

August 26, 2019

The City Council of the City of Rocky Mount met this day in a regular session scheduled for 4:00 p.m. in the George W. Dudley City Council Chamber of the Frederick E. Turnage Municipal Building with Mayor David W. Combs presiding.

Councilmembers present: André D. Knight, Reuben C. Blackwell, IV, Richard Joyner, E. Lois Watkins*, Tom Rogers, W. B. Bullock and Christine Carroll Miller.

Staff Present: Rochelle D. Small-Toney, City Manager; Pamela O. Casey, City Clerk; Chris Beschler and Natasha Hampton, Assistant City Managers; Tameka Kenan-Norman, Chief Communications and Marketing Officer; Ken Hunter, Budget and Evaluation Manager; George Robinson, Police Chief; Mark Adcox, Video Production Specialist; Amy Staton, Director of Finance; Brenton Bent, Director of Water Resources; Brad Kerr, Public Works Director; Will Deaton, Director of Development Services; Archie Jones, Director of Human Relations; Bradley Walters, Gas Distribution Manager; Paula Carbone, Senior Internal Auditor; Robin Cox, Communications Specialist; Chris Ballard, Police Lieutenant; Tanika Cooper, Executive Assistant CMO; Michael Roupp, Interim Division Chief of Operations; Tim Farmer, Operations Manager, Public Works Department; Amanda James, Superintendent, Water Resources; Ben James, Water Plants Maintenance Supervisor; Jim Connolly, Water Treatment Superintendent; Nate Williams, Superintendent of Water & Sewer Services; Corey Mercer, Fire Chief; JoSeth Bocook, Planning Administrator; Jessie Nunery, Media Relations Specialist; Elayne Henderson, Director of Human Resources; Candice Kirtz, Purchasing Manager; Kim Batts, Deputy City Clerk; and Richard J. Rose, City Attorney.

Additionally, the following firemen were also in attendance: Eric Summerlin; Ray Yarborough; Stephen Baker; Adam Spivey; Darwin Moore; Lee Bailey; Mark Williams; Dontamius Alston; and Adam Ward.

Security Officers: Police Sergeants L. S. Parker, Jr. and Stoney Battle.

The Mayor called the meeting to order and called on Councilmember Reuben C. Blackwell, IV, to offer prayer.

WELCOME

The Mayor welcomed citizens and directed them to copies of the agenda near the entrance of the City Council Chamber.

APPROVAL OF MINUTES

The minutes of regular scheduled meetings of the City Council held June 10, 2019; June 24, 2019; July 8, 2019; and July 22, 2019 were approved, by consensus, as submitted to the City Council prior to the meeting.

COMMITTEE OF THE WHOLE MINUTES

The City Council received the minutes from Special Called Committee of the Whole meetings held June 24, 2019 and August 8, 2019 and a Regular Scheduled Committee of the Whole meeting held July 8, 2019. The minutes are as follows:

MINUTES OF A SPECIAL CALLED MEETING OF THE COMMITTEE OF THE WHOLE HELD MONDAY, JUNE 24, 2019 AT 2:00 P.M. IN THE COMMITTEE ROOM OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING:

MEMBERS PRESENT:

Tom Rogers, Mayor Pro Tem
 André D. Knight
 Reuben C. Blackwell, IV
 Richard Joyner*
 E. Lois Watkins*
 W. B. Bullock
 Chris Miller *via conference call*
 Mayor David W. Combs

STAFF PRESENT:

Rochelle Small-Toney
 Pamela O. Casey
 Chris Beschler
 Natasha Hampton
 Amy Staton
 Nicki Gurganus
 Ken Hunter
 Richard J. Rose

OTHERS PRESENT:

Alan O'Connell, Novogradac Consulting, LLP
 David Hunt, Hunt Williams Development, LLC
 Bridget Chisholm, BWC Consulting
 Cedric Johnson, BWC Consulting
 Naomi Aaron, BWC Consulting
 Mary Nash Rusher, McGuireWoods, LLP
 Ted Cole, Davenport & Company

OPENING OF MEETING

Mayor Pro Tem Tom Rogers called the meeting to order at 2:09 p.m. and welcomed all present. He explained the guidelines for Committee of the Whole work sessions and noted while public input in work sessions is not a part of the agenda there is always time available for public petitions at the regular City Council meeting.

He called on City Manager Rochelle Small-Toney to introduce the agenda items.

CLOSED SESSION

The City Manager noted the first item on the agenda is a closed session to discuss a matter concerning attorney/client privilege.

Motion was made by Councilmember Blackwell, seconded by Councilmember Bullock and unanimously carried that the City Council adjourn to Closed Session at 2:10 p.m. for the purpose stated. The minutes of the Closed Session shall be placed on file as **ESM-532** at the end of Minute Book 36 upon approval for release by the City Attorney.

REGULAR SESSION

The Mayor Pro Tem convened the City in regular session at 3:11 p.m.

ECONOMIC IMPACT ANALYSIS/NOVOGRADAC CONSULTING, LLP - Alan O'Connell

City Manager Rochelle Small-Toney introduced Alan O'Connell with Novogradac Consulting, LLP to present information relative to an economic impact study prepared by Novogradac Consulting.

Mr. O'Connell asked Councilmembers if they had seen the report from Novogradac. Mayor Combs responded that the charts were too small and not in color so were difficult to see.

Mr. O'Connell advised that Novogradac has performed an economic impact analysis of the Downtown Redevelopment Project as a supplement to the information relative to economic impact information provided by Davenport & Company and measuring the spur-off effects on the economy.

He stated that based on their analysis of the IMPLAN modeling result, the project will generate lasting effects on the entire region with direct impacts being the financial equivalents of the number of employees in a given industry and indirect impacts being caused by iteration of industries purchasing from other industries. He added that the creation of new jobs is an all-encompassing economic impact.

Mr. O'Connell noted the analysis includes a lot of suppositions and does not include the land purchase. He noted a detailed breakdown of the ramp-up schedule is attached to the end of his report.

He outlined the following estimates:

- 430 direct jobs with a total direct financial impact of \$56,530,000 (construction costs)
- Construction phases will support an estimated 287 induced and indirect jobs with a total indirect and induced impact of \$44,337,898 (extra economic activity)
- In operation years (2024 onward):
 - Estimated 195 direct jobs with annual direct financial impact of \$16,159,822
 - Estimated 127 indirect and induced jobs with impact of \$18,828,683
- Local government considered to be County and City combined; total tax revenue during construction phase: total: \$11,578,890 with estimated \$1,201,767 to local government; construction tax impacts (do not recur):

	Federal	State	Local
Direct	\$4,767,363	\$945,324	\$261,275
Indirect	1,491,715	587,579	395,295
Induced	1,818,584	775,657	545,196

- Operational years tax (beginning 2024) = \$437,724 in recurring annual tax revenue (does not include inflation)

	Federal	State	County	City
Direct	\$1,509,852	\$564,962	\$639,239	\$437,724
Indirect	467,189	172,927	78,396	33,688
Induced	946,925	402,644	197,634	85,057

Council was advised that overall an approximate \$100M in investment and 717 jobs (direct, indirect and induced) would be added to the economy.

David Hunt advised that all phases of the project are expected to be completed by 2022, dependent upon weather conditions. He said it is anticipated that more hotels and activities will come Downtown following this project.

The Council was provided with a table and graph illustrations of the total tax impacts generated by the project each year (2019-2038) for parking concepts 1 and 2. It was explained the difference between concept 1 and 2 is not huge (700- vs. 800-space garages) and the impact on jobs would only be about 3 jobs.

