

July 11, 2022

The City Council of the City of Rocky Mount met this day in a regular session scheduled for 7:00 p.m. in the George W. Dudley City Council Chamber of the Frederick E. Turnage Municipal Building with Mayor C. Saunders "Sandy" Roberson, Jr. presiding.

Councilmembers present: André D. Knight, Reuben C. Blackwell, IV, Richard Joyner, T.J. Walker, Jr., Lige Daughtridge, W.B. Bullock and Christine Carroll Miller.

Staff present: Peter F. Varney, Interim City Manager; Kim Batts, Deputy City Clerk; Elton Daniels, Assistant City Manager; Brad Kerr, Public Works Director; Will Deaton, Director of Development Services; Archie Jones, Director of Human Relations; Brenton Bent, Water Resources Director; Gregory Cotten, Chief Technology Officer; Latasha Hall, Director of Business and Collections Services; Tracey Drewery, Assistant Chief of Administration & Planning (Fire Department); Corey Mercer, Fire Chief; Michael Roupp, Assistant Chief of Operations; Darvin Moore, Division Chief; Ken Hunter, Assistant to the City Manager for Budget and Evaluation; Robert Hassell, Police Chief; Abdul Baloch, Chief Internal Auditor; Kevin Harris, Downtown Development Manager; Robin Cox, Communications Specialist; Jessie Nunery, Communications Specialist; Cornelia McGee, Interim Community and Business Development Director; Kena Cofield-Jones, Director of Human Resources; Pamela O. Casey, City Clerk; Summer Interns: Scott Boyd, Leo Jaffe, and Jakub Jurasek; and Richard J. Rose, City Attorney.

Security Officers: Police Sergeant Stephen Walker and Senior Police Officer Shawn Battle.

The Mayor called the meeting to order at 7:06 p.m. and requested all to stand for a moment of silent prayer.

#### **APPROVAL OF MINUTES**

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell, and unanimously carried the minutes of Special Called Committee of the Whole Budget Sessions held on May 25, June 1, and June 6, 2022 be approved as submitted to the City Council prior to the meeting.

The Special Called Committee of the Whole Budget Session minutes are as follows:

**2022-2023 BUDGET SESSION (Day 1) - May 25, 2022**

**MINUTES OF A SPECIAL CALLED MEETING OF THE COMMITTEE OF THE WHOLE (BUDGET REVIEW SESSION) HELD WEDNESDAY, MAY 25, 2022, AT 4:00 P.M. IN THE COMMITTEE ROOM, THIRD FLOOR OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING WITH MAYOR PRO TEM T.J. WALKER PRESIDING**

**MEMBERS PRESENT:**

T.J. Walker, Mayor Pro Tem  
 André D Knight  
 Richard Joyner\*  
 Lige Daughtridge  
 W.B. Bullock  
 Chris Carroll Miller  
 C. Saunders "Sandy" Roberson, Mayor\*\*

**STAFF PRESENT:**

Peter F. Varney  
 Pamela O. Casey  
 Kenneth Hunter  
 Mark Adcox  
 Elton Daniels  
 Kirk Brown  
 Keyana Walston  
 Jayson Dawkins  
 Scott Boyd  
 Leo Jaffe  
 Jakub Jurasek

**MEMBER ABSENT:**

Reuben C. Blackwell, IV

*\*\*participated remotely*

***NOTE: The complete FY 2022-2023 Proposed Annual Operating Budget and Proposed 2023-2027 CIP is on file in the City Clerk's Office.***

**OPENING OF MEETING**

Mayor Pro Tem T.J. Walker called the meeting to order at 4:04 p.m. and called on Kenneth Hunter, Assistant to the City Manager for Budget and Evaluation, to introduce the City's summer interns.

Mr. Hunter introduced Jakub Jurasek, Scott Boyd, and Leo Jaffee. Mayor Pro Tem Walker welcomed the summer interns to the City.

\*Councilmember Joyner arrived

Mr. Walker recognized City Councilmember-Elect for Ward 6, Tom Harris. He stated that Mr. Harris will be allowed to ask questions today but since he has not yet taken his oath of office, he will be unable to vote. He noted that both Councilmember Bullock and City Attorney Richard J. Rose are agreeable to this arrangement.

**BUDGET REVIEW**

Kenneth Hunter, Assistant to the City Manager for Budget and Evaluation, told the Council it is expected that an overview of proposed revenue projects for FY 2023 will be completed today and that discussion of general fund expenditures will begin. Mr. Hunter presented a PowerPoint presentation of the proposed revenue projections. Highlights of his presentation are:

**Proposed Revenue Projects - FY 2023**

- Local and national economics influence decisions with respect to the City's budget;
- The City continues to deal with the evolving environment that has been created in large part due to a significant economic contraction and restart as a result of policy responses to the COVID pandemic in 2020 and additional action taken at the national level during 2021;
- Businesses have come back online and there have been various external effects;
- A factor affecting the budget is inflation and this is especially true with sales tax growth and is also being seen in operating expenses, particularly with fuel and the City's fleet maintenance; staff is working to monitor and at this point are

not seeing the supply concerns that exist in relation to diesel fuel though there is still uncertainty;

- Employment information for the local area for March came out this afternoon and currently the unemployment rate for the City of Rocky Mount is 8.1%; it was 8.8% in February and the decrease is as a result of an increase of jobs the area gained;
- The City is still about 3.5% below where it was in terms of total employment in February of 2020 and still has some ground to cover in terms of recovering from the losses as a result of the pandemic;
- With respect to wages, the fourth quarter of 2021 wage numbers were \$977, which was an increase of 16.4% compared to the third quarter;
- Challenges remain due to increased wage rates;
- There is high unemployment and a lot of employers are trying to properly figure out what to do with respect to hiring people at an increased wage; and
- Staff are comfortable with revenue forecasts and monitor finances on a monthly basis to make sure the City hits projected targets and to be able to respond quickly with various budget adjustments

