

MINUTES OF THE SPECIAL CALLED MEETING OF
THE TOWN BOARD OF COMMISSIONERS
TOWN OF WILLIAMSTON, NC

November 18, 2019

The Board of Commissioners of the Town of Williamston met in special called session on Monday, November 18, 2019 at 5:30 p.m. in the Assembly Room at Town Hall.

PRESENT Mayor: Joyce Whichard-Brown
Commissioners: Mayor Pro Tem Al Chesson, Jerry Knox, Ronell Rodgers, Alton Moore, and William Coffield
Town Administrator: John O'Daniel
Town Clerk: Christina Craft
Finance Officer: Linda Harrison
Police Chief: Travis Cowan
Police Captain: Beth Coltrain
Recreation Director: Allen Overby
Town Planner and Zoning Administrator: Cameron Braddy
Fire Chief: Michael Peaks
Human Resources Administrator: Martha-Brown Lilley

ABSENT None

CALL TO ORDER AND INVOCATION

The Mayor called the meeting to order and welcomed everyone. Commissioner Knox led the pledge of allegiance. Commissioner Chesson offered the invocation.

WELCOME

The Mayor welcomed all present to the meeting.

AGENDA APPROVED

The Mayor asked if there were any adjustments to the Regular Agenda or if the Board wished any items to be removed or added the Regular Agenda. The Mayor requested the addition of the consideration of closing Town Hall at noon on Wednesday, November 27, 2019. *It was moved by Commissioner Chesson, seconded by Commissioner Coffield, and unanimously passed to approve the regular agenda as amended.*

Consideration of Proposed Property Donation

The Town Planner and Zoning Administrator reported the property would be required for the second stage of the River Walk project and the donation will decrease the cost of the project. Commissioner Chesson if the property was hot as it was previously a chemical company. Braddy reported a brownfield certification has been requested which would be proof evident of the cleanup as was required. He has not received this certification yet. Originally, the real estate agent contacted the Town in an attempt to sell three parcels. When the Town did not purchase the property, the real estate agent reported the owner would like to donate the property. It was misunderstood that all three parcels were to be donated. One of the three parcels is owned by another party who does not wish to donate their parcel. Commissioner Chesson reported to be in favor of accepting the donation if the area is proven to not be contaminated since it is contiguous to Town owned property. The Town Administrator reported the donation would come before the Board again once the brownfield certification has been received.

Approval of Closing Town Hall at Noon on Wednesday, November 27, 2019

The Mayor requested the Board consider closing Town Hall early the day before Thanksgiving. She proposed closing at noon. Commissioner Coffield suggested 3 pm to allow citizens to be able to handle business as Town Hall will be closed Thursday and Friday. Commissioner Chesson questioned if this is a staff request. The Mayor reported this is her idea which will allow staff to prepare for the holiday. *It was moved by Commissioner Moore, seconded by Commissioner Knox, and passed to approve Town Hall to close at noon on November 27, 2019 with four affirmative votes and Commissioner Coffield voting against the early closure.*

Budget Workshop – Proposed Capital Projects

Board of Commissioner's Meeting

November 18, 2019

Page 2

The Town Administrator reported there are three projects that have been identified which is the Police Department Relocation, the Fire Department Renovation and the PARTF grant for the Gaylord Perry Park Renovation.

The Police Department USDA loan is for \$1,840,000. The original bid was for \$2.2 million for this project but through value engineering, the bid was lowered to \$2,055,650. The building purchase is \$122,026, of which \$10,000 has been spent as a down payment. The design fees are \$122,000. The information systems cost to include data wiring, servers, security cameras and other related furnishings will cost approximately \$396,000. The contingency has been set at \$102,783. Interim financing will cost \$35,000. The total estimate is \$2,853,059. We are hopeful USDA will increase the loan by \$396,000 to include the information systems equipment and wiring. Fund balance of \$375,887 is recommended to be used for this project. \$147,000 has already been spent on the project. The value engineering adjustments reduced cost by \$144,000 which included a change from a metal roof to shingles to save \$35,000. Commissioner Chesson questioned if there would be any security on the front of the building with the removal of the concrete planters. While aesthetically pleasing, it would protect the building from being rammed by a vehicle. Chief Cowan reported that some of the changes will not affect how they do business but if the building is not secure, it will affect how the department will function. Commissioner Rodgers questioned the prior estimate as compared to the current estimate. Chief Cowan reported the original estimate was \$2.2 million.

