

Dunn City Council
Regular Meeting
Tuesday, March 26, 2024
6:30 p.m., Dunn Municipal Building

Minutes

PRESENT: Mayor William P. Elmore Jr., Mayor Pro Tem J. Wesley Sills, Council Members Raquel McNeil, April Gauden, Billy N. Tart, Alan Hargis, and Dr. David L. Bradham.

Also present: City Manager Steven Neuschafer, Assistant City Manager Billy R. Godwin, Finance Director Cary McNallan, Chief of Police Cary Jackson, Planning Director George Adler, Parks and Recreation Director Brian McNeill, Human Resources Director Connie Jernigan, Collections and Distribution Manager Billy Cottle, Water Plant Manager Ian Stroud, Wastewater Plant Manager Donrie Dukes, Administrative Support Specialist Amber Groves, City Attorney Tilghman Pope, and City Clerk Tammy Williams.

CALL TO ORDER AND INVOCATION

Mayor Elmore opened the meeting at 6:30 p.m. and Rev. Floyd Ray with Mt. Zion Missionary Baptist Church gave the invocation. Afterwards, Council Member McNeil led in the Pledge of Allegiance.

AGENDA ADJUSTMENT AND APPROVAL

Motion by Council Member Bradham and second by Council Member Gauden to adopt the March 26, 2024 meeting agenda as presented. **Motion unanimously approved.**

PUBLIC COMMENT PERIOD

The Public Comment Period was opened by Mayor Elmore at 6.34 p.m. Having no comments, the Public Comment period was closed.

CONSENT ITEMS

- Minutes of the January 22, 2024 City Council Meeting.
- Minutes of the February 9-10, 2024 City Council Planning Retreat Meeting.
- FY 16/20 CDBG-I Sewer Rehabilitation/Replacement Amendment Public Hearing Minutes. *A copy of the Minutes is incorporated into these minutes as attachment #1.*
- Approval for 2025/2026 Budget Planning Retreat for February 7 and 8, 2025 at the Lumina on Wrightsville Beach.
- Temporary Blocking of Streets – Tourism Community Nights
- Temporary Blocking of Streets – Broad Street Run
- Temporary Blocking of Streets – Lucknow Music Festival
- Capital Project Ordinance – Lead and Copper Services Assessment Project. *A copy of the Ordinance (O2024-02), Resolution (R2024-12) and Budget Amendment (BA2024-14) are incorporated into these minutes as attachment #2.*
- Lead and Copper Services Assessment Project – Authorization to Negotiate Contract
- Budget Amendments to Close out Project Funds - *A copy of Budget Amendment (BA2024-15) is incorporated into these minutes as attachment #3.*
- Capital Project Ordinance – Tart Park Improvements Project. *A copy of the Ordinance (O2024-03) and Budget Amendment (BA2024-16) are incorporated into these minutes as attachment #4.*
- Resolution Declaring Certain Property Surplus and Authorizing Disposition. *A copy of the Ordinance (R2024-13) is incorporated into these minutes as attachment #5.*

Motion by Council Member Hargis and second by Council Member McNeil to approve all consent items. **Motion unanimously approved.**

ITEMS FOR DISCUSSION AND/OR DECISION

Ordinance to Extend Corporate Limits, Voluntary Annexation Petition ANX-01-24, Room To Go

Mayor Elmore opened the Public Hearing at 6:37 p.m. City Manager Neuschafer presented for consideration to extend the corporate limits of the City of Dunn by the voluntary non-contiguous annexation of 19.765 +/- acres contained within PIN# 1526-45-4121.000 located on NC55 E, Dunn. Resolution directing the Clerk to investigate the voluntary Annexation Petition ANX-01-24 was adopted at the February 20 meeting. The Clerk certified the sufficiency of the petition and the Resolution fixing the date of the Public Hearing was adopted at the March 12 meeting. The Public Hearing was published on March 15 in The Daily Record and posted on the principal bulletin board, as required.

Motion by Council Member Gauden and second by Council Member Tart to adopt the ordinance to extend the corporate limits of the City of Dunn as requested and to assign property to ward three effective March 26, 2024. **Motion unanimously approved.** *A copy of the Ordinance (O2024-04) is incorporated into these minutes as attachment #6.*

PUBLIC HEARING – CDBG-NR Close-out

Mayor Elmore opened the Public Hearing at 6:39 p.m. Skip Green presented that on April 16, 2024, the State will perform its monitoring review of the City's Small Cities Community Development Block Grant – Neighborhood Revitalization (CDBG-NR) project. The CDBG program requires a "Close-out" Public Hearing to enable citizens to comment on the program. This public hearing is being held to meet this requirement.