- **FY 2023 General Fund Revenues**

- The current year budgeted ad valorem is \$24.7M, as amended - projections for FY 2023 based on current collections is \$24.45M which is consistent with an estimated 94% collection rate. In terms of total valuation, a 2% increase in valuation is expected this coming year due to development and real estate sales;
- The City will need to work to maintain and, hopefully, improve the existing collection rate;
- The projected revenue for FY 2023 is \$24.95M which is an increase of \$250,000;
- Other ad valorem taxes, which also include vehicle tax and tags - collection rate has improved primarily due to the tax and tag together program; local option sales tax is heavily increased by inflation and projected at \$17.45M;
- The North Carolina League of Municipalities (NCLM) provides guidance to aid in the projection of future revenues;
- Other intergovernmental revenues have seen some increases and the projection is for a \$252,390 increase which is in line with collections for the current year and received primarily from licenses and permits collected by Development Services;
- Sales and services (made up from three primary areas: 1) revenues raised by Environmental Services; 2) revenues collected for various programs and services provided by Parks and Recreation; and 3) revenue collected at the Event Center; staff continues to be very cautious with the current fiscal year budget due to the resumption of services due to the COVID 19 pandemic;
- It is anticipated the Event Center and Parks and Recreation facilities will be fully operational in FY 2023 and revenues are estimated at \$12.65M which is \$1.45M more than budgeted this year;
- Interest earning are heavily influenced by the Federal Reserve; in the past couple years the Federal Reserve has implemented various interventions that have reduced interest rates significantly in the market and thus have minimized our return; those policies have been significantly reversed in the last couple of months and

the City is already seeing some impact and expects to see more next year;

- Miscellaneous - includes expense recovery, insurance settlements and other activities that occurred during the course of the year; a small increase is anticipated;
- Transfers In - transfers from utilities as well as from the occupancy tax; expect an increase of \$150,000;
- Lease and loan proceeds - financing for capital expenditures is set at \$5.292M; decrease of \$2.2M; and
- Fund balance appropriated - increased from \$2.75M to \$3.7M

The City Council was provided with a graph reflecting selected municipal property tax rates across the state. Mr. Hunter explained the graph and reported that the City is in a very healthy position with respect to the fund balances in both the general government and utilities. He thanked the Management Analyst and Interns for their work on the tax rate graph and informed the City Council that staff recommends the property tax rate remain at \$0.685 cents and no increase is recommended.

#### Questions/comments from Councilmembers

- o **Knight** - Is an increase in rental prices for the Event Center expected; requested a list of fees/services

**Response** - There has been no discussion relative to increasing rental fees for the Event Center; the City wants to remain competitive; tournaments and weekends events are increasing

- o **Knight** - Has there been an increase in bulk waste collection?

**Response** - An increase was implemented this year that made yard waste a regular instead of seasonal collection; no increase in fees is planned

- o **Daughtridge** - Questioned the fee for yard waste collection, what is being done relative to picking up litter throughout the City, if labor issues are the reason for the problems being experienced and if the City is purchasing equipment; added people need to get a return on their investment

**Response** - The yard waste collection fee is \$3; an increase was implemented this year that made yard waste a regular instead of seasonal collection; no increase in fees is planned; an increased rate for Landfill Leachate Treatment at the Wastewater Treatment Plant is expected to be on the next City Council agenda

- o **Knight** - Questioned why City residents cannot use the county landfill even though they pay county taxes

**Response** - Councilmember Daughtridge stated that City residents do not pay a fee for the county landfill

- o **Joyner** - Questioned if the City is where it needs to be relative to the fund balance

**Response** - Yes; the goal is not to spend fund balance and the budget is actively managed though sometimes it is necessary due to short-term revenue shortages or unplanned expenditures; the last time fund balance was spent was around the time the Event Center was being built and prior to that during the recession of 2008-2009

Mr. Hunter provided detailed information relative to FY 2023 revenues. Revenue information for FY 2021 and FY 2022 was provided

to Council along with Actual, Adopted, Amended and Projected FY 2022 Revenues. Proposed FY 2023 Revenues with difference to FY 2022 Adopted Revenues were outlined as:

**Total Revenues**

CATEGORY	FY 2023 PROPOSED	DIFFERENCE TO FY 2022 ADOPTED	FUND BALANCE REMAINING AVAILABLE AS OF 7/1/2022
General Fund	\$83,318,700	\$ 3,834,350	\$24,378,691
Powell Bill (State allocation for surface transportation improvements; vehicle permit fees)	3,447,000	359,000	2,204,487
Emergency Telephone Fund (Revenue received from State of NC E-911 tax; General fund covers dispatch operations including staffing costs)	330,000	5,000	505,298
Electric Fund (revenues tied to expenditures; not anticipating change in revenue margin; some increase in revenue from pole attachments; expect some increase in investment earnings)	84,984,700	4,089,700	15,131,689
Gas Fund (overall margin unchanged; increase in revenues and expenditures; significant increase in natural gas)	26,475,000	2,157,000	6,575,699
Water Fund	15,843,360	2,766,160	5,753,424
Sewer Fund	18,883,000	1,509,470	3,417,137
Stormwater Fund (no rate change)	5,470,000	25,000	3,702,016

Mr. Hunter responded to questions from Councilmembers relative to gas rates. He reminded the Council that a PGA of 30 cents per therm was implemented in the winter to accommodate a significant increase in the cost of natural gas. He explained that increased prices are due to the cost of transportation and staff works to monitor and maintain capacity. It was noted that had the pipeline project been successful gas costs would have been reduced and the City's capacity for economic development enhanced. It was further noted that the Director of Energy Resources is granted the authority to set purchase gas adjustments, but staff works to keep the City Council informed of rate adjustments.

