

Dunn City Council
Work Session
Tuesday, August 13, 2024
6:30 p.m., Dunn Municipal Building

AGENDA

Call to Order – Mayor William P. Elmore, Jr.
Invocation –
Pledge of Allegiance

- 1) Adjustment and Approval of the August 13, 2024 meeting agenda

ITEMS FOR DISCUSSION AND/OR DECISION

- 2) Police performance and wellness grant
- 3) Budget amendment for fiber line
- 4) Public utility equipment financing
- 5) Pearsall street bridge project update
- 6) 24" Water line project update
- 7) Budget amendment for water line project
- 8) Announcements/Information
- 9) **Closed Session** - If called, the General Statute(s) allowing the Closed Session will be cited in the motion

ADJOURNMENT

Meeting Date: August 13, 2024

SUBJECT TITLE	To approve the acceptance of a Police Performance and Wellness Grant
PRESENTER/DEPARTMENT	Chief Cary A. Jackson
ATTACHMENT(S)	0
PUBLIC HEARING PUBLISH DATES	

PURPOSE:

To authorize the Police Department to accept funding from the North Carolina Chiefs of Police Performance and Wellness Grant program for the purchase of Essential Personnel Software.

BACKGROUND:

In 2021, the North Carolina General Assembly passed Session Law 2021-138, which introduced significant reforms aimed to improve policing and criminal justice in North Carolina. The General Assembly authorized funds to be deployed as grants administered by the North Carolina Association of Chiefs of Police to enhance the performance and wellness of its law enforcement agencies and their officers. Essential Personnel Software would be used as a platform needed for agency leadership to provide consistent feedback, document noteworthy performance, defend personnel decisions, and provide agency transparency. The program would enable leadership to continue to build strong teams with physically and mentally ready personnel.

BUDGET IMPACT:

The award is in the amount of \$7,528.00 and it requires no match from the City of Dunn. This amount will fund the total amount of the Essential Personnel Software for a period of 12 months.

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to accept the North Carolina Chiefs of Police Performance and Wellness grant.
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ITEM FOR DISCUSSION AND/OR DECISION

Meeting Date: August 13, 2024

SUBJECT TITLE	Budget Amendment for Fiber Line
PRESENTER/DEPARTMENT	Steven Neuschafer/City Manager Cary McNallan/Finance Department
ATTACHMENT(S)	Budget amendment
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve a budget amendment to appropriate funding for the installation of a fiber line between the Dunn Library and City Hall.

BACKGROUND: The City of Dunn currently contracts with Harnett County Information Technology Department for our computer needs. The City maintains its computer server storage at City Hall. During discussion with Harnett IT staff, city staff determined that it would be in our best interest to have a connection to the County's fiber line to allow for additional computer backup storage and accessibility. The closest location to connect to the County's fiber line is located at the Dunn Library. The cost to install a fiber line between the Library and City Hall is estimated at \$65,000.

To fund this expenditure, staff are requesting a budget amendment to the General Fund and Water and Sewer Fund in the amounts of \$41,800 and \$23,200 respectively, with funding being appropriated from reserves from each fund.

BUDGET IMPACT: The overall budget for the General Fund will increase by \$41,800 and the Water and Sewer Fund will increase by \$23,200.

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to approve the attached budget amendment for the installation of a fiber line between the Dunn Library and City Hall.
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CITY OF DUNN

BUDGET ORDINANCE AMENDMENT

Department: Administration

3

Budget Amendment #:

Date: 8/13/2024

FISCAL YEAR ENDING: 6/30/2025

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
General Fund Water & Sewer Fund	010-0500-7400 030-0710-7400	Capital Outlay Capital Outlay	\$ 30,700.00 -	\$ 41,800.00 23,200.00	\$ 72,500.00 23,200.00
EXPENDITURE TOTAL:			\$ 30,700.00	\$ 65,000.00	\$ 95,700.00

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
General Fund Water & Sewer Fund	010-0368-2001 030-0390-4000	Fund Balance Appropriation Fund Balance Appropriation	\$ 535,695.00 \$ 564,000.00	\$ 41,800.00 \$ 23,200.00	\$ 577,495.00 \$ 587,200.00
REVENUE TOTAL:			\$ 1,099,695.00	\$ 65,000.00	\$ 1,164,695.00

CERTIFICATION: I certify this requested budget amendment was approved by the City Council on:

City Manager:

8/13/2024

Finance Director:

8/13/2024

JUSTIFICATION:

Appropriate funding to install a fiber line between the Library and City Hall.