Councilmember Joyner voiced a desire to ensure each Ward benefits from the process and making those benefits clear. City Manager Rochelle Small-Toney advised that the highlights of the Novogradac report can be posted to the City's website.

Bridget Chisholm reported that the LGC has asked for a third-party impact analysis and the Novogradac study meets that requirement.

COMMITTEE RECOMMENDATION. Report only. No official action.

DOWNTOWN DEVELOPMENT PROJECT PRO FORMA/DAVENPORT & COMPANY - Ted Cole

The City Council was provided with discussion materials relative to the project pro forma. Mr. Cole explained that this is an update of the model and presentation Council has seen over the past several months. He stated that appendices A and B provide more information relative to parking concepts 1 and 2, adding:

- **Parking Garage(s):**
 - Concept 1: 2 parking garages with 840 spaces; estimated cost of \$26.4M (including \$1M for land)
 - Concept 2: 1 parking garage with 700 spaces; estimated cost of \$17.75M (including \$600,000 for land)
 - In both concepts the developer would be constructing and operating the garage(s) and it is expected there would be a separate agreement whereby the City would lease the garage(s) from the developer;
 - It is assumed the garage(s) would be open for operations beginning July 2020 and that the City would be collecting/receiving property tax revenue and the net revenues from the parking garage;
- **Hotel:**
 - 107 room/key hotel; \$15.13M dual brand Marriott Fairfield Inn and Springfield Suites;
 - City would receive/collect property tax revenue, occupancy tax revenue (1/3 of tax levied by Edgecombe County), sales tax revenue and ground rent from the hotel
- **Residential Development:**
 - Initial phase of Downtown housing anticipated to be 60 condo/apartment units; likely to consist of variation of 2-bedroom option (workforce housing; hope to rent some units and sale some units);
 - Estimated to be valued at approximately \$5.13M (60 units @ \$90 per square foot and 950 square foot per unit);
 - City would collect/receive property tax revenue
- **Retail Development:**
 - 20,000 square feet of retail space;
 - Investment estimated at \$1.5M (20,000 square feet @ \$75 per square foot);
 - City would collect/receive property tax revenue and sales tax revenue

The City Council was provided with charts of summaries of projected revenues, summary of the parking lease (20-year), key debt ratios and debt affordability summaries for both concepts. It was explained that assumptions came through the working group (Hunt and staff). Mr. Cole explained the projected Downtown Development Project net results show an annual deficit for the first 20 years. He explained the Debt Affordability summaries and explained that a lot of assumptions go into the projections.

Mayor Pro Tem Rogers questioned if the project would impair the City's ability to borrow and Mr. Cole responded that the project uses some of the City's debt capacity. Councilmember Blackwell stated this could balance out with the increase in jobs. Mr. Cole added that a one-

time project shortfall of \$350,000 is expected which the City could likely cover without a tax increase.

4. **RECESS.** The Committee meeting recessed at 3:56 p.m. to reconvene immediately following the City Council meeting.

5. **RECONVENE.** The Mayor Pro Tem reconvened the Committee of the Whole in regular session at 5:02 p.m. with the following in attendance:

MEMBERS PRESENT:

Tom Rogers, Mayor Pro Tem
 André D. Knight
 Reuben C. Blackwell, IV
 Richard Joyner
 E. Lois Watkins
 W. B. Bullock
 Chris Miller *via conference call*
 Mayor David W. Combs

STAFF PRESENT:

Rochelle Small-Toney
 Pamela O. Casey
 Chris Beschler
 Natasha Hampton
 Amy Staton
 Nicki Gurganus
 Richard J. Rose

OTHERS PRESENT:

Alan O'Connell, Novogradac Consulting, LLP
 David Hunt, Hunt Williams Development, LLC
 Bridget Chisholm, BWC Consulting
 Cedric Johnson, BWC Consulting
 Naomi Aaron, BWC Consulting
 Mary Nash Rusher, McGuireWoods, LLP
 Ted Cole, Davenport & Company

DOWNTOWN DEVELOPMENT PROJECT PRO FORMA/DAVENPORT & COMPANY (continued) - Ted Cole

City Manager Rochelle Small-Toney stated that when the Committee of the Whole meeting was recessed Mr. Cole was wrapping up comments.

Discussion continued and Mr. Cole responded to questions from Councilmembers.

COMMITTEE RECOMMENDATION. Report only. No official action.

NEXT STEPS - Amy Staton

Finance Director Amy Staton told the Council that staff has a detailed timeline for the project and some of the major steps have been reaching out to the LGC a couple of times to talk about the project and having ongoing discussions. She said the LGC wanted the financial analysis refined and the analyses of Novogradac and Davenport satisfy that request. She gave an overview of other discussions with the LGC to include pricing and a timetable for the project. She added that work will need to be done to provide pricing information and construction documents will be needed to provide comfort both to the City and the LGC.

She stated that once the City Council makes a decision on the parking concept, construction plans can be prepared. She explained that notices, approval of the resolution for financing and public hearings are all a part of the process and that Council will likely see an item concerning the project on each City Council agenda going forward.

She said the development team is working with investors (CDEs) and doing due diligence. She said the land will need to be released for the parking structure and hotel and that the process is moving along. Ms. Staton added that it is expected that the team will meet with the LGC sometime in August or September of 2019. She reported that new market tax credits are not being used for the project.

The City Manager recommended that Council approve Parking Concept 2 which will provide for one 700-space parking garage, retail business parking in and around the Douglas Block, uses less reserves, avoids a tax increase and keeps the project well within the City's debt management policy.

Mayor Combs stated he would like to see an Option 3 to provide for a 500-space parking garage and 200 surface parking spaces.

Mayor Pro Tem Rogers told the Council he has been concerned with the cost of the project from the beginning. He said the Event Center was intended to spur public and private investment and while this project is partially private, it still requires City investment and will utilize almost \$18M of the City's capacity to borrow. He said the Event Center has just opened and is tracking as planned but is still developing. He said he is hesitant to engage in this commitment and would like to see a hotel that utilizes only surface parking or an Option 3 for a smaller parking deck or preferably surface parking.

Councilmember Blackwell responded by saying the project has been vetted by staff and consultants who are industry leaders and the economic impact will include 1,000 jobs and over \$100M in return to the community. He said investment must occur before a return can be realized. Mr. Blackwell added that Council had previously discussed that they would know the Event Center was a success if there was a hotel in the Downtown within the first year. He stated the prospect of hotel development occurred within three months of the Event Center opening. He said he supports the project, the scope is exciting, hotels are succeeding across the City and two more hotels are being built so demand must be strong. Mr. Blackwell said 3,500 jobs are coming to the area in two years or less and growth is trending across the City.

Councilmember Knight voiced his support for the project and said this is what was envisioned when the Event Center was built.

Councilmember Watkins said the consultants have made her feel better today about the parking concept and the cost and she is in support of the project.

Councilmember Joyner said he supports the project for Ward 3 and the other City wards. He said the area has been looked at as an opportunity zone and this gives an advantage that should be taken. He added that increased jobs will have a positive impact on the region and to not proceed would deny the City and the region opportunity for growth.

Councilmember Miller stated she would support an Option 3 but cannot support Options 1 or 2 currently. She told the Council she believes public investment over a number of years would incent private investment and this project is not exactly private investment.

David Hunt stated the project is \$17M in public investment and \$49M in private investment.

Discussion continued.

COMMITTEE RECOMMENDATION. Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell and carried by a vote of 4-3 (Councilmembers Bullock, Rogers and Miller opposed) that Parking Concept 2 be recommended for approval.