The Council was advised that utility sales estimates (water and sewer) include the proposed rate increases recommended as part of the budget. Mr. Hunter added that no water projects are eligible for financing this year. He added that water/sewer rates have not been adjusted since 2016 and the rate increase is due to increases in both water and sewer operational and capital costs. He told the Council a cost-of-service analysis is being performed for water, sewer, and stormwater services and even with the rate increase Rocky

Mount rates remain affordable compared to most other North Carolina jurisdictions.

Interim City Manager Peter F. Varney advised the Council that the Carolinas Gateway Partnership has advised that eighty-nine companies are looking at the Rocky Mount area for development and a number of them are high water users. A discussion was held relative to a two-phase project for lift station and outfall.

Mr. Hunter reported that due to a multitude of factors, the City has not been able to move forward with resurfacing this year but will be moving forward with resurfacing with multiple very large resurfacing plans in the summer and early fall. Councilmember Miller questioned if a list of streets and the order of resurfacing is included in the CIP and Mr. Hunter responded in the affirmative adding he can send the list to Councilmembers.

Councilmember Daughtridge recommended a surplus fund be implemented relative to the self-insurance health plan. Mr. Hunter indicated that insurance will be discussed in a future session.

Mr. Hunter stated two separate economic issues are of concern on a national level: 1) investment market panic in that prices have dropped in investment and 2) broader economic slowdown. He stated there are a lot of unknowns.

Mayor Pro Tem Walker questioned if it is normal for Department Heads to attend the budget sessions and Interim City Manager Varney reported that he had instructed Department Heads to attend by invitation from him.

#### **FY 2023 PROPOSED OPERATING BUDGET OVERVIEW/GENERAL FUND**

Mr. Hunter provided an overview of the FY 2023 Operating Budget - General Fund by Department and outlined key changes compared to the FY 2022 adopted budget. He added the budget being proposed does not include a tax increase and the proposal is for the property tax rate to remain at the current rate of \$0.685 per \$100 valuation. The FY 2023 Proposed Budget and Difference to FY 2022 Adopted Budget by Department was outlined as:

	<b>FY 2023 Proposed</b>	<b>Difference from FY 2022 Adopted</b>
Mayor & City Council	\$ 2,126,570	\$ 324,340
City Clerk's Office	220,600	45,110
City Manager's Office	1,854,890	266,290
Human Resources	1,738,120	347,650
Human Relations	578,970	131,240
Finance	428,240	(61,100)
Finance - Central Services	2,041,830	(336,010)
Technology Services	863,330	233,530
Business & Collections Services	148,970	(121,810)
Police	20,069,840	1,787,710
Fire	15,498,290	(1,287,890)
Public Works	16,058,360	2,197,050
Parks & Recreation	11,259,850	(383,080)
Development Services	3,054,480	498,680
Event Center	6,426,230	281,620
Community Development	587,130	102,670

Proposed Transfer Station Fee Changes were outlined as:

<b>Annual Tonnage per Customer</b>	<b>Current Rate</b>	<b>Proposed Rate</b>
0-20,000	\$67.00	\$70.00
20,001-30,000	66.00	69.00
30,001-40,000	65.00	68.00
Greater than 40,000	64.50	67.50

Municipal & County Customers	66.00	69.00
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*Accommodates 4.6% increase in tipping fees for disposal contract*

Key Changes compared to FY 2022 were outlined by Department as:

<b>KEY CHANGES:</b>
<p><b>Mayor &amp; City Council:</b></p> <ul style="list-style-type: none"> <li>• City-issued mobile phones for Councilmembers</li> <li>• Increased allocation for legal costs</li> <li>• Allocation for community support programs in response to violent crime; to be determined by Council and engagement with residents and staff</li> <li>• Continue funding for youth leadership program (OIC Youth Connect Internship Program)</li> <li>• Renovations to Mayor/Council Room</li> <li>• 2% increase in support to Braswell Memorial Library</li> </ul>
<p><b>City Clerk's Office:</b></p> <ul style="list-style-type: none"> <li>• New Position: Deputy/Assistant City Clerk</li> <li>• Office furniture for new position</li> </ul>
<p><b>City Manager's Office:</b></p> <ul style="list-style-type: none"> <li>• Intern assistance for Internal Audit</li> <li>• Appropriate potential housing allowance for new City Manager</li> <li>• Increased marketing activity through Communications, Marketing and Public Relations</li> <li>• Increased funding for communications equipment</li> <li>• Downtown building relocation project</li> <li>• Continued funding for downtown grant programs                             <ul style="list-style-type: none"> <li>◦ Additional \$2,000,000 proposed for major projects from American Rescue Plan funds</li> </ul> </li> </ul>
<p><b>Human Resources:</b></p> <ul style="list-style-type: none"> <li>• Additional support for staff development</li> <li>• Appropriation for compensation appraisal study</li> </ul>
<p><b>Human Relations:</b></p> <ul style="list-style-type: none"> <li>• Continued funding for Council Ward Days</li> <li>• Continued funding for Community Façade and Sign Grants</li> </ul>
<p><b>Finance:</b></p> <ul style="list-style-type: none"> <li>• Increased insurance costs</li> <li>• New Position: Accountant I</li> <li>• Funding for expanded operations of MWBE Office</li> </ul>
<p><b>Finance - Central Services:</b></p> <ul style="list-style-type: none"> <li>• Increase to facility repair, maintenance, and service contract accounts</li> <li>• Improvements to Booker T. Theatre</li> <li>• Continue City Hall renovations</li> <li>• Initiate restoration of Booker T. Washington Campus</li> <li>• Improvements to Business Service Center</li> <li>• Renovations to Fire Stations</li> </ul>
<p><b>Technology Services:</b></p> <ul style="list-style-type: none"> <li>• New Positions: 1 Help Desk Coordinator; 1 Applications Analyst; 1 Business Systems Analyst; 1 IT Technician</li> <li>• Reorganization of department into 5 divisions</li> <li>• Continue with Citywide technology improvements</li> </ul>
<p><b>Business &amp; Collections Services:</b></p> <ul style="list-style-type: none"> <li>• New Position: Loan Collections Officer</li> </ul>