The City of Dunn has completed all Small Cities Community Development Block (CDBG) activities on its \$574,000 Northeast Community Neighborhood Revitalization Project.

Project accomplishments follow.

- Demolition and Clearance: Demolished and cleared a house as a part of reconstruction activity.
- Rehabilitation: Rehabilitated seven houses.
- Reconstruction: Reconstructed (new construction) demolished house.

With no comments, the Public Hearing was closed.

FY 16/20 CDBG-I Sewer Rehabilitation/Replacement Amendment Resolution

City Manager Neuschafer presented a Resolution to authorize an amendment to the CDBG-I Sewer Rehabilitation/Replacement Infrastructure Project (20-I-3606) as presented at the Public Hearing held on March 12, 2024.

Motion by Mayor Pro Tem Sills and second by Council Member Gaulden to adopt the Resolution to authorize the amendment to the CDBG-I Sewer Rehab project as presented. **Motion unanimously approved.** *A copy of the Resolution (R2024-14) is incorporated into these minutes as attachment #7.*

CDBG-I Procurement Compliance Plan

City Manager Neuschafer presented updated CDBG compliance plans for the City's 2016/2020 Community Development Block Grant Infrastructure (CDBG-I) Program. The City was awarded a CDBG-I grant from NC Department of Environmental Quality (DEQ) Division of Water Infrastructure (DWI) in April 2021. The CDBG Program Manual was adopted in November 2021, containing initial compliance plans and policies designed to meet requirements for participation in the CDBG-I program. Selected updated compliance was adopted March 2022.

Motion by Council Member Bradham and second by Council Member McNeil to adopt the Resolutions and Procurement Policy and Plan as presented. **Motion unanimously approved.** *A copy of the Resolutions (R2024-15) and (R2024-16) are incorporated into these minutes as attachment #8. The updated Procurement Policy has been filed with the City Clerk.*

Tentative Award to Contractor for CDBG-I Sewer Rehab/Replacement Project

City Manager Neuschafer presented a request to tentatively award the CDBG-I Sewer Rehabilitation/Replacement project 16-I-3156 and 20-I-3606 to T2 Contracting Inc for the total negotiated bid amount of \$1,415,334. The contract award also must be approved by the funding agency.

Motion by Council Member Gaulden and second by Council Member Hargis to adopt the Resolution to tentatively award the contract for CDBG-I project to T2 Contracting as presented. **Motion unanimously approved.** *A copy of the Resolution (R2024-17) is incorporated into these minutes as attachment #9.*

CZ-03-23: Conditional Zoning for one parcel 5.47 acres +/- fronting Susan Tart Rd

Planning Director Adler presented a request to conditionally rezone one wooded parcel 5.47 acres +/- fronting Susan Tart Road, east of Tilghman Drive. The property is currently zoned O&I, Office & Institutional District and is proposed to be rezoned to MXU CZD, Mixed-Use Conditional Zoning District for a limited number of uses permitted in MXU to include up to 35 residential townhomes. At their September 26, 2023 meeting, the Planning Board reviewed the request to rezone this undeveloped parcel from O&I to Mixed-Use CZD to permit medical office space, not to exceed 20,000 square feet and up to 35 townhomes. The Planning Board voted to table this request to give the applicant time to revise the site plan in more detail and for Planning staff to research how other jurisdictions process mixed-use rezoning. At the November 28 Planning Board meeting, Samantha Wullenwaber from Mid-Carolina Council of Governments (MCCOG) spoke to the Board about how other municipalities approach conditional rezonings and answered questions.

On November 28, the applicant provided a revised application to the Planning Board. The revision had no Master Plan. Per UDO Section 3.10 B., the applicant requested only 27 of the 56 uses generally permitted in MXU to be allowed in the rezoned MXU Conditional parcel, limiting the number of townhouses to no more than 35 units. The Planning Board unanimously recommended adoption of the revised conditional zoning request to permit the limited uses requested by the applicant in his letter dated November 20, 2023, with the following conditions: 1) That this be a self-contained site, i.e., no stub streets; 2) That storm water management be installed to handle maximum build out of the entire site; and 3) That the uses on staff's Attachment 9 be the only uses to be permitted.