CLOSED SESSION. Council took a brief recess and Motion was made by Councilmember Blackwell, seconded by Councilmember Joyner and unanimously carried that the City Council go into a Closed Session at 5:27 p.m. to discuss a matter concerning personnel. The City Clerk was excused. The minutes of the Closed Session shall be placed on file as

ESM-532a at the end of Minute Book 36 upon approval for release by the City Attorney.

REGULAR SESSION/ADJOURNMENT. The Mayor Pro Tem convened the Committee in regular session at 6:02 p.m. and, there being no further business for the Committee of the Whole, adjourned the meeting.

MINUTES OF A REGULAR SCHEDULED MEETING OF THE COMMITTEE OF THE WHOLE HELD MONDAY, JULY 8, 2019 AT 5:00 P.M. IN THE COMMITTEE ROOM OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING:

MEMBERS PRESENT:

Tom Rogers, Mayor Pro Tem
 André D Knight*
 Reuben C. Blackwell, IV
 Richard Joyner
 E. Lois Watkins
 W. B. Bullock
 Chris Miller
 Mayor David W. Combs

STAFF PRESENT:

Rochelle Small-Toney
 Pamela O. Casey
 Chris Beschler
 Natasha Hampton
 Tameka Kenan-Norman
 Archie Jones
 Will Deaton
 Cornelia Anthony
 Amy Staton
 Elayne Henderson
 Richard J. Rose

OTHERS PRESENT:

Bridget Chisholm, BWC Consulting
 Cedric Johnson, BWC Consulting

OPENING OF MEETING

Mayor Pro Tem Tom Rogers called the meeting to order at 5:03 p.m. and welcomed all present. He explained the guidelines for Committee of the Whole work sessions.

BOARDS, COMMISSIONS AND COMMITTEES - Pam Casey

Mayor Pro Tem Rogers recognized City Clerk Pamela O. Casey to lead discussion relative to ongoing Boards, Commissions and Committee appointments.

The City Clerk requested that consideration of appointments be postponed.

COMMITTEE RECOMMENDATION. *By consensus, consideration of Boards, Commissions and Committees was removed from the agenda.*

NON-RESIDENTIAL MAINTENANCE CODE AND INTERNAL DEMOLITION PROCESS UPDATE
 - Will Deaton

City Manager Rochelle Small-Toney called on the Director of Development Services to provide an update relative to the non-residential maintenance code and internal demolition process.

The City Council was provided with a proposed Ordinance relating to the repair, closing and/or demolition of non-residential buildings or structures.

Mr. Deaton explained that staff has worked with the City Attorney and reviewed processes and areas where the City can advance. He noted the proposed Ordinance also addresses abatement and maintenance issues. He stated that Development Services is proposing amendments and a new section to the City Code to apply to all non-residential existing and

future development: 1)for consistency; and 2) to establish minimum standards for the maintenance, sanitation and safety of non-residential buildings and structures within the corporate limits and to address conditions that are or may be injurious to public health, safety and welfare.

The Director of Development Services told the Council the department intends to hold a public hearing, upon approval of Council, to expand enforcement powers of the Community Code Division to non-residential properties and add a new non-residential maintenance provision to the City Code. He stated recommendations will be formally provided to the City Council for consideration at an upcoming meeting.

Mr. Deaton responded to questions from Councilmembers and advised:

- that unlike residential properties, staff is unable to go inside commercial properties;
- the non-residential Ordinance will not need approval of the Planning Board as it is an amendment to the City Code not the Land Development Code;
- Properties beyond repair will be identified and fast-tracked; and
- Staff will work to put together a list of non-residential properties for consideration; noting if the Ordinance is adopted in August that demolition could likely begin in October.

*Councilmember Knight arrived

Councilmember Knight stated he would like to examine and review the Ordinance more to ensure an understanding of the process.

Councilmember Joyner expressed a concern for the process being disrupted when property owners change and added he wants to ensure the process is clear. Mr. Deaton responded that concerns relative nuisance properties can proceed even if a property is sold. The City Attorney noted that the City may be able to get a lis pendens.

Councilmember Blackwell questioned if there is an ability for Council to set priorities of properties and voiced a need for the provision for both incentives and penalties.

Councilmember Miller stated she has advocated for the code enforcement Ordinance to "have teeth" for many years.

The City Manager advised that staff can review the following and bring recommendations for Council's consideration at the next Committee of the Whole meeting:

- explore a list of properties and provide guidelines for Council review as to how properties are selected and prioritized;
- review budget information; and
- look at incentives

COMMITTEE RECOMMENDATION. Received report; no formal action.

RECOMMENDATION FOR PUBLIC SERVICE AWARDS - Natasha Hampton

City Manager Rochelle Small-Toney stated that staff needs Council's guidance for moving forward with public service awards. She told the Council that information has been provided suggesting certain agencies for funding. She called on Assistant City Manager Natasha Hampton for a full report to Council.

Ms. Hampton reported that the City's CDBG allocation for FY 2018-19 is \$84,864 and the City has received eight (8) proposals seeking a total of \$179,000 in funding. Council was provided with a list of service proposals. She provided background and eligibility requirements and advised the Council that the Manager recommends the following support allocations:

- United Community Ministries - \$7,000;
- Rocky Mount Edgecombe CDC/Housing Counseling - \$30,000;
- Boys and Girls Club of the Tar River Region - \$30,000; and
- Buck Leonard Association - \$17,864.

The Council was advised that the recommended allocations meet the requirement that the total amount of CDBG fund obligation for public service activities not exceed 15% of the annual grant allocation and it was noted that all but one of these organizations have received CDBG funding from the City in recent years and have continually met program goals and the national CDBG program objective. It was noted that the Buck Leonard Association is a new CDBG funding recipient that meets the CDBG public service requirements.

Ms. Hampton responded to questions from Councilmembers.

COMMITTEE RECOMMENDATION. Motion was made by Councilmember Knight, seconded by Councilmember Watkins and unanimously carried that the recommendation for funding support be approved.

CLASSIFICATION AND COMPENSATION CONTRACT AMENDMENT - Elayne Henderson

City Manager Rochelle Small-Toney called on Human Resources Director Elayne Henderson to provide an update to the City Council relative to the Classification and Compensation Study.

Ms. Henderson reported that the Council awarded the contract for a classification and compensation study to Gallagher Benefits Services, Inc. in November of 2017 and work began in 2018. She stated it was expected that the project would take approximately six (6) months; however, the project has been prolonged mostly due to meetings with department directors and employees and a large amount of position class displacements and lack of job description discoveries as well as additional desk audits and site visits. She added that some steps have had to be repeated and an additional appropriation of \$72,500 is recommended in order to complete the classification portion of the study.

Ms. Henderson and City Manager Rochelle Small-Toney responded to questioned posed by Council and advised that all positions within the City are included in the study, with the exception of Council-appointed positions. Ms. Small-Toney recommended corrections to the study be made now at the mid-point rather than at the end of the study in an appeal process. She added additional work was added to ensure career ladders were included.

Ms. Small-Toney advised that the last classification and compensation study was performed ten (10) years ago and the study will help the City to be marketable and will help to recruit and retain talent. She said Council will need to decide if they want the City to be at market, above market or slightly below market.

Councilmember Bullock stated he believes the cost of the study is excessive. He added he supports the project, but not the vendor. Councilmember Joyner stated that changes made by the City have increased the vendor's fees.

The City Manager stated is it expected the study will be implemented in January upon Council approval of the pay policy. She added that funds have been reserved for implementation.