<ul style="list-style-type: none"> <li>• Operating cost adjustments</li> </ul>																
<p><b>Police:</b></p> <ul style="list-style-type: none"> <li>• 6 New Positions: 4 Police Officers; 1 Forensic Ballistics Examiner; 1 Quality Control and Training Coordinator</li> <li>• Funding for Community Engagement Programs</li> <li>• Increased funding for Mobile Data Terminal replacement</li> <li>• Increased funding for personnel development, training</li> <li>• Increased funding for equipment</li> </ul>																
<p><b>Fire:</b></p> <ul style="list-style-type: none"> <li>• Increased funding for accreditation activities</li> <li>• Funding for replacement furniture</li> <li>• Funding for replacement Aerial Unit</li> </ul>																
<p><b>Public Works:</b></p> <ul style="list-style-type: none"> <li>• Increased funding for personnel development, training</li> <li>• Adjustments for up to 95% increase in gasoline and diesel fuel prices</li> <li>• Increased funding for light-duty vehicles and heavy rolling equipment</li> <li>• Increased funding for maintenance of Environmental Services equipment</li> <li>• Annual Transfer Station rate increase</li> </ul>																
<p><b>Parks &amp; Recreation:</b></p> <ul style="list-style-type: none"> <li>• Increased participation in athletics programs</li> <li>• Increased funding for Buck Leonard Association</li> <li>• Resume funding for Carolina Stallions</li> <li>• Increased programming at Community Centers</li> <li>• Resume Senior Center travel activities</li> <li>• Continued restoration and maintenance of Unity Cemetery</li> <li>• Replacement of Parks Maintenance equipment</li> <li>• Increased programming at Arts Center</li> </ul>																
<p><b>Development Services:</b></p> <ul style="list-style-type: none"> <li>• Increased funding for code enforcement mowing</li> <li>• Increased funding for personnel development, training</li> </ul>																
<p><b>Event Center:</b></p> <ul style="list-style-type: none"> <li>• Continued increases in Event Center activity</li> <li>• Increased marketing activity</li> <li>• \$116,820 reduction in net operating costs</li> <li>• Funding for capital improvements</li> </ul> <p>*Council was provided with an Event Center Profit/Loss Summary. The total differences were outlined as:</p> <table border="1"> <thead> <tr> <th></th> <th>FY 2019 Actual</th> <th>FY 2020 Actual</th> <th>FY 2021 Actual</th> <th>FY 2022 Amended</th> <th>FY 2022 Projected</th> <th>FY 2023 Proposed</th> <th>Difference to FY 2022 Amended</th> </tr> </thead> <tbody> <tr> <td>Total Difference</td> <td>\$2,830,393</td> <td>\$4,908,439</td> <td>\$3,981,571</td> <td>\$4,544,990</td> <td>\$4,366,020</td> <td>\$4,439,420</td> <td>(\$105,570)</td> </tr> </tbody> </table>		FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Amended	FY 2022 Projected	FY 2023 Proposed	Difference to FY 2022 Amended	Total Difference	\$2,830,393	\$4,908,439	\$3,981,571	\$4,544,990	\$4,366,020	\$4,439,420	(\$105,570)
	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Amended	FY 2022 Projected	FY 2023 Proposed	Difference to FY 2022 Amended									
Total Difference	\$2,830,393	\$4,908,439	\$3,981,571	\$4,544,990	\$4,366,020	\$4,439,420	(\$105,570)									
<p><b>Community Development:</b></p> <ul style="list-style-type: none"> <li>• Consolidation of department operations</li> <li>• Funding for staff retreat and management training</li> <li>• \$200,000 increase for Housing Grant programs             <ul style="list-style-type: none"> <li>◦ Additional \$500,000 proposed from use of American Rescue Plan funds</li> </ul> </li> </ul>																

- **Questions from Councilmembers**

- **Knight** - Questioned the amount the City pays for legal services and if hiring an in-house attorney has been considered and how the cost might compare

**Response:** Interim City Manager Varney explained that Poyner & Spruill provides general legal services to the City and other attorneys provide a variety of other services, i.e., services to the Board of Adjustment, charging hourly rates. The annual cost of legal services was estimated at \$430,000. Council was advised that staff can look into this matter. Mr. Varney stated that additional legal services would be needed if the City implements a foreclosure program, and the additional work could warrant use of an in-house attorney to focus on real estate. Discussion was held.