The Town Administrator reported there were needed alternates totaling \$235,625 that were not included in the original construction estimate. The value engineering adjustments reduced cost by \$83,000. The USDA loan is \$1,633,550 and the project is estimated at \$2,249,076. The USDA has verbally agreed to an extra loan with 3% interest of \$450,000. Fund balance of \$96,506. The Mayor questioned the cost difference in lockers for the Police and Fire Department. Chief Peaks reported the bulky gear requires more space. Some of the items such as the bay roof is currently listed on Capital Improvement (CIP) items. The roof has a substantial leak. Bay heaters are required. The generator failed during the last hurricane. Originally, the department had 6 bay heaters and are down to 2 heaters which are not energy efficient. The combined projects are over the original estimated cost by \$850,000. Chief Cowan reported the Police Department has not placed items in the CIP for the current facility as the Board had directed to move toward relocation to address the department's needs. Commissioner Rodgers questioned if any items can be removed. Chief Cowan reported both departments have worked to save money when the project first began. There is nothing fanciful in either building. The items listed have been cut and would still allow the department to operate. Commissioner Chesson reported many items have been scaled down to remain functional such as the wrought iron fence has been replaced with vinyl fencing which saved a considerable amount. Commissioner Moore questioned if the plan would allow additions in the future. Chief Cowan reported it is possible but the building design should last 50 to 60 years. Chief Peaks concurred the Fire Department would meet future needs as he does not foresee the department requiring any additional large trucks except through the replacement plan. The fire department property is not large enough to expand the building beyond the plans presented. When the Police Department moves from Town Hall, this will allow current staff to expand as some share offices. This would also allow the meeting space to be relocated to downstairs. The fire department loan payment will be \$111,792 annually. The Police Department loan payment will be \$110,936 annually. \$3,893,319 of total fund balance will be used. A total of \$371,434 was placed in contingency which will hopefully not be used and could partially replace the fund balance used. Commissioner Chesson reported the figures given show that the maximum expenditures are to be spent on these projects and no other funds can be spent in the upcoming budget. The payment on the park is approximately the same as the combined payments for the other two projects and would be completed prior to the first payment on the Fire and Police projects.

The Town Administrator reported the two most recent tax rate changes were related to revaluation of property values, with an 8-cent reduction in 2010 and a 4-cent increase in 2018 which kept the tax revenue neutral. One cent increase will equal approximately \$30,814 projected additional revenue and will cost the average home owner \$8.34 annually.

The projection for the next four years without moving forward with any of the projects show an increase in medical and dental insurances and an increase as mandated in the retirement program. If no tax increase is done, the Town will run into an operating deficit in the next budget year of \$211,043. Commissioner Moore questioned if the projection includes a merit increase for staff. The Town Administrator confirmed this includes a 1% COLA and a 0.5% merit increase. Without any projects, COLA or merit increases, the operating deficit would be \$166,760. Commissioner Chesson reported it is not realistic to do nothing. Other options were presented to show the

Board of Commissioner's Meeting

November 18, 2019

Page 3

differences if one or more of the projects were chosen without a tax increase and various amounts of fund balance used. Contingency on the Fire Department increase is based on square footage. Contingency increase on the Police Department is due to the information systems needed, which will be mostly used for video storage. Cloud storage is more expensive as you will still require a server. Five options were presented with varying rates of tax increases with a recommendation of a 9 to 10 cent tax rate increase just to maintain operations. The Parks and Recreation Director reported the PARTF contract is due by December 1, 2019 and will request for an extension to allow the Board more time to consider. \$15,000 of the \$245,000 has already been spent. Martin County Travel and Tourism may contribute a small grant to assist in the costs. He is searching for other grants to assist with the Town's matching funds as required with the grant but is not hopeful for large opportunities. Commissioner Chesson reported a 13-cent increase is not practical but it is also not practical to not have a COLA or merit. Commissioner Rodgers reported that the 9-cent increase would be harsh for the low-income citizens.