Mayor Pro Tem Rogers stated that ten (10) years is too long to wait for the next study and questioned if steps can be taken internally to stay up to date so there will not be a need for such a great expense in the future. Ms. Henderson noted that a market study on benchmark positions could be performed annually or bi-annually and provided to

Council for consideration during the annual budget process; however, this will have a budgetary impact. Mr. Rogers suggested that a partnership with sibling cities or the North Carolina League of Municipalities might provide a more economical opportunity.

Council held discussion.

COMMITTEE RECOMMENDATION. Motion was made by Councilmember Knight, seconded by Councilmember Joyner and carried by a vote of 5-2 (Councilmembers Bullock and Rogers opposed) that the agreement with Gallagher Benefit Services, Inc. for the classification and compensation study be amended and that an additional appropriation of \$72,500 be approved to complete the study.

CLOSED SESSION

The City Manager requested a closed session to discuss matters concerning attorney-client privilege.

Motion was made by Councilmember Joyner, seconded by Councilmember Miller and unanimously carried that the City Council adjourn to Closed Session at 6:01 p.m. for the purpose stated. The minutes of the Closed Session shall be placed on file as **ESM-533** at the end of Minute Book 36 upon approval for release by the City Attorney.

REGULAR SESSION/ADJOURNMENT

The Mayor Pro Tem convened the Committee in regular session at 6:55 p.m. and, there being no further business, the Committee of the Whole adjourned.

MINUTES OF A MEETING OF A SPECIAL CALLED COMMITTEE OF THE WHOLE MEETING HELD THURSDAY, AUGUST 8, 2019, AT 4:00 P.M. IN THE COMMITTEE ROOM OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING:

MEMBERS PRESENT:

Tom Rogers, Mayor Pro Tem
 André D. Knight
 Reuben C. Blackwell, IV
 Richard Joyner
 E. Lois Watkins
 W. B. Bullock
 Chris Miller
 David W. Combs, Mayor

STAFF PRESENT:

Rochelle Small-Toney
 Pamela O. Casey
 Chris Beschler
 Natasha Hampton
 Amy Staton
 Paula Carbone
 Elton Daniels

OTHERS PRESENT:

Mary Nash Rusher, McGuire Woods, LLP

SECURITY OFFICER:

Stoney Battle

OPENING OF MEETING

Mayor Pro Tem Tom Rogers called the meeting to order at 4:05 p.m. and welcomed all present. He stated there will be one item for discussion in open session and then Council will go into a closed session for discussion relative to a matter concerning attorney-client privilege. He turned the meeting over to the City Manager.

DOWNTOWN DEVELOPMENT PROJECT

City Manager Rochelle Small-Toney stated that the meeting will begin with an open discussion relative to the Downtown Development Agreement, ground lease and capital lease. She called on bond attorney/consultant Mary Nash Rusher to lead discussion.

Ms. Rusher reported that the development team has been working over the past month and a half to draft the formal agreements that outline the agreement between the City and the Developer under the Public/Private Partnership (P3) development process. She said the City will own the parking deck at the end of twenty (20) years.

Ms. Rusher explained that the ground lease describes the transfer and gives permission to build. She said that once the property is occupied the City will enter into a capital lease and will make payments over a twenty (20) year period which are sufficient to pay the service fee to be calculated at the City's borrowing costs. She noted that the Development Agreement is the chief document and currently pretty accurately contains the arrangement between the City and the Developer although it continues to be tweaked and revised as negotiation continues. She stated that the Development Agreement is on the City's website. She said there is a date in the corner of the agreement to identify the latest version. She said while there have been numerous drafts/redrafts of the Agreement the current version is the fourth that has been distributed.

Councilmember Miller stated it is her understanding the changes to the agreement have been made due to questions from Councilmembers and staff and Ms. Rusher responded in the affirmative.

Mayor Combs stated that he continues to have a concern about the Newbanks report and that they said "yes, you ought to be able to build the parking deck for \$17,750,000", but they did not give a figure themselves for what the cost to build the parking deck "should" be. He said although he understands the LGC has recommended Newbanks there was only one consultant and they were from Nashville, Tennessee. He added that he also understands they normally have specs and plans when they review a project. He added a concern that the report contains fallacies because it talks about a timeframe and not having actual plans and some other costs that could factor in that does not appear to be in the cost that Council is seeing. He said he is not comfortable that the project is where it should be cost wise.

He questioned what incentive the Developer has to build the project for less than the \$17,750,000.

The City Attorney asked Ms. Rusher to walk the Council through the checks and balances built into the process to ensure the City gets the best price for the parking deck.

Ms. Rusher advised the Council as follows:

- A not to exceed price provides a limit on the upside that the City will not pay more than the amount of the contract, but Council has voiced a concern that there isn't appropriate incentive to the developer to make the cost of the project the best price he can;
- As a result of that she has held discussion with the developer, though counsel, and language has been added to the development agreement that permits the City to approve the plans and specs for the parking deck before it is built;
- She has now asked that it be added that the City be permitted to approve the actual guaranteed maximum price contract and the City Manager has suggested that the project then be reviewed again by Newbanks since what they do for a living is review detailed plans and specs and a detailed construction contract and advise whether those costs are in line in their expert opinion to give confidence to the City that the cost going into the project are typical

It was noted there is no contract with Newbanks at this time for further review, but Ms. Rusher stated a thought is to have a plan and cost review once there are detailed drawings and a GMP to ensure the GMP gives the City legitimate value for the costs to build.

Councilmember Miller stated she had made the comment that it seemed virtually worthless to have Newbanks review the project documentation at this point and asked Ms. Rusher to confirm that her response had been that the LGC requires the review and this project is different from the rules under which the project was set up.

Mr. Rusher responded that the LGC's process is built around the conventional way that public projects are built - design, bid, finance and construct but over the last decade the General Assembly has tried to provide ways for public bodies to be more innovative and creative and allow much more public-private partnerships and within those public-private partnerships allows public bodies to procure assets that will eventually be public in other ways beyond just design, bid, finance and build. She gave examples of such processes and stated that in those processes the public body commits to the project earlier than usual.

She added that these changes provide for innovation for the public and private sector to cooperate with each other and provide for efficiencies, but it is different from the normal process. She stated, in her view, the LGC is trying to find the right balance between having enough information to satisfy their statutory requirement and to feel comfortable that the amount the City is borrowing is sufficient, but not excessive. She stated this is why they request some sort of third-party study to try to help answer that question and because there are no design drawings for this project at this date it is very difficult to get a specific report. She stated the City did receive a report saying the amount is sufficient to build the parking deck and the team is trying to build into the contract a process to be sure the cost is not excessive so Council will have some ways to examine the costs before the documents are finalized and executed.

She said the Hunt team has agreed to the latest changes in principle, but not yet on paper.

Mayor Pro Tem Rogers questioned the City's options if the plan and costs review does not find the current cost legitimate and Ms. Rusher stated the City Council could not authorize execution of the capital lease until they are comfortable with it.

Ms. Rusher explained that the challenge to the Hunt team is that until LGC approval is obtained they are reluctant to incur the significant design costs. She stated Mr. Hunt has estimated design costs to be up to \$500,000.

Ms. Rusher told the Council that LGC approval is required because of the lease because the lease is what requires the City to spend money.

Mayor Combs questioned blank lines in the Newbanks report and said there are questions about how some of the numbers used were arrived at. He gave an example as professional services being \$1.5M with no explanation. He further questioned the costs for earthwork and demo. Ms. Rusher stated that all figures used were supplied by the Hunt team.