The applicant agreed to these conditions. The Public Hearing and Decision was tabled until the January meeting. Inclement weather on January 9 caused the meeting to be cancelled and postponed until January 22. At their January 22 meeting, the City Council moved to continue the case to the February 20 meeting to provide Council members the opportunity to consider the pros and cons of the uses requested for that area and remove some of the uses. At the February 20 meeting, the Council moved to continue the case again at the request of the owner/applicant until the March 26 meeting.

After much discussion with the property owner, Ben Stout, motion by Mayor Pro Tem Sills and second by Council Member Gaulden to approve CZ-03-23, as presented with three conditions as follows:

1. That this be a self-contained site, i.e., no stub streets;
2. That storm water management be installed to handle maximum build out of the entire site; and
3. That the following four uses: 1 - Townhomes not to exceed 35, 2 - Restaurants, 3 - Medical Clinics, 4 - Banks and Financial Institutions be the only uses to be permitted. **Motion unanimously approved.**

Avery Chase Subdivision Phase 1: Final Plat and Right-of-Way Dedication

Planning Director Adler presented a request to approve the Final Plat and accept the right-of-way dedication for Phase 1 of the Avery Chase Subdivision. Avery Chase is a major subdivision of 22 acres +/- bordered by Bruce Drive, Susan Tart Road, and Averasboro Road. The subdivision, once complete, will have 103 single-family detached homes, with four newly named streets, a pickleball court, playground, and natural area. Development is divided into three phases. The City Council approved the Conditional Rezoning on March 8, 2022. The Planning Board approved the Preliminary Plat June 28, 2022.

This Final Plat is for Phase 1, with 35 individual lots, the pickle ball court, playground, and mail kiosk. All underground utilities are installed—water, sanitary sewer, and stormwater system, including engineered retention pond. Bruce Drive is paved and extended to Susan Tart Road with a new curb and gutter. Street and traffic control signs are either installed or ordered with a commitment by the developer to install once received. Courtside Drive, a new internal street, has been paved, with a new curb and gutter up to lot 102 on the east side and lot 33 on the west side. Sidewalks have been poured on the east side of Courtside from Lot 103 south along the pickle ball court, mail kiosk, and playground and around the corners where Courtside intersects with Bruce. The remaining linear feet of sidewalk not yet poured has been guaranteed with an engineer's stamped cost estimate and a Performance Bond. Streetlights have been installed.

The Technical Review Committee has conducted site visits, documented reviews, and informed the developer of items needing correction. The developer has either completed those corrections or is in the process of doing so.

Zack Angle, the developer, was in attendance and shared construction entrance is on Susan Tart Rd. Council Member Bradham expressed concerns with the neighborhood street damages. City Manager Neuschafer shared there is a warranty on the road and emphasized that heavy equipment should use the construction entrance.

Motion by Mayor Pro Tem Sills and second by Council Member Gauden to approve the Final Plat and accept right-of-way dedication for Avery Chase Subdivision Phase 1, as presented. **Motion unanimously approved.**

SRO Agreement Amendment

Chief Jackson presented an amendment to the SRO Agreement, which provides for a \$5,000 bonus to be paid to each SRO at Harnett Primary and Wayne Avenue Elementary School this fiscal year. Harnett County will reimburse the payment of this bonus agreement.

Motion by Council Member McNeil and second by Council Member Hargis to approve the SRO Agreement Amendment for Elementary and Primary Schools as presented. **Motion unanimously approved.**

Acceptance of Fall 2022 Stormwater AIA W Pearsall St Culvert Project No. SRP-SW-ARP-0030

City Manager Neuschafer presented for approval the Offer and Acceptance from the NC Department of Environmental Quality Division of Water Infrastructure for ARPA funds designated for the LASII West Pearsall St Stormwater Culvert Project. Project SRP-SW-ARP-0030. LASII ARPA Funding was awarded in the amount of \$490,340.

Motion by Council Member Bradham and second by Council Member Hargis to adopt the capital project ordinance amendment, resolution making the applicable assurances contained therein, and accepting the LASII ARPA Funding offer of \$490,340 for LASII West Pearsall St Stormwater Culvert. **Motion unanimously approved.** *A copy of the Resolution (R2024-18) and Ordinance (O2024-05) are incorporated into these minutes as attachment #10.*

Special Order by Consent Amendment (SOC)

City Manager Neuschafer presented amendment changes to the Eastside South Forcemain project into the Eastside Pump Station and Equalization tank project as already approved and funded by USDA. These projects were awarded a grant of \$3.5M and loan \$8.626M combination from the USDA.

