining repairs to the plant are approximately \$1.6M. When you add the CEF factors, FEMA has made a fixed amount offer of just under \$3.8M. The mitigation amount, without the CEF factors, totals almost \$1.8M. The offer the Town has received is approximately \$5.5M. We discovered that FEMA did not include the CEF factors and the Town is now trying to get the total amount raised to include the CEF factors. If the Town decided to build a new plant, it would be a significant amount to put down but there are other sources of funding like economic development or USDA funds. FEMA has requested that the Town have a decision by February 10, 2020, but because the amount did not include the CEF factors, we are going to ask for an extension. Mayor pro tem Aziz inquired if Mr. MacConnell is suggesting that the repair the plant and build another plant or just build a new plant. Mr. MacConnell stated that there are some things that the Town would need to repair at the existing plant but everything would have to be brought up to speed. He also clarified that the advantage of having a plant with twice the capacity is that our plant at times reaches 68% capacity and at 85% capacity you can not take on any additional capacity until you have a higher capacity plant in place. If a large plant or housing area wanted to move in, the Town may be limited in how much they can grow based on capacity because if we are at or near capacity, the plant or housing area would not be able to move to Spring Lake. The higher capacity plant will allow the Town to grow. If we built a new plant there may be some equipment that could be incorporated into a new plant but then the old plant would be decommissioned. Mayor pro tem Aziz requested an estimated cost for a new plant and information about grants and the potential amount we could get. Alderwoman Sutherland asked for Mr. MacConnell's recommendation on building a new plant and he suggested that the Town speak with economic development and find out if there are any "wet industries" that may be coming to the Town. She asked when we will know how much we are getting because they gave us a deadline of February 10th and Mr. Watson stated that he is going to request an extension by email tomorrow. Mr. Hankins requested, on behalf of the Board, to be ready to provide information and make a sound recommendation.

(A copy of Agenda Memo and PowerPoint Presentation is hereby incorporated by reference and made a part of these minutes – see attachment three.)

d. Feasibility Study, Cruciform Church Annexation

Mr. Hankins reported that the Cruciform Church petitioned to be annexed. He stated the feasibility study is sufficient and the next step in the process would be to hold a public hearing and adopt an Ordinance of Annexation. Alderwoman Sutherland inquired about them connecting to the sewer. Mr. Garner stated that sewer is not available to this property and the owner of the property has just put in a septic tank. Mr. Garner clarified that the owner understands he is responsible for the sewer on his property and that the Town is not required to provide sewer if it is not available.

Action: The Board approved a motion to set the Public Hearing for the Cruciform Church annexation for February 24, 2020.

Motion by: Alderwoman Cooper

Second by: Alderwoman Sutherland

Vote: Unanimous

(A copy of Agenda Memo and Feasibility Study is hereby incorporated by reference and made a part of these minutes – see attachment four.)

e. Quarterly Finance Update

This item was deleted from the agenda.

f. Audit Update

Mr. Gerald stated that we have completed the OPEB report and sent it to Cavanaugh and Associates in Atlanta, Georgia. That report will be done by the middle of February and once it is complete it will be sent back to the auditor and the auditor will complete the audit. Alderwoman Cooper asked about being told by Mr. Watson in September that we would have the report in 30-45 days and we are now much further than 30-45 days. Mr. Gerald stated he was not here in September. Mr. Watson stated that the September date was assuming everything would go very streamline. We had one of the two reports that came back very efficiently and the other one is the one that has taken so long. He stated the report that has taken so long is the one for the Police Officers' information and they said it would be ready in January to mid-February. Mayor Dobbins asked if any of this information is in writing and Mr. Watson stated he has an email that states they have received it and it will be done by the end of January to the middle of February. Alderwoman Cooper requested clarification and stated we get the OPEB report in the middle of February and then it has to go to the auditors and they will complete the audit, is that correct? Mr. Watson replied yes. This is for the 17-18 audit and Mr. Watson stated yes. Alderwoman Cooper asked when we will get the OPEB info for the 18-19 audit because she spoke with a gentleman from the LGC who stated that we should be getting ready to start on our next audit. Mr. Watson stated that the 18-19 audit should be completed by the end of May 2020. That information was in the letter that was sent to the LGC last week. Alderwoman Cooper inquired how we can be sure that the next OPEB reports will be done on time and that we will get the information so quickly. Mr. Watson stated the hurricane is done and gone and that is what was holding up the 17-18 OPEB report. Mayor Dobbins requested that Mr. Watson get a calendar and show on the calendar the timeline back to the 17-18 audit to date. Mr. Hankins reported that Mayor Dobbins sent a letter to the Local Government Commission in response to their inquiry regarding the Town's audits. He requested that the letter be posted on the Town's website so that the citizens can see what has been done and the expected completed dates.

10. New Business

a. Discussion, Personnel Manual Appendix D, Christmas Bonus (Longevity Based) for Board of Aldermen Members

Alderwoman Sutherland stated that she believes that someone who serves the whole year should get the bonus. She stated she spoke to the Attorney and Mr. Zell who told her it was up to the Board Member to request it. She spoke with the Finance Director who didn't really listen to her and said he had already spoken with the Mayor. She believes everyone should be treated the same. Mayor pro tem Aziz stated when someone comes on the Board, they get a Christmas bonus and when they leave, they do not get the Christmas bonus. He stated he doesn't think the Town of Spring Lake is so overburdened with tax revenue that we need to be cutting more checks for politicians. We need to be good stewards of taxpayers' money and there is no reason to give even more money to politicians. Alderwoman Sutherland stated that all she is saying that if a person has served for the entire year, they should get the bonus. Alderman O'Garra stated he does not mean to throw the Attorney under the bus but this is not an attorney decision, this is a Board decision. If we start doing this now, then it would have to be retroactive and there are quite a few people that we would need to be writing checks to. Alderwoman Cooper stated that she does not think this was meant to be personal and that this will apply to employees, not just Board Members. This is a nice thing that is done for the employees and the Board Members. Mayor pro tem Aziz asked how this will affect employees and inquired if an employee got fired in January would he still get the bonus for the whole year? Mayor Dobbins stated that we need to write a policy and then vote on it.

b. Discussion, Presentation from Auditors

Alderwoman Sutherland requested that the auditors come and give the Board a presentation on the audit at the next Board Meeting. She stated that we want to be transparent and have them come to provide information because the taxpayers'

money is used to pay them. She stated they were coming every year and giving a presentation and for some reason, they are not doing that now. Mayor Dobbins tasked Mr. Gerald and Mr. Watson with setting up a presentation by the auditors at the next Board Meeting or the one following that.

11. Adjournment.


Action: There being no further business to come before the Board, the meeting was adjourned at 9:03 p.m.

Motion: Alderwoman Cooper

Second by: Alderman O'Garra

Vote: Unanimous

These minutes were created by the Town Clerk from the audio recording of the Board Meeting.


Rhonda D. Webb, MMC, NCCMC
Town Clerk

ATTEST:


Larry G. Dobbins
Mayor