Councilmember Blackwell questioned if the City has the final right to cancel the contract once answers to the questions have been obtained. Ms. Rusher said that is an excellent question and there is a lot of language relative to the City's ability to terminate if LGC approval is not obtained, but not relative to the right to terminate if Council believes the project costs are too expensive after final plans and specs are obtained. He suggested the possibility that the City share the cost of the plans/specs should the City choose not to move forward with the project. Ms. Rusher said there is not enough P3 arrangements to fully

discuss "shared savings" but that is typical in GMP construction contracts.

The Mayor Pro Tem questioned if this is the first parking deck the Hunt team has built. Ms. Rusher responded that Mr. Hunt gave several other projects for comparison, but those projects did not include a parking deck. Councilmember Blackwell said he would assume if Mr. Hunt is one of Hilton's top developers in the world and has received that honor twice that he has some level of credibility and capacity. Councilmember Blackwell asked if there are other opportunities to secure Council's confidence in the Hunt teams' capacity to make this a doable project.

Ms. Rusher said the protections the Development team have been working on in the Development Agreement and capital lease relate to vetting, proving and getting confidence around the price of the parking deck because that is what the City is paying for. She said the statute requires the Developer to obtain a performance bond for the entire project and that is not a bond from his contractor to him, though he may get that, that is a bond from him to the City saying he will develop the project at a certain cost, and it will meet a certain criterion.

Councilmember Blackwell stated that the entire project of parking deck, hotel, commercial retail and housing will be a total investment of \$60M with a total return on investment of \$100,000M and 1,000 jobs that has been vetted by both Davenport and Novogradac. The City Manager noted that the jobs related to construction will go away but those associated with the hotel and retail will be long-term.

Councilmember Blackwell told the Council he has heard cities close to Rocky Mount are looking at Downtown projects too.

Ms. Rusher continued by saying:

- The timeframe for Phase I (hotel plus parking) is December 30, 2020 for completion (18 months give or take) and the timeframe for Phase II is another year at December 30, 2021;

The Mayor questioned at what point if Phase II does not start does the City call the performance bond. Ms. Rusher stated that is a great question and said the Development team needs to think about how that bond is written.

Councilmember Miller questioned what the expected life of a parking garage is without major improvements. Ms. Rusher responded that fifty (50) years is the estimated life and reminded Council that they are funding a 4% repair and replacement reserve to ensure the parking garage is kept in good repair. She noted that at the end of twenty (20) years the City will pay \$1 and will own the parking deck but will be obligated to lease 140 spaces back to Mr. Hunt for use by the hotel.

Councilmember Miller voiced a concern that no handicapped parking spaces have been identified.

Ms. Rusher advised the Council that the resolution adopted by Council agreeing to proceed with the project outlined the critical need for the project.

The ground lease was explained as follows:

- Provides that the site be leased for sixty-five (65) years to Hunt Services (so that he can have tax ownership of the building on the land and take depreciation on it); Hunt is responsible for maintaining the facilities on the land, for keeping a certain level of insurance [property and liability] on both the hotel and parking deck and naming the City as an additional insured party because it owns the land. She said there is some protection built into the

ground lease to make sure that if the City is included in a lawsuit, as the owner of the land, it will be covered;

- Hunt Services is responsible for environmental laws, hazardous substance laws and the like under the ground lease and has the 65-year quasi site ownership;
- Most of the ground lease is detailing the shifting of risk from the City to Hunt Services.

Mayor Combs questioned if it is correct that even though Mr. Hunt will have a sixty-five (65) year lease he will control the land under the parking deck for twenty (20) years. Ms. Rusher responded that she thinks Mr. Hunt's plan is to subdivide the property so that the parking deck is on one lot and the hotel on another so that when the parking deck comes back to the City her expectation is that property would be released from the ground lease. Councilmember Miller suggested that there be language in the agreement to release the parking deck. Ms. Rusher said that such language can be in the agreement that upon the purchase of the parking deck by the City, under the terms of the capital lease, the ground lease, with respect to the property on which the parking deck sits, will be terminated. She added that the capital lease is the agreement under which the City will have occupancy of the parking deck.

She added that she failed to mention that, in addition to the \$1.00 ground lease rent, the City's real rent will be that it will receive 5% of the net revenues of the hotel which will come to the General Fund. Mayor Pro Tem Rogers asked if there is any evidence that that formula is standard in such an arrangement and the answer to that question was unknown.

Ms. Rusher explained that the capital lease is the document whereby the City leases the parking deck back from Hunt Services and the development team has talked about how they can, as much as possible, hone in on the actual costs of construction and that will be amortized over twenty (20) years in quarterly payments calculated at the City's borrowing costs. She said that in addition the City will receive all revenues from the parking deck, including the spaces used by the hotel, and the City will have full control of the parking deck. She outlined the costs of operating the parking deck as: 3% management fee to Hunt Services and a 4% repair and replacement fund that builds overtime. She advised that Hunt Services is obligated to keep the parking deck in good repair and is to use that money to do that, but if that is not enough money it still falls on Hunt Services to do the repair and replacement and is net of the casualty insurance costs.

She continued by saying the City has an option to purchase the parking facility at the end of the lease for \$1 and Hunt Services is responsible for construction of the parking deck and will carry the casualty and liability insurance naming the City as an additional insured.

Ms. Rusher advised the Council that the LGC meets on September 12 and the City's development team has been told they will have provided information in a sufficient time as to be placed on the calendar for the September 12 meeting. She said it is expected the team will have a sit-down meeting with LGC staff week after next for them to raise any other issues they may have.

City Manager Rochelle Small-Toney stated the recommended action is to adopt the Resolution to adopt the development plan. The Mayor Pro Tem questioned how amendments mentioned today to the development plan will be addressed. Ms. Rusher said language could be added to the Resolution relative to specific changes to delegate to staff authority to make those changes. She said rarely are documents in final form when approved. She told the Council that the Resolution for consideration today includes incentives for the Developer to reduce the costs of the project.

Councilmember Miller inquired of the City Attorney if this Resolution must be adopted today and the response was no, it can be approved on August 26. Ms. Rusher said the LGC will not consider the matter if the governing body has not approved a Resolution approving the Development Agreement, so she does think it needs to be approved in August. She noted she is quite sure Hunt Services would like it approved today because he wants as much certainty as he can have to work with the hotel.

Councilmember Knight questioned if the Resolution can be amended and approved so that the project can move forward. He said it seems each time Council meets the document is different. Ms. Rusher stated there are minor changes and then there are key points. She added that the key points from today and yesterday have been communicated to the Developer but are not in the document.

Ms. Rusher stated she thinks the most important changes are: 1) the concept that staff be directed to modify some combination of the Development Agreement and capital lease to require review by the City of the guaranteed maximum price contract; and 2) to incorporate the concept that should there be savings in the construction of the parking deck so if it comes in less than the maximum cost approved those savings will be shared between the City and the Developer.

The City Manager suggested adding language that will include assistance of review by a third party.

Mayor Combs said he would still like clarification of the cost comparison listed on page 13 of the cost comparison report relative to the \$2M for costs and construction and as to the \$1.5M, stating if that is tied to engineering and plans perhaps that is understandable. He added \$3M is identified as general conditions and stated he would like explanation on these items and what they are.

Ms. Rusher reported that actual bid-out or GMP costs will all be part of the schedule of values in the GMP.

Councilmember Blackwell agreed that Council needs to understand each line item and understands that will be part of the review of the GMP and verified by a third party.

Ms. Rusher stated that during conversation with Council on Wednesday there were a few other amendments such as historically under-utilized business targets and the City Manager has asked that quarterly or monthly reporting be provided.

Councilmember Knight questioned if the Manager recommends adoption of the Resolution today and the response was in the affirmative.

