

**HAMLET CITY COUNCIL SPECIAL MEETING  
BUDGET REVIEW  
COUNCIL CHAMBERS ROOM  
201 MAIN STREET, HAMLET, NC 28345  
TUESDAY, JANUARY 14, 2020  
5:00 PM  
MINUTES**

**Governing Body Present:**

|                |                |
|----------------|----------------|
| Mayor          | Bill Bayless   |
| Mayor Pro Tem  | Jesse McQueen  |
| Council Member | Maurice Stuart |
| Council Member | Terry Moore    |
| Council Member | Oscar Sellers  |

**Staff Present:**

|                       |                  |
|-----------------------|------------------|
| City Manager          | Jonathan Blanton |
| City Clerk            | Gail Strickland  |
| Finance Officer       | Jill Dickens     |
| Public Works Director | Billy Stubbs     |

**Others Present:**

**1. Call to Order**

Mayor Bayless called the meeting to order at 5:10 pm. He reported Mr. Martin was not in attendance due to a death in his family.

**New Business**

**2. Budget Review**

City Manager Jonathan Blanton stated the City's finances are in good shape. He provided a current Budget vs. Actual Report. He noted the tax revenues, sports revenue and Depot rentals are strong. The City had a few unexpected repairs that were amended with Budget Amendments. He gave the example of the replacement of the Senior Center roof. Their Maintenance and Repair is at 72% but a Budget Amendment will be done when the insurance money comes in. He said the Budget is right on point with where it should be, nothing major going on. Councilman Stuart inquired if they were pleased with the new roof and the Manager stated he did not receive any complaints.

Mayor Bayless inquired on the 67% spending of the non-departmental budget. Jill Dickens explained the insurance was front-loaded so the annual premium is paid at the first of the year. Councilman Moore asked if the City's insurance was through the North Carolina League of Municipalities. Mr. Blanton answered the property and liability insurance is with the League.

The Mayor inquired on the progress at City Lake. Mr. Blanton reported the playground equipment in on its way from Greensboro and should be installed shortly. He hopes the sandblasting on the caboose will start in February. He is waiting on Duke Energy to make the repairs to the line for the fountain. He spoke with them regarding replacing the lead-based poles on Hamlet Avenue and Raleigh St. He hopes they will get replaced this year. Councilman Moore asked if the City will need easements to complete the plans. The Manager explained it depends on the extent of the plans. Some of the property on the far side is

privately owned if the City decides to go that route. He has spoken with David Jenkins whose parents own Lakeside Venue. If the grant funds become available, he seemed open to the idea of signing over an easement. Council discussed the location of the boat landing on the Jenkins property. An easement would address the matter with the walking trail.

The Mayor inquired on the Waste Water Treatment plant project. Mr. Blanton said he just finished with USDA this week to get the requests for quotes and qualifications. He has spoken with John Grey at the Wooten company and submitted it to him and he is looking at a new company in Moore County. He hopes to advertise this week. It will be comprehensive reform going from 1 million to 2 million capacity. That will require installation of a new clarifier, updating the SCADA system and new equipment. With the comprehensive plan and information from USDA & the Wooten Company, the City should get a thorough proposal from the engineers. Mr. Moore inquired on the timeframe to recruit new industry. The Manager replied he hopes to have a decision from USDA in October 2020 and then approximately 18-24 months to make significant progress on the project. The City is currently under a moratorium from the State and have been in violation due to treating more than licensed to do. Mr. Bayless suggested the City look to the State for help. Mr. Blanton stated the City should be a strong contender for grants or a zero percent interest loan. The bond was paid off this year. Councilman McQueen explained one of the things the City was waiting on was the capacity of discharge. No matter how much the plant could treat, they could only discharge 1 million gallons back into Marks Creek. Some of the restrictions on capacity have been changed.

Councilman Moore inquired on the Notice of Water Violations that were on the City's water bills. Mr. Blanton explained the incident was during the time of the hurricane and the City did not receive notice of violation until several months later. Council discussed the WWTP's continued overage on capacity and the Manager reported Ernie Billingsley is running smoke tests trying to resolve the issue. Mr. Moore asked if the new lines are plastic and Mr. Blanton reported lines are replaced as repairs are made.

Councilman McQueen inquired on a pothole on Charlotte Street that seems to be getting worse. Billy Stubbs responded the patch was made when the water line ruptured and now it has settled. The City paid \$18,000.00 for traffic control to make the street repair. He will contact the State to inquire if the City can get assistance with traffic control and patch the area.

**3. Set Date for March 2020-2021 Budget Meeting**

Mr. Blanton advised, in the past, Council has met for a day or half day where they reviewed major outlay costs over \$5000.00. He inquired if Council wished to do the same this year. Councilman Moore asked when the Budget would be finalized. The Manager explained he gives the Budget Message in May and then the Budget sits for 30 days and is adopted at the June Meeting. In the past, Council has met in March, tweaked the Budget in April and finalized it in May for the Budget Message. It was Consensus of Council to meet Friday, March 6, 2020 at 8:30 am for the first Budget Meeting.

**4. Other Discussions**

Water Services Boyd Lake Rd.

Councilman Sellers discussed a request for water services on Boyd Lake Rd. He advised there are over 100 mailboxes in the area. A citizen in the area wants City or County water and inquired if they would be billed for sewer if City water was provided. Mr. Blanton stated he was meeting with the County Manager in 2 weeks and plans to discuss the matter with him. He stated the request is from a person that lives more than 2 miles from the City limits. Councilman McQueen asked if the Ordinance was updated recently regarding sewer services. Gail Strickland advised the Ordinance was updated to clarify the matter; sewer

services are only available to residents in the City limits. Mr. Sellers advised they do not want to be annexed into the City limits.