- **Knight** - Stated that the Mayor and Council should have input relative to relocation and design of the Mayor/Council conference room

**Response:** It was explained that relocation of the conference room is an effort to keep the City Clerk's staff in one location. Council was invited to tour the proposed location of the new conference room and advised that it is not too late for them to provide input.

- **Knight** - Questioned if the City has had a deputy clerk position previously and asked for justification of the request.

**Response:** City Clerk, Pamela O. Casey, advised that there is currently one deputy clerk position adding the request was for an assistant clerk position. A conversation was held relative to work/life balance and the Clerk advised that workloads have increased exponentially. Discussion was held.

Councilmember Knight stated that the time required by Councilmembers has increased and staff needs to look at what compensation other Councilmembers in larger cities receive adding that Councilmembers are employees because they receive benefits and compensation and said they have not received an increase in compensation. Councilmember Daughtridge stated he would not be in favor of an increase in compensation to Councilmembers. Councilmember Knight responded that Councilmembers are as valuable as the Clerk, Police Chief and Fire Chief.

- **Daughtridge** - Stated the Booker T. Washington High School complex is important to the community. He suggested that the funding allocated for the complex (high school, gym, and community center) be used to upfit the gym and community center and that the City consider offering to sale to OIC the portion of the property used by them as office space, to include the education building, with the caveat that if the property were ever sold the City would have the first right of refusal.
- **Knight** - Disagreed and stated renovation/repair of the Booker T. Washington complex has been discussed extensively year after year and the current plan is for new construction and renovation of the historic gym. Mr. Knight stated that he is Board Chair of OIC, and Councilmember Blackwell is the CEO of OIC, and the organization has grown under his leadership. He provided some history relative to OIC. He stated it is his opinion that the City has an obligation to maintain the Booker T. Washington complex just as it does the Helen P. Gay Historic Train Station adding the City would not have the Event Center if it were not for OIC and suggested Mr. Daughtridge support renovation and enhancement of the

property. He suggested a new recreation center be built in that area. Discussion continued.

- o **Response:** Interim City Manager Varney noted that the auditorium is a part of the educational wing of the campus and is used as a specialized community facility and needs renovating.

An exchange occurred between Councilmembers Knight and Bullock.

Mayor Pro Tem Walker thanked staff for the presentation adding that the budget sessions will continue next Wednesday.

#### **ADJOURN**

Without objection, Mayor Pro Tem Walker adjourned the meeting at 6:06 p.m.

*\*The Full PowerPoint Presentations are on file in the City Clerk's Office*

### **2022-2023 BUDGET SESSION (Day 2) – June 1, 2022**

**MINUTES OF A SPECIAL CALLED MEETING OF THE COMMITTEE OF THE WHOLE (BUDGET REVIEW SESSION) HELD WEDNESDAY, JUNE 1, 2022, AT 4:00 P.M. IN THE COMMITTEE ROOM, THIRD FLOOR OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING WITH MAYOR C. SAUNDERS "SANDY" ROBERSON PRESIDING**

#### **MEMBERS PRESENT:**

C. Saunders "Sandy" Roberson, Mayor  
 André D Knight  
 Reuben Blackwell, IV  
 Richard Joyner\*  
 Lige Daughtridge  
 W.B. Bullock  
 Chris Carroll Miller\*\*

*\*\*participated remotely*

#### **STAFF PRESENT:**

Peter F. Varney  
 Pamela O. Casey  
 Kim Batts  
 Kenneth Hunter  
 Mark Adcox  
 Elton Daniels  
 Jessie Nunery  
 Keyana Walston  
 Jayson Dawkins  
 Scott Boyd  
 Leo Jaffe  
 Jakub Jurasek

**NOTE: The complete FY 2022-2023 Proposed Annual Operating Budget and Proposed 2023-2027 CIP is on file in the City Clerk's Office.**

#### **OPENING OF MEETING**

Mayor C. Saunders Roberson called the meeting to order at 4:00 p.m. and advised that Mayor Pro Tem T.J. Walker would not be present due to attending a North Carolina League of Municipalities board of directors meeting. He called on Kenneth Hunter, Assistant to the City Manager for Budget and Evaluation, to continue the budget review from May 25, 2022.

\*Councilmember Joyner arrived

#### **FY 2023 PROPOSED OPERATING BUDGET OVERVIEW/GENERAL FUND (continued)**

Kenneth Hunter, Assistant to the City Manager for Budget and Evaluation, stated the review of the General Fund should be able to be completed today and he was he was going to begin with Technology Services. Mr. Hunter presented a PowerPoint presentation of the proposed operating budget for the General Fund. Highlights of his presentation are:

- Technology Services -
  - proposing the addition of four positions - Help Desk Coordinator, Applications Analyst, Business Systems Analyst and IT Technician
  - positions are being requested to address capacity issues with the technology services and their ability to manage and support the equipment that all City staff uses
  - Director has requested reorganization of the department into five divisions in order to provide better management across operations
  - continuing with various city-wide technology improvements (inclusive of some additional software as well as additional hardware to improve the security and reliability of the system)

#### Questions from Councilmembers

- **Blackwell** - Asked if Technology Services was responsible for the infrastructure or for the delivery of technology services and if there is a technology person embedded in each department

**Response:** Mr. Hunter explained that Technology Services was responsible for technology services and infrastructure. He stated there are a few departments that have a technology person embedded such as E-911

- **Knight** - Requested to hear from the Technology Services Director about the new positions and to have him explain the reorganization of the department

- **Daughtridge** - Stated that parking ticket software was mentioned and would like to know more about the need for such software

**Response:** Mr. Hunter stated that he believed the software mentioned are all modules within the Munis product and not independent solutions. He stated the specific module Councilmember Daughtridge spoke of was probably requested by the Police Department. He stated the Chief Technology Officer should be able to answer any detailed questions for them when they have a discussion with him.