FUNDING SOURCE:

General Fund reserves and Water and Sewer Fund reserves.

Meeting Date: August 13, 2024

SUBJECT TITLE	Public Utility Equipment Financing
PRESENTER/DEPARTMENT	Cary McNallan/Finance Department
ATTACHMENT(S)	December 12, 2023, agenda item
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve a financing arrangement between the General Fund and the Utility Funds for FY24 vehicle and equipment purchases.

BACKGROUND: At the December 12, 2023, council meeting, a public hearing was held regarding the purchases of various vehicles and equipment for FY24. The City Council approved these purchases along with an application for grant/loan funding from the United States Department of Agriculture (USDA).

During the USDA application process, it was noted that the USDA requires all loans to be recorded in the City's General Debt Fund. Since some of the vehicles and equipment are to be designated for Water, Sewer, and Stormwater use, the grant and loan funds for these purchases would need to be recorded in the General Fund and not in the respective utility funds.

In order to abide by the USDA reporting requirements and at the same time, use utility funds to ultimately provide funding for these vehicles and equipment, the following is recommended:

- The General Fund will purchase all of the listed vehicles and equipment and receive and record all USDA grant and loan proceeds.
- The USDA loans will be recorded as General Fund Debt and future loan payments will be paid from the General Fund.
- The vehicles and equipment will be transferred to the Utility Funds and an "Advance of Funds" (aka loan) will be recorded between the General Fund and the Utility Funds for an amount equal to the purchase costs, less any grant funding received.
- Annual "loan" payments will be made from the Utility Funds to the General Fund over a 5- or 7-year period, depending on the equipment.
- The terms of these interfund "loans" would match the terms of the USDA loans. The anticipated interest rate is 3.50%.

In summary, the General Fund will act as a pass-through entity for the USDA loans and the ultimate funding will come from the utility funds. The USDA grants and loans have not yet been determined due to delays at the federal level, so we do not yet know the amounts of the grants or loans, or the financing terms.

At this time, it is requested that the City Council approve the accounting transactions noted above and establish "Advances of Funds" in the amounts listed on the next page, effective 6/30/24.

<u>Loan Yrs</u>	<u>Department</u>	<u>Vehicle/Equipment</u>	<u>Cost</u>
7	Public Utility	Trailer Jetter	\$ 73,558.05
7	Public Utility	New Holland Backhoe	\$ 115,970.00
5	Water Plant	F-150 4x4	\$ 45,473.59
5	Sewer Plant	F-150 4x4	\$ 44,381.59
5	Sewer Plant	Kubota RTV	\$ 21,426.22
5	Sewer Plant	F350 4x4 Crane Truck	\$ 89,706.26
		Water and Sewer Total	\$ 390,515.71
7	Stormwater Ops	Mower Max Boom Gen 3	\$ 265,591.00
		Stormwater Total	\$ 265,591.00

BUDGET IMPACT: The FY24 purchases were budgeted as part of a capital project ordinance for FY24. The future USDA loan payments and advance payments between funds were estimated and budgeted in the FY25 operating budgets.

**RECOMMENDED
MOTION/ACTION
REQUESTED OF
COUNCIL**

Motion to approve the recording of advances of funds between the General Fund and Utility Funds, effective June 30, 2024.

Meeting Date: December 12, 2023

SUBJECT TITLE	USDA Public Hearing for Loans
PRESENTER/DEPARTMENT	Cary McNallan/Finance Director
ATTACHMENT(S)	Public Hearing Notice
PUBLIC HEARING PUBLISH DATES	December 1, 2023

COPY

PURPOSE:

- a) **Public Hearing:** The United States Department of Agriculture (USDA) requests that the City holds a public hearing for input for loans through their Community Development program. These hearings are to receive comments pertaining to loans we are pursuing.
- b) **Decision:**

BACKGROUND: The City of Dunn is requesting financing for the following purchases:

- \$304,861 for five police vehicles.
- \$162,000 for three Public Works trucks.
- \$416,000 for various Public Utility equipment including a backhoe, trailer jetter, utility vehicle, and three trucks.
- \$266,000 for a brush mower for the Stormwater Fund.