COMMITTEE RECOMMENDATION. Motion was made by Councilmember Knight, seconded by Councilmember Watkins and passed by a vote of 5-2 (Councilmembers Miller and Rogers opposed) that Resolution No. R-2019-31 entitled RESOLUTION APPROVING DEVELOPMENT AGREEMENT AND RELATED DOCUMENTS FOR THE DOWNTOWN DEVELOPMENT PROJECT be approved and adopted, as amended.

COMMITTEE RECOMMENDATION. Motion was made by Councilmember Knight, seconded by Councilmember Blackwell and unanimously carried that the City Council go into Closed Session at 4:57 p.m. for discussion related to a matter concerning attorney-client privilege.

The minutes of the Closed Session shall be placed on file as **ESM-535** at the end of **Minute Book 36** upon approval for release by the City Attorney.

REGULAR SESSION. The Mayor Pro Tem convened the Committee in regular session at 6:13 p.m.

WEBSITE UPGRADE

City Clerk Pam Casey shared recent upgrades to the City's website with Council and reported that the upgrades allow for citizens to search their address to identify their ward and Councilmember.

ADJOURNMENT. There being no further business for the Committee of the Whole, by consensus, the meeting adjourned.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner and unanimously carried that the minutes and recommendations from the Committee of the Whole be approved.

COMMUNITY UPDATE BY CITY MANAGER

Sanitation Workers' Strike of 1978 - Documentary:

City Manager Rochelle Small-Toney invited the public to view a 53-minute documentary produced by the City's Communication and Marketing Office focused on the Sanitation Workers' Strike of 1978. She recognized the Communication and Marketing Office for exceptional work in producing the video. She stated the documentary viewing is scheduled for Saturday, September 7, 2019 at 2:30 p.m. at the Booker T. Washington Community Center and will follow the North Carolina Highway Historical Marker unveiling ceremony sponsored by the Phoenix Historical Society scheduled for 1:00 p.m. (also at the BTW Community Center).

Ms. Small-Toney provided historical details relative to the Sanitation Workers' Strike of 1978. She noted that the strike is credited for spurring a voters' rights lawsuit that resulted in a rationally balanced ward system that allowed African American residents to be elected to the City Council. The City Manager stated that on October 8, 2018 the City of Rocky Mount issued an apology to the family of Alexander "Preacher" Evans, supporters and the sanitation workers employed during the 1978 strike for actions taken at that time and adopted a Resolution in their honor recognizing the 40th anniversary of the strike.

The City Manager recognized the members of the Phoenix Historical Society who are responsible for bringing attention to this historical event and thanked them for providing numerous articles to the City's Communication and Marketing Office and assisting with contacting interviewees. She requested that members of the Phoenix Historical Society stand to be recognized. Ms. Small-Toney introduced each member of the Phoenix Historical Society and the family of Alexander "Preacher" Evans and stated that the City is excited about the marker unveiling.

*A preview of the documentary was shown. The City Manager recognized Communications and Marketing Officer Tameka Kenan-Norman and her Department for a fine job.

MWBE Meet and Greet:

City Manager Rochelle Small-Toney announced that a MWBE Meet and Greet will be held at the Imperial Center on Friday, September 6, 2019 from 2 to 5 p.m. She introduced Purchasing Manager Candice Kirtz and noted she works under the direction of the Director of Finance Amy Staton.

Interactive Ward Map:

City Manager Rochelle Small-Toney reported that a new feature on the City's website is an interactive ward map (under Government and Mayor/Council tabs) which allows citizens to enter their address to identify their ward and Councilmember.

**The Sanitation Worker's Strike Documentary introduction was played at this point in the meeting.*

Water Quality and Infrastructure Update - Brenton Bent, Director of Water Resources

City Manager Rochelle Small-Toney introduced Brenton Bent, Director of Water Resources, to bring a report on the City's water quality and provide an infrastructure update. She noted the report is in response to questions raised relative to the quality of the City's water supply.

Mr. Benton stated that the mission of Water Resources is to:

- Produce and distribute the highest quality potable water for domestic and commercial use;
- Collect, transport and treat, domestic, industrial and commercial wastewater to permitted levels with no impact on our environment;
- Support future economic development and preserve public health and safety through responsible utilization of natural resources; and
- Meet and/or exceed State and Federal regulatory standards.

He said these are not just fancy words on a board but are the ideals the Water Resources Department live by.

Mr. Bent outlined the water treatment process and noted water quality recognitions and milestones received. He provided information relative to Federal (EPA) and State (PWS) stringent water regulations and stated the City is required to test on a regular basis.

Mr. Bent told those present that the City operates its water system to guarantee the highest quality produced. He said the likelihood of an incident similar to Flint, Michigan occurring in Rocky Mount is extremely low due to the type of chemicals used here.

He provided additional information outlining the water system assets and an infrastructure capital projects update. Mr. Bent noted that significant water treatment and distribution infrastructure projects for FY20-24 total \$9,427,000 and provided a scenario comparison for unmet needs adding that he believes the Jacobs report over-inflated the unmet needs. He reminded those present that every City has unmet needs.

Mr. Bent introduced Water Resources employees Jim Connolly, Nate Williams and Amanda James and noted they are the folks leading the teams behind the scenes and doing an outstanding job.

Mr. Bent stated that water customers can "enjoy the water with confidence."

RETIREMENT RESOLUTION

The Mayor announced that William "Bill" Carver has recently retired from Nash Community College. He read a Resolution honoring Dr. Carver for his service to the college and to the community.

Motion was made by Councilmember Rogers, seconded by Councilmember Joyner and unanimously carried that **Resolution No. R-2019-32** entitled **RESOLUTION OF THE CITY OF ROCKY MOUNT HONORING DR. WILLIAM "BILL" CARVER, II FOR HIS YEARS OF SERVICE TO NASH COMMUNITY COLLEGE AND HIS COMMUNITY** be adopted.

Mayor Combs presented a framed copy of the Resolution to Dr. Carver and he and City Manager Rochelle Small-Toney joined Dr. Carver for a photograph.

*Councilmember Watkins left the meeting

EXECUTIVE FIRE OFFICER CERTIFICATE

The Mayor presented Interim Division Chief Mike Roupp with a framed Executive Fire Officer Certificate in recognition of completion of the Executive Fire Officer Program. The Manager stated that Interim Division Chief Roupp is the 12th member of the Fire Department to complete this rigorous four-year study. She added that he is co-founder and current administrator of the Fire Department's benevolent fund. The City Manager congratulated Mr. Roupp on receipt of this recognition and joined him, the Mayor, Fire Chief Mercer and members of the Rocky Mount Fire Department for a photograph.

HERO PROGRAM

The Mayor introduced Angela Ramsammy with Aetna Insurance Company. Ms. Ramsammy presented the City with a check for \$50,000 for the HERO Program, an initiative in partnership with the Boys & Girls Club to assist students at Williford School. The Manager thanked Aetna for being the City's insurance carrier and a good community partner. The Mayor and City Manager joined Ms. Ramsammy and Ron Green, Chief Professional Officer for the Boys & Girls Club, for a photograph.

Mayor Combs thanked Aetna for its support and generosity.