Motion by Mayor Pro Tem Sills and second by Council Member Tart to approve the amended SOC with the NC Department of Environmental Quality as presented and authorizing City Manager Neuschafer to execute the amended order. **Motion unanimously approved.** *A copy of the SOC is incorporated into these minutes as Attachment #11.*

Engineering Agreement for Eastside Pump Station Improvements

City Manager Neuschafer presented an engineering agreement with WithersRavenel for the Eastside Pump Station project for approval. The City has been waiting for the SOC amendment to authorize this project to begin, including the agreement for engineering services. Engineering services (\$1,314,500) are included in the \$12,126,000 USDA project grant and loan.

Motion by Mayor Pro Tem Sills and second by Council Member Hargis to authorize City Manager Neuschafer to execute the agreement once review by the City Attorney is complete. **Motion unanimously approved.**

Attorney Service Agreement – Condemnation for Easement Acquisition/SOC Related Projects

Assistant City Manager Godwin presented for approval to retain the law firm of Yarborough, Winters, & Neville, PA, to represent the City in condemnation proceedings to acquire utility easements needed in furtherance of two projects required under the SOC.

These SOC projects underway are the Machine & Welding Outfall project and the Black River WWTP Effluent Conveyance System Project. Both projects require easements over private property. Most easements have been obtained through successful negotiations with the landowners however, there are several parcels where negotiations have been unsuccessful resulting in the likelihood that condemnation under the City's eminent domain authority may be necessary to acquire those easements.

The Fayetteville law firm of Yarborough, Winters, & Neville, PA, has vast experience representing North Carolina local governments in condemnation proceedings and has agreed to represent the City in any condemnation proceedings required to acquire the utility easements needed in furtherance of these two projects. The firm's hourly rate to represent the City would be \$300.00 per hour with travel time billed at 1/2 the hourly rate plus mileage at the standard IRS rate. The expenses related to these services will be charged to the two projects noted above and funded with any eligible grant funding or Water and Sewer Fund reserves.

Motion by Mayor Pro Tem Sills and second by Council Member Tart to approve the terms of the engagement letter to retain the law firm of Yarborough, Winters, & Neville, PA, to represent the City of Dunn in condemnation proceedings to acquire easements in furtherance of Machine & Welding Outfall project and the Black River WWTP Effluent Conveyance System Project. **Motion unanimously approved.**

Administrative Reports

City Manager Neuschafer shared that there are a lot of cities that have received infrastructure funding so there will be a lot of bids out there. Updated goals will be presented at the next work session with dates and estimated costs for each goal.

Finance Director McNallan provided the following financial report for the period ending January 31, 2024:

- The City has \$11,839,455 cash, compared to \$14,260,125 last year. The decrease is primarily due to unreimbursed grant/loan proceeds for capital water and sewer projects.
- Property Taxes collected for January total \$1,181,478, compared to \$1,030,771 last year.
- Sales Tax receipts were \$303,181, \$52,449 more than last year, with total collected to-date of \$1,477,852 or 47.7% of budget.
- Utilities Sales Taxes received for the year are \$194,989, compared to \$185,812 last year.
- Building Permit Fees collected total \$103,144 or 64% of the budget compared to the total collected last year of \$94,811.
- The benchmark for this period is 66.7% of the budget.
- McNallan then showed comparison reports showing actual to budget for revenues and expenditures along with comparison to last year's. Current Revenues: General Fund at 69%, Water and Sewer at 60.3% and Stormwater at 88.2%. Expenditures: General Fund at 61.4%, Water and Sewer at 51.8% and Stormwater at 39.7%. He also updated on debt service and liens and assessments.

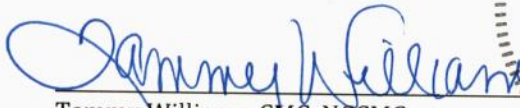
Reports were also received as follows: Communications Report, Planning and Inspections Report, Public Works Report, Public Utilities Report, Parks and Recreation Report and Police Report.

Announcements/Information

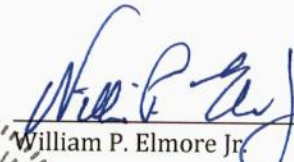
Mayor Elmore announced upcoming events and activities.

With no further business to discuss, motion by Mayor Pro Tem Sills and second by Council Member Hargis to adjourn the meeting at 8:11 p.m. **Motion unanimously approved.**

Attest:


Tammy Williams, CMC, NCCMC
City Clerk




William P. Elmore Jr.
Mayor