The Mayor recessed meeting to be continued to Monday, November 25, 2019 at 5:30 pm to allow the Board time to review the information.

Monday, November 25, 2019

The Board of Commissioners of the Town of Williamston met in special called session on Monday, November 18, 2019 at 5:30 p.m. in the Assembly Room at Town Hall.

PRESENT Mayor: Joyce Whichard-Brown
Commissioners: Mayor Pro Tem Al Chesson, Jerry Knox, Ronell Rodgers, Alton Moore, and William Coffield
Town Administrator: John O'Daniel
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Recreation Director: Allen Overby
Town Planner and Zoning Administrator: Cameron Braddy
Fire Chief: Michael Peaks

ABSENT None

The Town Administrator reported he has spoken with the USDA. While they would not allow for a 3% loan, it was verbally agreed to change from a 30-year loan to a 40-year loan. He presented three options for review with the reduced annual payment. Commissioner Chesson questioned if the projects were close to the bottom line and nothing else can be cut such as furnishings. He does not anticipate a surprise with the Fire Department but the Police Department is unknown. The Town Administrator reported the Fire Department has already cut \$100,000 and is not comfortable with any further cuts. The Police Department has contingency costs related to information systems as there are many unknowns with equipment and software licensing fees that could change.

The Town Administrator reported the two most recent tax rate changes were related to revaluation of property values, with an 8-cent reduction in 2010 and a 4-cent increase in 2018 which kept the tax revenue neutral. One cent increase will equal approximately \$30,814 projected additional revenue and will cost the average home owner \$8.34 annually. The Town Administrator reported the bids received usually have a 30 – 60-day window and are approaching the deadline for the company to honor the bid. Chief Cowan reported there are no savings upfront but may find some moving forward. Chief Peaks is concerned any further cuts could cause a problem if there are issues during construction. Commissioner Coffield questioned if the Stalls building has been purchased. The Town Administrator reported the building has not been purchased and the option to buy contract expires in February or March. Chief Peaks reported the NCDOT is required to provide pavement from the curtain to the road in asphalt. The Fire Department has concrete currently. He has approached NCDOT to pave the side instead.

Board of Commissioner's Meeting

November 18, 2019

Page 4

The Skinner Warehouse will be paid in full in approximately 10 years. Commissioner Rodgers reported concern for low income citizens. While revitalization of Main Street is important, is this conservatively responsible? Commissioner Chesson reported nothing can be done with an increase in taxes. The Town is losing population and the increase in vitality is inviting. Commissioner Rodgers questioned how a new fire department would help the citizens. Chief Peaks reported there are many things that will have to be addressed regardless of the renovation. A new generator is required. The roof leaks heavily in spots. The concrete in the bay has sunk. There is a moisture issue. The renovations in the project will only meet, not exceed current needs. The larger trucks are parked so closely, it is a hazard for staff. If the Board chose to fix the current issues without moving forward with the expansion, it would cost approximately \$200,000 without considering the generator. The use of the fund balance will not put the Town below the requirements of the Local Government Commission. Staff and Board have worked very hard to build the Fund Balance. Commissioner Chesson reported if nothing is done, the Town still owns the plans. The Town Administrator requested Board direction in form of a motion to approve one of the options. Commissioner Chesson commissioned the Chiefs and staff to not use the contingency as those funds could be used if the Town has the burden of building demolitions. Commissioner Rodgers is struggling with moving forward as many low-income citizens cannot afford the increase. *It was moved by Commissioner Chesson, seconded by Commissioner Coffield, to raise taxes in the next budget year 10 cent needed to fund the Fire Department renovation, the Police Department relocation and PARTF projects.*

ADJOURNMENT

There being no further business, the Mayor declared the meeting adjourned at 8:16 p.m.

Submitted By:

Approved By:

Town Clerk

Mayor