- Business and Collection Services -
  - New position for a Loan Collections Officer is being requested due to the recent developments of initiating a financing program; there are already some loans being managed through CDBG and other programs
  - Operating cost adjustments due to some fees that have increased and other activities

Interim City Manager Peter Varney stated some of the responsibilities of the loan officer would include receiving applications, processing applications and setting up the loans that were approved.

Councilmember Blackwell stated he would like to see that position help create accountable processes to make sure there is data to speak to whether or not the programs were being efficiently managed.

Councilmember Daughtridge asked if an analysis had been performed to see the number of drafts and credit cards are processed. He asked if there might be a cost savings to offer some type of incentive for citizens to do a draft or credit card since it could free up staff that were having to manually process checks.

Mr. Hunter stated there have been software improvements to enhance the credit card process to encourage that option. He stated that Latasha Hall, Business Services Director, regularly reviews the data to see how we can improve.

Interim City Manager Varney stated he was not aware that an analysis has been done.

Councilmember Blackwell asked if there was a way to evaluate what online services are being utilized by citizens and to measure the ease of use for the customer.

Mr. Hunter stated that may be possible, but he would have to follow up with Mrs. Hall and Technology Services.

- Police Department -
  - o Stated the request for four (4) additional Police Officer positions; one(1) Forensic Ballistics Examiner position and one (1) Quality Control and Training Coordinator will provide additional support in patrol services, investigations and telecommunications;
  - o Dedicates at least \$25,000 - \$30,000 in funding for Community Engagement Programs
  - o Increased funding to allow a new way to replace Mobile Data Terminals
  - o Increased funding for equipment
- Fire -
  - o Reason for decrease of overall budget is due to the fact that funds were appropriated this fiscal year for the replacement of Fire Station 2 (which was about 4 million dollars)
  - o Increased funding for accreditation activities
  - o Increased funding for replacement of furniture that had been cut in previous years due to limitations
  - o Funding for Aerial Unit (ladder truck); this is a scheduled replacement that needs to be made to the existing fleet

Mr. Hunter stated that there are no frozen positions in police and fire and all their positions are eligible to be filled.

Councilmember Blackwell asked if the salary issues in the Fire Department had been resolved and if there was a deadline to revisit it.

Interim City Manager Varney stated the City would be engaging a firm to look at the more long-term issues such as the ones in the Fire Department. He stated compression along with the question about minimum wage and benefits are issues that will probably not be able to be solved by the end of this fiscal year, but will be included in this next study being initiated.

- Public Works -
  - o Increase in budget is mainly due to equipment replacement
  - o Funding is also being increased for personnel development and training
  - o Adjustments have also been made for unleaded gasoline and diesel prices of up to a 95 percent increase
  - o Funding increased to ensure maintenance of the Environmental Services equipment

Councilmember Blackwell asked we were able to provide the maintenance and upkeep of the heavy equipment or if it was contracted out.

Mr. Hunter responded that a lot of the maintenance of the heavy equipment is outsourced due to changes in the equipment and the sophistication of the mechanics of the equipment.

Councilmember Blackwell asked if we have long term contracts or if we have the flexibility to look around for better pricing.

Mr. Hunter responded that could definitely be done and that they are looking at options in how they approach the fleet maintenance for regular and light duty fleet. He also stated they were going to try to minimize the increase in costs as we go forward.

Discussion was held relative to the increase in gasoline prices and competitive pay in the maintenance department.

Interim City Manager Varney stated with the pay plan, the entry pay levels for entry level positions were improved to ensure the City is competitive with other employers.

Mr. Hunter informed Mayor and Council that as part of our contract for disposal services with Republic, each year there is an adjustment. He stated this year the increase is 4.6 percent. He stated the fees would increase as follows:

	Current Rate	Proposed Rate
0-20,000 tons	\$67.00	\$70.00
20,001 – 30,000 tons	\$66.00	\$69.00
30,001 – 40,000 tons	\$65.00	\$68.00
Greater than 40,000 tons	\$64.50	\$67.50
Municipal and County Customers	\$66.00	\$69.00

He also stated these increases are consistent with the practice that has been done in prior years in terms of adjusting the rates.

Discussion was held relative to recycling and the possibility of offering recycling services to businesses. Mr. Hunter stated at this point we were still not in a position to offer those services to businesses, but since there is a new Environmental Services Superintendent, it may be possible to re-examine things to see if it could be an avenue to pursue in the future.

- Parks and Recreation -
  - o increased funding due to increased participation in athletics programs
  - o request received for some additional funding to Buck Leonard Association
  - o resumed funding for the Carolina Stallions because they are back in operation
  - o programming has been increased at community centers
  - o travel activities at the Senior Center have resumed, but they are fee-based activities so that offsets the expense
  - o restoration and maintenance of Unity Cemetery is being continued
  - o significant funding fore replacement of parks maintenance equipment such as mowers and weed eaters
  - o increased programming at the Art Center

Councilmember Blackwell stated that the projection and sound equipment have not been good at Booker T. Washington and the janitorial services are less than standard. He also asked who was responsible for pushing the facility as another alternative for programming

Mr. Hunter stated there is money for the equipment needs spoken about. He also stated Parks and Recreation is responsible for the management of the facility and the concerns about the janitorial services as well as the marketing and management can be brought to their attention.

Councilmember Daughtridge stated he would like to see more funds to support "Tackle the Tar" due to the positive promotion it provides for Rocky Mount.