These items were included in the FY24 budget and are expected to be delivered by the spring of 2024.

This hearing is one step in the loan/grant process and if the applications are approved by USDA, we anticipate closing on the loans and grants shortly after receiving the equipment. The interest rate, loan terms, and grant amounts are to be determined by the USDA once the closing date draws closer. Historically, we have received 30% in grant funds and 70% in low interest loan funds. If USDA funds are not awarded, the City will request financing proposals from banking institutions.

BUDGET IMPACT: Funding to repay the USDA loan will be budgeted starting in the FY25 budget. The estimated annual principal and interest payments for the police vehicles is \$56,500 for five years, for the public works vehicles is \$24,800 for five years, for the Public Utility equipment is \$55,800 for seven years, and for the Stormwater equipment is \$40,200 for seven years.

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Open the public hearing and receive comments from the public.
	Motion to approve City staff to submit applications to USDA for financing FY24 vehicle and equipment purchases.

ITEM FOR DISCUSSION AND/OR DECISION

Meeting Date: August 13, 2024

SUBJECT TITLE	Engineering Update – Pearsall Street Culvert
PRESENTER/DEPARTMENT	Billy Godwin/Assistant City Mgr – Dori Sabeh PE, WithersRavenel
ATTACHMENT(S)	N/A
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To provide the City Council on the current status of the West Pearsall Street Culvert project.

BACKGROUND: This project replaces two failed box culverts over the West Pearsall Street crossing of Juniper Creek with a 57 foot constructed bridge. Other improvements include upgrading the existing sewer line crossing the creek from a vitrified clay pipe (VCP) to a steel-encased ductile iron pipe (DIP); relocating existing gas lines; and regrading and replacing certain sections of the existing gabion wall.

BUDGET IMPACT: The proposed budget for this project is \$1,760,898.93. Funding consists of \$490,340.00. from a Local Assistance for Stormwater Infrastructure Improvement (LASII) Construction Grant; \$329,000.00 from a LASII Planning Grant; \$151,000.00 from the remaining balance of an ARPA stormwater mapping project; \$790,558.93 will come from the City's Funds.

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	N/A
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Slide Show



Meeting Date: August 13, 2024

SUBJECT TITLE	Emergency water line repairs
PRESENTER/DEPARTMENT	City Manager Neuschafer and Departments
ATTACHMENT(S)	Yes
PUBLIC HEARING PUBLISH DATES	NA

PURPOSE: Discuss status of the 24" main waterline into the City

BACKGROUND: in February 2024 the City placed a temporary structure in place to stabilize the waterline across a drainage ditch on K Street in Erwin. Through most of the summer it was acceptable and was relatively undisturbed. During the rains in July the erosion around the pipe accelerated drastically to the point the pipe became completely exposed. Once the erosion began the DMP engineering firm and the City began to explore solutions for a permanent fix; also based upon the clear knowledge that Erwin had no immediate plans to repair the drainage issue. The long-term solution is to bore a new line under the creek linking the waterline to both sides of the failed ditch. However, until that line can be installed and with the looming Tropical Storm the City needed to safeguard the main water supply into the City. The two actions that the City did to safeguard the water supply were: first to decommission the vulnerable 24" pipe crossing the ditch and bypass that section with a 12" HDPE pipeline above the ground - as a continuous feed (although reduced to 12"). Secondly we installed a connection between the 16" pipeline and the 24" pipeline to divert pumped water into the secondary pipe feeding the City

BUDGET IMPACT:

Initial funds to secure 24" pipeline \$50,000
 Additional Emergency funds used \$100,000
 Final pipe bore replacement \$464,000

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	N/A
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Slide Show




CITY OF DUNN
 NORTH CAROLINA
Where community begins!

Water Main from Treatment Plant

0 0.05 0.1 0.2 MI
 — Water Main

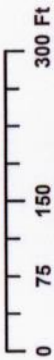
Water Treatment Plant

Disclaimer: This map is for informational purposes only and is not intended to be used as a topographic survey. The data presented may not be accurate, complete, or up to date. Users should not rely on this map for precise measurements or detailed analysis.