PETITIONS FROM THE PUBLIC

The Mayor outlined the guidelines for petitions from the public and opened the meeting for public petitions. Mayor Combs recognized the following individuals and a brief summary of comments is outlined below:

- **Thomas Walker:**
 - Thanked the City for the Sanitation Workers Documentary and noted it depicts an important point in history;
 - Noted it was a difficult time and acknowledged Mrs. Alexander Evans and members of the Sanitation Department;

- Thanked the City and the Mayor and Council for the work being done and stated he is happy to be a member of the Rocky Mount community
- **Jeanette Thomas-Cobb:**
 - Said she usually only speaks to children;
 - Held up a copy of the Constitution and said the Bible and its values needs to be acknowledged;
 - Read a prepared statement about her Mother becoming ill following her birth and acknowledged the family members who helped raise her following that incident;
 - Said she comes from strong black women and talked about her family's involvement in politics adding that she plans to vote
- **Diane McNulty:**
 - Said she lives in the area of Westry Crossing and voiced concern relative to speeding in her neighborhood noting the speed limit is 25 mph;
 - Offered suggestions for encouraging drivers to reduce speed; and
 - Voiced a concern for the possible diversion of traffic from Old Carriage Road into her neighborhood due to road work on Old Carriage Road
- **Randy Adcox:**
 - Stated he has never met Rich Worsinger, but he and his Department have received many accolades in the past;
 - Thanked Brenton Bent for his presentation;
 - Voiced sadness that Rich Worsinger has been slandered since he left the City's employment and added if the comments by Mr. Worsinger had not been made there would have been no presentation relative to the City's water supply;
 - Added he does not think Mr. Worsinger meant the City's water was dangerous
- **Morrie Minges:**
 - Asked why her water is tinted yellow;
 - Voiced concern relative to the need for code enforcement at the Ebony & Ivory Club on Church Street;
 - Asked the public not to litter
- **Nehemiah Smith, Jr.:**
 - Thanked Brenton Bent for the report on the City's water system;
 - Noted potholes exist on Independence Road, River Drive, Virginia Street, Hammond Street and Barnes Street and are getting worse
 - Said the public can call 910-493-3826 for pothole patrol;
 - Thanked the Mayor and City Council for their great work in the City
- **Lige Daughtridge:**
 - Said nobody has questioned the great staff employed by Water Resources;
 - Said the issue is if the Council approved and paid \$180,000 for a study by Jacobs that was to have been completed by December 2018 it would seem the Council and the public would have seen it;
 - Stated it is his opinion the outlined needs in the report will make the funding for Downtown Development pale by comparison; and
 - Said someone on the Council needs to ask to see the study and staff needs to have equipment to work with

Motion was made by Councilmember Miller, seconded by Councilmember Rogers and unanimously carried that the Jacobs study be released to the Council and to the public in an unedited version.

Councilmember Blackwell requested an update from the Manager relative to the Jacobs study. City Manager Rochelle Small-Toney reported that she is not certain that the study is complete but will find out. She added that it is her recollection that during the time

information was presented to the Council that staff received direction from Council about how the recommendations would be implemented and the desire was not to increase utility rates but to include infrastructure needs in the CIP.

Councilmember Rogers stated he had expected that staff would continue to analyze the cost of service and funding revenues beyond the 5-year CIP and that Council would receive a recommendation.

Councilmember Knight stated that a study was done of Energy Resources and requested that the study be provided to the Council.

Councilmember Blackwell said if the City paid for a study it is reasonable that the Council see it and added that he supports inclusion of the infrastructure needs in the CIP because Council did not want a rate increase. He added he supports release of the study of the Energy Resources Department and stated recent comments related to the water was a political stunt.

Motion was made by Councilmember Knight, seconded by Councilmember Blackwell and unanimously carried that any study/report done of the Energy Resources Department under the leadership of Rich Worsinger be released and shared simultaneously with the Jacobs study results.

- ***Elaine Williams:***
 - Thanked the City Manager for the report on water resources and said Mr. Bent did a good job explaining the report;
 - Invited the public to attend an upcoming Planning Board meeting scheduled for September 10, 2019 at 5:30 p.m.
 - Said she has been on the Planning Board for 10 years and community input is needed
- ***Donte Caudle:***
 - Said his family was staying in a condemned house with a newborn and needs assistance;
 - Said he is on disability and cannot work and is currently staying in a hotel

Councilmember Blackwell requested that Mr. Caudle be referred to a staff member and the City Clerk advised that his contact information will be provided to the Human Relations Director.

- ***Samuel Battle:***
 - Said he needs help from the NAACP to address murders in Rocky Mount;
 - Made comments relative to particular Council members

Councilmember Knight requested the Mayor call for a point of order. Mayor Combs requested that comments be made to the Council as a whole and not to individual Councilmembers.

The Mayor closed the public petitions portion of the meeting.

PUBLIC HEARING/ECONOMIC DEVELOPMENT

Norris Tolson, CEO and President of the Carolinas Gateway Partnership provided a report relative to an economic development project that will create 96 jobs and pay taxes to the City. He noted it is expected that the Governor will provide a statement relative to the project next week.

Mayor Combs opened a public hearing relative to the economic development project. No one appeared and the Mayor closed the public hearing.

Notice of the intent of the City Council to consider entering into an economic development inducement agreement with Nash County, "Project Tire" and the Carolinas Gateway Partnership to provide economic incentives was published in the Rocky Mount Telegram on August 13, 2019.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner and unanimously carried that the Economic Development Inducement Agreement with the Carolinas Gateway Partnership, "Project Tire" and Nash County for the provision of inducements for the "Project Tire Entity" be approved and that the Mayor, City Clerk and Finance Director be authorized to execute the Inducement Agreement (C-2019-27) on behalf of the City.

FIREWORKS DISPLAY

The City Council received a request from Englewood Baptist Church for permission to conduct a fireworks display on church property at 1350 South Winstead Avenue on Sunday, September 8, 2019 at approximately 9:00 p.m. It was noted the fireworks display scheduled for July 4, 2019 was a rained-out event to be made up by the subject event.

Motion was made by Councilmember Miller, seconded by Councilmember Joyner and unanimously carried that the request be granted subject to compliance with the provisions of the City's policies and the State Fire Code.

GRANT/JUSTICE ASSISTANCE (JAG 2019)

The City Council was advised that the City is eligible to receive \$37,794 through the Department of Justice, Office of Justice Programs' Bureau of Justice Assistance in the form of the Edward Byrne Memorial Justice Assistance Grant (JAG) for 2019 to share with Nash County in a 60/40 split. It was explained that the City proposes to use the funds to purchase a LiveScan fingerprint station to replace the City's aging system.

Council was advised that, if awarded, the City will provide the Nash County Sheriff's Office \$15,117.60 and the Rocky Mount Police Department will receive \$22,676.40. It was noted that a requirement for receiving these funds is to notify the City Council of the Agency's intent to apply and for the proposed use of said funds.

Motion was made by Councilmember Miller, seconded by Councilmember Joyner and unanimously carried that notification of the intent to apply for and the planned use for the JAG funds be acknowledged.

Motion was made by Councilmember Bullock, seconded by Councilmember Joyner and unanimously carried that the Mayor be authorized to execute any required certifications and assurances.

ANNEXATION NO. 315 - 2014 OLD MILL ROAD

The City Council received a petition from Mike Leonard as Executor for annexation of a contiguous parcel at 2014 Old Mill Road.

Motion was made by Councilmember Miller, seconded by Councilmember Joyner and unanimously carried that receipt of the petition be acknowledged and that **Resolution No. R-2019-33** entitled **RESOLUTION ORDERING THE CITY CLERK TO INVESTIGATE THE SUFFICIENCY OF A PETITION FOR ANNEXATION OF A CONTIGUOUS AREA INTO THE CORPORATE LIMITS OF THE CITY OF ROCKY MOUNT/ANNEXATION NO. 315 - 2014 OLD MILL ROAD** be adopted.