Councilmember Joyner stated he would like to see transportation provided to the areas that are not within walking distance to the community centers.

Councilmember Knight asked if someone could speak in reference to Denton Street Pool.

Elton Daniels, Assistant City Manager informed Mayor and Council that there was a study performed last fall on the critical needed repairs of the pool, which totaled around 1 million dollars. Other needs identified totaled about \$500,000. He stated the previous City Manager wanted to wait until this spring when some other financing options would be taking place, but since that has not occurred, it has been placed back on the table for the City Council to approve. Mr. Daniels stated the pool would have to be shut down for 6-9 months in order to become operational. He also informed Mayor and Council that an agreement was in place with the YMCA to allow the kids registered in the City Summer Camps to use their pool since it is a zero-entry pool. He stated the Senior Center pool is not zero-entry and would not be a good fit for the youth that may not be the best swimmers.

Councilmember Knight asked if there was a plan to have another pool in the City.

Assistant City Manager Daniels stated there was not to his knowledge.

Councilmember Joyner asked how many of the parks were maintained by City staff versus by contractors.

Interim City Manager Varney stated that he did have a list of the parks and who performs the maintenance. He stated that he was not aware of any cross training to attempt to increase staff performance to the level of the contracted workers, but it was an area that could be worked on.

Councilmember Blackwell stated he feels Rocky Mount has a good reputation for the events that are occurring here such as "Tackle the Tar" and the "GoGo Festival" that was held last year. He stated the "GoGo Festival" brought people from all over to Rocky Mount and he has received a lot of calls about whether or not the festival would be held again. He asked if there was flex built in the budget for events like this and if there was a way to measure the economic impact of those events. He also stated he felt it was important to support those types of events due to the impact it has on the community.

Mr. Hunter stated he does try to build in flexibility for these types of events. He also stated there should be a way to measure the impact with events we help sponsor as well as the ones we sponsor solely.

Councilmember Knight asked if staff needed to be notified of the desire to have the event Councilmember Blackwell spoke about. He stated there was not much time if the event will be held in August as it was last year.

- Development Services -
  - o Most of the increase is staffing
  - o Funding increased for code enforcement to help deal with the grass and weed ordinance
  - o Funding increased for personnel development and training

Discussion was held relative to different types of events and programs that could be brought to Rocky Mount.

Councilmember Knight stated he knows there is energy flowing about an Art District and asked if it would fall under the Downtown Manager's Office or the Imperial Centre.

Interim City Manager Varney stated the Downtown Manager has been working on types of districts. The Downtown Manager has been working with Imperial Centre staff to try to draw on their connections. He stated they are still in the process of working on the districts and getting it to a place where it could be brought to City Council for review.

Councilmember Joyner asked if there was a way to move activities into the open spaces in the communities.

Mr. Hunter informed Mayor and Council that we have one program that does that now and it is the "Summer Night Lights" program. He stated that while there are some logistical challenges with respect to the type of events that could be held in some locations, it can be evaluated to see what other events could be initiated.

Discussion was held relative to the housing repair programs and the processes in place now to ensure smoother handling of the applications.

Interim City Manager Varney and Mr. Hunter spoke about the community code process and the fact that tenants and neighbors are the ones who initiate the complaints.

Councilmember Knight asked if the position for an inspector dedicated to inspecting downtown improvements and repair work had been put in place.

Mr. Hunter informed Mayor and City Council that the position was added and that person would report to the Inspections Department, but collaborate with the Downtown Manager's office.

- Event Center
  - o Continued increase in Event Center activity
  - o Increase marketing activity
  - o Reduction in net operating costs of \$116,820
  - o Strong calendar year and expected to continue into 2023
  - o Funding for capital improvements started this year

Mr. Hunter informed Mayor and Council that FY 2019 was the first full fiscal year of operations. He stated FY 2023 is the first fiscal year since 2019 that it can be said the Event Center is in full operation. He stated it is proposed in 2023 that the revenues will increase to about \$1.78 million dollars and the expenses (due to increased operations) will increase to \$2.78 million dollars, making the impact on the General Fund \$1.007 million dollars. He also stated it was recognized this is the number, per the original pro forma 5-year plan, the needs to be reduced to zero as soon as possible so those funds can be returned to the General Fund.

Councilmember Blackwell stated the investment of new business, tax revenue and utility revenues of new businesses should be looked at when considering the impact of the Event Center.

Councilmember Knight stated he would like to revisit the hotel idea near the Event Center.

Mayor Roberson requested that David Joyner give Mayor and Council Event Center updates on a quarterly basis or whatever may be convenient.

- Community Development -
  - o moved Downtown Manager back under the City Manager's Office
  - o increased funding to provide some additional support for personnel including some management training and a staff retreat (which helps them with planning activities they have to do as part of the various grant programs they administer)
  - o Increase of \$200,000 in General Fund to increase housing programs
  - o Utilizing an additional \$500,000 of American Rescue Plan Funds for housing grant programs (the \$500,000 would be available for fiscal years 23,24 and 25)

**FY 2023 PROPOSED BUDGET FOR UTILITY ENTERPRISE FUNDS**

- Electric Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$74,651.759	\$80,895,000	\$86,891,689	\$84,984,700

- o Recommending 4 additional staff positions: Energy Services Manager, a Load Management Tech Supervisor and two (2) Associate Engineers
- o Re-establish Energy Services Division - allows for proper focus on load management in order to increase efficiency and reduce costs in operations
- o Fund increases in equipment costs
- o Establish program to provide resources and financing for energy efficient oriented residential improvements (HVAC, insulation, etc.)
- o Fund Downtown underground utility improvements on Falls Road and Washington Street

Mr. Hunter responded to questions about the lighting in the Downtown area and stated the following:

- Falls Road lighting would be update FY 2023 and then Washington Street is expected the following year
- The reason Falls Road was chosen first was because the Streetscape Project was already underway and the development of Depot Park so they were trying to leverage projects together to have work completed at one time
- Stated the increase in business activity on Washington Street is a valid point and staff could look into seeing if accelerating the lighting on Washington Street is a possibility

Interim City Manager Varney stated a lighting study is planned for the Downtown area. He stated in the past lighting was measured by spacing between poles and now it will be measured by lumens, which is a much more sophisticated approach to measuring the lighting.