Water Mains at Treatment Plant



— Water Main



Disclaimer: This map is for informational purposes only and is not intended to be used as a topographic survey. The data presented may not be accurate, complete, or up to date. Users should not rely on this map for precise measurements or detailed analysis.

Meeting Date: August 13, 2024

SUBJECT TITLE	Budget Amendments for 24inch Water Line Repair
PRESENTER/DEPARTMENT	Cary McNallan/Finance Department Billy Cottle/Collection & Distribution Manager
ATTACHMENT(S)	Budget amendment
PUBLIC HEARING PUBLISH DATES	N/A

PURPOSE: To approve a budget amendment to appropriate funding for the repair of a 24-inch water line between the Water Treatment Plant and the City of Dunn.

BACKGROUND: The 24-inch water line that runs between the Water Treatment Plant and the City of Dunn needs emergency repair. The water line crosses a creek in the Town of Erwin and the erosion from the recent rains has caused the elevated water line to become unstable.

The City's engineering firm and City staff have agreed that the water line should be rerouted by boring under the creek to avoid a future issue that an elevated line may impose. The cost to complete this work is estimated at \$564,000.

To fund this unanticipated expenditure, staff are requesting a budget amendment to the Water and Sewer Collections and Distribution Department in the amount of \$564,000 with funding from the Water and Sewer Fund reserves.

BUDGET IMPACT: The overall budget for the Water and Sewer Fund will increase by \$564,000.

RECOMMENDED MOTION/ACTION REQUESTED OF COUNCIL	Motion to approve the attached budget amendment for the Water & Sewer Fund.
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ITEM FOR DISCUSSION AND/OR DECISION

CITY OF DUNN

BUDGET ORDINANCE AMENDMENT

Department: Water Distribution

Budget Amendment #: 2

Date: 8/13/2024

FISCAL YEAR ENDING: 6/30/2025

FISCAL YEAR ENDING: 6/30/2025

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Water & Sewer Fund	030-0810-7402	Capital Improvements	\$ -	\$ 564,000.00	\$ 564,000.00
EXPENDITURE TOTAL:			\$ -	\$ 564,000.00	\$ 564,000.00

FUND	Acct #	LINE ITEM DESCRIPTION	Appropriation Before Amendment	Amount of Amendment Increase / (Decrease)	Appropriation After Amendment
Water & Sewer Fund	030-0390-4000	Fund Balance Appropriation	\$ -	\$ 564,000.00	\$ 564,000.00
REVENUE TOTAL:			\$ -	\$ 564,000.00	\$ 564,000.00

CERTIFICATION: I certify this requested budget amendment was approved by the City Council on:

City Manager: 8/13/2024

Finance Director: 8/13/2024

JUSTIFICATION:

Appropriate Water and Sewer fund balance to repair a 24-inch water line.

FUNDING SOURCE:

Water and Sewer Fund reserves.

QUOTE

Sandy's Hauling & Backhoe Service, Inc

PO Box 1156
Roseboro, NC 28382

Date
8/1/2024

To:

CITY OF DUNN
P.O. BOX 1065
DUNN, NC 28335
PHONE : 910-892-2948
FAX : 910-892-8871

Job

Item	Description	Unit	Unit Price	Total
	REFERENCE: WEST K ST 24" WATER LINE REPAIRS			
HDD	BORE & PLACE 24" DR11 DIPS HDPE	640	585.00	374,400.00
HDD	OR BORE & PLACE 24" FUSIBLE PVC	640	725.00	464,000.00
	NOTES: - THIS PRICE INCLUDE LABOR, EQUIPMENT, HDPE/FUSIBLE PVC, AND LOCATE WIRE. - THE CITY OF DUNN WILL PROVIDE TRAFFIC CONTROL. - THIS PRICE DOES NOT INCLUDE TESTING. - THIS IS NOT A ROCK PRICE.			
	"This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act." <i>Cary M. ... 8-724</i> Finance Director			
	030-0810- 0700 7402			

	Total
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Announcements
Dunn City Council Meeting
August 13, 2024

- The next Regular Council Meeting of the Dunn City Council is scheduled for Tuesday, August 27th at 6:30 p.m.
- The next Work Session of the Dunn City Council is scheduled for Tuesday, September 10th at 6:30 p.m.