2019-2020 GRASSROOTS ART PROGRAM SUB-GRANT APPLICATIONS (EDGECOMBE AND NASH COUNTIES)

The City Council was advised that since 1977 the North Carolina Arts Council's Grassroots Arts Program (GAP) has provided North Carolina citizens access to quality arts experiences. The City Council was further advised that staff is requesting authorization to apply for the North Carolina Grassroots Arts Subgrant for Nash and Edgecombe Counties in the amount of \$5,000 each. It was noted that the grant awards will require a 50/50 local match and the application deadline is September 5, 2019. It was acknowledged that, if awarded, the funds will be used for:

- An art piece at Holly Street Park (created with community input); and
- Downtown Live! Events

Motion was made by Councilmember Miller, seconded by Councilmember Blackwell and unanimously carried that the grant applications be approved; that the local matches be approved; that staff be authorized to submit the grant applications on behalf of the City; and that the Mayor and City Clerk be authorized to execute any required documentation and/or certifications, including subsequent grant agreements on behalf of the City.

MEMORANDUM OF UNDERSTANDING/ROCKY MOUNT PREPARATORY SCHOOL AND NASH-ROCKY MOUNT SCHOOLS RESOURCE OFFICER PROGRAM

City Manager Rochelle D. Small-Toney provided the City Council with an updated Memorandum of Understanding between the City of Rocky Mount and Rocky Mount Preparatory School and the City of Rocky Mount and the Nash-Rocky Mount Public Schools for the School Resource Officer (SRO) Program. The Council was advised that Rocky Mount Preparatory School has one sworn police officer and Nash-Rocky Mount Schools has six sworn police officers assigned to serve as School Resources Officers.

It was noted that each year the Memorandum of Understanding is updated and signed with each of the school systems outlining their financial obligation along with the roles and responsibilities of the SROs and the schools and administrators.

The Council was advised that no changes have been made from the prior year.

Motion was made by Councilmember Knight, seconded by Councilmember Blackwell and unanimously carried that the updated Memorandum of

Understanding with Rocky Mount Preparatory School and Nash-Rocky Mount Schools be approved and that the Mayor and City Clerk be authorized to execute the agreements on behalf of the City.

The updated Memorandum of Understanding will be filed with the original contracts (**C-2017-38 and C-2017-44**) in the City Clerk's Office.

ALARM ORDINANCE VIOLATION FEES

The City Council was advised that during the June 10, 2019 City Council meeting an update relative to the false alarm ordinance was presented and approved and with the updates it is necessary to update the Administrative Policy verbiage to correspond with the City Ordinance. Council was provided with the updated Administrative Policy entitled Policy No. X.6.2 "Alarm Ordinance Violation Fees."

Motion was made by Councilmember Blackwell, seconded by Councilmember Joyner and unanimously carried that **Resolution No. R-2019-34** entitled **RESOLUTION APPROVING REVISED ADMINISTRATIVE POLICY NO. X.6.2 ENTITLED "POLICY: ALARM ORDINANCE VIOLATION FEES"** be adopted.

Councilmember Miller requested that staff investigate publicizing information relative to the process for registering alarm systems and associated fees through social media.

ROCKY MOUNT TRANSIT/GRANT AGREEMENTS

The City Council was advised that the City has been approved by the North Carolina Department of Transportation/Public Transportation Division for the following FY 2020 grants:

- a. Section 5317 New Freedom Program Grant (funds salary expenses for Mobility Manager position); TOTAL: \$35,000 - FTA = \$17,500; City Local Match = \$17,500); and
- b. 5311 Community Transportation Program Grant (assists in funding the administrative expenses associated with Tar River Transit's Rural Para-Transit Program); TOTAL: \$373,701 - FTA = \$298,960; State = \$18,685; Local Match = \$56,056.

Motion was made by Councilmember Joyner, seconded by Councilmember Rogers and unanimously carried that the grant agreements with the North Carolina Department of Transportation be approved and that the Mayor and City Clerk be authorized to execute the grant agreements and required documentation/certification(s) on behalf of the City

BIDS/SODIUM HYPOCHLORITE CONVERSION PROJECT

The City Council received the tabulation of bids received for a Sodium Hypochlorite Conversion Project. Bids were received and opened on June 27, 2019 after all necessary legal procedures had been implemented and the bid tabulation is on file in the office of the City Clerk as **BD-2019-21**. The solicitation was also posted on the City's purchasing webpage and on the North Carolina Interactive Purchasing System (IPS) website.

The City Council also received a proposed budget ordinance amending the FY 2019-20 budget to appropriate \$997,000 in the Water Fund and \$799,000 in the Sewer Fund to Cover Project Expenses.

Motion was made by Councilmember Blackwell, seconded by Councilmember Knight and unanimously carried that the bid be awarded to English Construction Company at a total cost of \$1,796,000; that the Mayor and City Clerk be authorized to execute the bid contract on behalf of the City; and that **Ordinance No. O-2019-62** entitled **ORDINANCE AMENDING THE BUDGET ORDINANCE FOR THE FISCAL YEAR 2019-2020 FOR HYPOCHLORITE CONVERSION** be adopted.

RELEASE OF EASEMENT

The City Council was received a Release of Easement to release the natural gas easement filed in July 1989 for the installation of natural gas facilities to serve Tarrytown Mall. Council was advised that the natural gas facilities within the easement have been abandoned and the agreement is no longer needed.

Motion was made by Councilmember Joyner, seconded by Councilmember Bullock and unanimously carried that the Release of Easement be approved, and that the Mayor be authorized to execute same on behalf of the City.

BIDS/NATURAL GAS SYSTEM

The City Council received the tabulation of bids received on a bid for a Natural Gas System Annual Labor Bid. Bids were received and opened on May 23, 2019 after all necessary legal requirements had been implemented and the bid tabulation is on file in the office of the City Clerk as **BD-2019-22**. The solicitation was also posted on the City's purchasing webpage.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner and unanimously carried that the bid be awarded to Parker-Stockstill Construction, Incorporated at an estimated cost of \$534,878.81 per year and that the Mayor and City Clerk be authorized to execute the bid contract on behalf of the City. It was noted that the bid price is valid for two years with an option to renew for one additional year.

BIDS/HIGHWAY 97 LIFT STATION SCREW PUMP REPLACEMENT

The City Council received the tabulation of bids received for the Highway 97 Lift Station Screw Pump Replacement. Bids were received and opened on August 1, 2019 after all necessary legal procedures had been implemented and the bid tabulation is on file in the office of the City Clerk as **BD-2019-23**. The solicitation was also posted on the City's purchasing webpage and on the North Carolina Interactive Purchasing System website.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner and unanimously carried that the bid be awarded to Step Construction, Inc. at a total cost of \$624,000 and that the Mayor and City Clerk be authorized to execute the bid contract on behalf of the City.

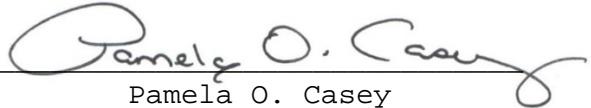
BIDS/STATION UNIFORMS (FIRE)

The City Council received the tabulation of bids received for Station Uniforms for the Fire Department. Bids were received and opened on August 12, 2019 after all necessary legal procedures had been implemented and the bid tabulation is on file in the office of the City Clerk as **BD-2019-24**. The solicitation was also posted on the City's purchasing webpage and on the North Carolina Interactive Purchasing System website.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner and unanimously carried that the bid be awarded to American Uniforms at an estimated cost of \$81,403.50 for three years that the Purchasing Division be authorized to issue a purchase order for the uniforms in accordance with the Council's award.

ADJOURNMENT

There being no further business, the City Council meeting adjourned at 5:36 p.m.


Pamela O. Casey
City Clerk