#### Light Poles

Councilman McQueen inquired on the number of light poles Duke Energy plans to replace. Mr. Blanton responded his map shows 18-20.

#### Water Account Deposits

Councilman McQueen revisited an inquiry he had received from Eddie at Arlo's regarding deposits for water accounts by the owner of rental houses. He explained when a property owner that owns several houses has a tenant move out, he has to pay the water deposit to have the water put in his name. Then when the house is rented, he gets a refund. The person inquiring wanted to know if an established customer that owns several houses could have the deposit waived. Councilman Moore inquired if the situation comes up often. The City Manager explained the problem is unique. Property owners in the City limits are not required to pay a deposit. The person's problem is the property is outside the City limits. Mr. Moore stated the City has to be consistent and not make an exception. Mr. McQueen said the City is not consistent now with those outside the City paying and inside not paying. He added he brought the matter up before but did not get support from Council. Mr. Blanton asked Jill Dickens for the number of property owners outside the City limits that have paid the deposit. Ms. Dickens advised there are numerous homes in East Rockingham. Councilman Stuart inquired on the amount of the deposit. The City Manager reported \$75.00. Ms. Dickens added the City may be able to hold the deposit if that would be more convenient. Mr. Blanton commented it is hard to define an established customer and someone that is not reliable. Councilman McQueen asked for Council's thoughts. Councilman Moore suggested Staff look at the matter but not create a problem for Staff. He stated if there are 4-5 with the same circumstance it may be ok, but if there are hundreds it would be complicated. Councilman Stuart said he liked the idea of the standing deposit. The City Manager responded the waiver of deposit is an advantage of living in the City limits. He will get the numbers for Council.

#### Limbs and Stumps

Councilman Sellers stated the City picks up limbs if they are not over 6 ft. in length and do not weigh more than 50 pounds. He asked if the limits were due to the City's equipment. Billy Stubbs explained the City does have equipment but exceeding the 50-pound limit puts a strain on the equipment arm. He also said the problem usually occurs when a property owner has paid a contractor to remove trees. The contractor leaves the heavy limbs and stumps for the City. Mr. Sellers asked if a contractor was used, the owner should go back to the Contractor for removal and Mr. Stubbs confirmed. Councilman Sellers added that paid yard workers should be responsible for hauling off pine straw and leaves and should not be allowed to put the debris in the City streets. Mr. Stubbs agreed saying they are making a profit, but added the City does make exceptions for disabled property owners.

#### Powell Bill

Mayor Bayless inquired on the Powell Bill Fund saying the pothole situation is worsening. Jill Dickens reported the revenues are in and expenditures are at 38%. Mr. Blanton advised the City received \$195,000.00 from the State Powell Bill. They will address issues as they arise with the remaining funds.

#### Street Light Outages

Councilman Moore asked who reports street light outages. He advised the police officers did so in the past. The Manager responded the citizens and police department report the outages to the City. Councilman McQueen said the police officers may not know to report them with the turnover at the

Police Department. Mr. Blanton responded he will check on the matter.

Sanitation Line Item

Mayor Bayless inquired on the balance of the Capital Outlay in the Sanitation Line Item. Billy Stubbs responded Public Works has a new garbage truck on order.

Non-Departmental Line Item

Councilman Stuart asked for information on the Non-Departmental Line Item. Jill Dickens explained this encompasses insurance, Old Fashion Christmas, July 4<sup>th</sup> fireworks, bond payments, Seaboard Festival, etc.

Opera House

Councilman Moore asked if there were plans to renovate the theater. Councilman McQueen replied the latest effort was by Bernice Owens but she was unable to get support. The City Manager said the most cost-effective way to address the building may be to see if there is interest from anyone in purchasing the building. To bring it into ADA compliance, the City would have to acquire the adjoining building. He gave an estimate of \$2 million to renovate.

Fair Grounds

Councilman Sellers inquired on the ownership of the fairgrounds and buildings. Mayor Bayless replied the Lions Club owns the buildings with the exception of 1 storage building and the bathrooms. Mr. Sellers asked why the City was not reimbursed for maintaining the property. Councilman Moore said the City would be maintaining the property if the Lions Club was not there. Councilman McQueen asked how did real property get on City property and the Mayor replied it was an agreement long ago. Mr. Blanton added the Lions Club does a lot of work at the time of the fair. Mr. Sellers stated it is a beautiful place that could be used. Mr. Blanton explained the property has wetlands. The Mayor stated there are 2 soccer fields used for practice.

Tsunami Cameras

Councilman McQueen asked how the tsunami cameras were holding up. The City Manager replied they have paid for themselves with their assistance in solving crime such as the recent bank robbery. He said he hopes the City will be able to get more. The lease price for each camera is \$6,000.00 annually.

HVAC Units

Councilman Moore asked if the HVAC units are in good shape and the City Manager confirmed they are. Councilman Sellers inquired on who maintains the units. Mr. Blanton responded the repairs are done in house, if possible; if too difficult, the work is contracted out.

**5. Motion to Adjourn**

At 6:05 pm, Councilmen Moore and McQueen provided the motion and second to adjourn. The vote was 4-0.

Respectfully submitted,

*Gail M. Strickland*

Gail M. Strickland, City Clerk