Councilmember Miller asked if the study was part of the city-wide lighting study that had been previously requested.

Mr. Hunter stated that study would be addressed and would be worked towards going forward.

Councilmember Blackwell asked if there could be a prioritization for the lighting study to address areas of concern.

Mr. Hunter confirmed with Mayor and Council that they would like to see the city-wide lighting study addressed as quickly as possible and to see if it was possible to accelerate the lighting on Washington Street.

- Gas Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$20,543,151	\$24,318,000	\$25,281,435	\$26,475,000

- o Recommending 5 additional staff positions: pipeline inspector, painstaking engineer and three (3) gas workers (based upon studies with respect to efficiency and safety)
- o Increased wholesale gas costs due to rising commodity prices
- o SCADA equipment replacement
- o Continuation of capital improvement projects

Mr. Hunter informed Mayor and Council that since it is not expected that costs will go back down, there is a rate study planned for the gas rates. He stated once that study is complete, they would have to look at revising the rates to reflect the changes in gas cost.

Councilmember Daughtridge asked if the administrative service fees could be explained.

Mr. Hunter stated the administrative service fee was one of the policies established by the LGC that allows money to be shared between utility funds and general funds. He stated the service fee represents a cost share for functions covered by General Government in the General Fund but that also benefits utility operations.

Councilmember Blackwell asked who has the authority to make the decisions about the transfers.

Mr. Hunter stated that based on City policy and state statute, the City Manager’s Office has the authority.

Discussion continued.

Mayor Roberson asked if staff could help clarify the administrative fees at next weeks budget meeting.

**ADJOURN**

Without objection, Mayor Roberson adjourned the meeting at 5:58 p.m.

*\*The Full PowerPoint Presentations are on file in the City Clerk’s Office*

**2022-2023 BUDGET SESSION (Day 3) – June 6, 2022**

**MINUTES OF A SPECIAL CALLED MEETING OF THE COMMITTEE OF THE WHOLE (BUDGET REVIEW SESSION) HELD WEDNESDAY, JUNE 6, 2022, AT 4:00 P.M. IN THE COMMITTEE ROOM, THIRD FLOOR OF THE FREDERICK E. TURNAGE MUNICIPAL BUILDING WITH MAYOR PRO TEM T.J. WALKER PRESIDING**

MEMBERS PRESENT:

C. Saunders “Sandy” Roberson, Mayor  
 André D Knight\*  
 Reuben Blackwell, IV\*  
 Richard Joyner  
 Lige Daughtridge  
 W.B. Bullock  
 Chris Carroll Miller\*\*

STAFF PRESENT:

Peter F. Varney  
 Kim Batts  
 Elton Daniels  
 Kenneth Hunter  
 Mark Adcox  
 Kirk Brown  
 Keyana Walston  
 Jayson Dawkins  
 Scott Boyd  
 Leo Jaffe  
 Jakub Jurasek

\*\*participated remotely

**NOTE: The complete FY 2022-2023 Proposed Annual Operating Budget and Proposed 2023-2027 CIP is on file in the City Clerk's Office.**

**OPENING OF MEETING**

Mayor Pro Tem T.J. Walker called the meeting to order at 4:01 p.m. and introduced his summer intern, Tyshawn Lawrence, a junior at North Carolina Central in Durham. He then called on Kenneth Hunter, Assistant to the City Manager for Budget and Evaluation, to continue the budget review from June 6, 2022.

\*Councilmember Knight arrived

**FY 2023 PROPOSED BUDGET FOR UTILITY ENTERPRISE FUNDS (continued)**

- Water Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$11,977,386	\$13,077,200	\$13,254,794	\$15,843,360

- o Significant increase in treatment chemicals and fuel
- o Vehicle and equipment replacement
- o Mandated lead line delivery
- o Capital improvements

Mr. Hunter informed Mayor and Council that the City is now required now through the State and their enforcement of a federal EPA mandate to conduct an inventory of all our water lines to determine if any of them are containing lead. We do not believe we have any lead lines in the City. He stated the City is still required to conduct the inventory and it will take a couple of years to complete.

- Sewer Fund

FY 2023 Proposed
\$18,883,000

- o Increase in operating costs
- o Vehicle and equipment replacement
- o Capital improvements

Mr. Hunter informed Mayor and Council the budget for the Sewer Fund should read \$18,883,000, reflecting an increase of \$1,509,000. He stated there have been some significant improvements made the distribution and treatment systems over the last several years and there are some significant projects in the upcoming years. He stated the City is working to obtain additional funding from other sources, state and federal, to assist with those. Mr. Hunter advised Mayor and Council that with the capital improvements that are needed, staff is recommending a small increase of 8.8 percent to water and sewer usage rates. Mr. Hunter provided the proposed rates as follows:

	Current Inside City	Current Outside City	Proposed Inside City	Proposed Outside City
<b>Water Retail</b>				
Customer Charge	\$9.00	\$18.00	\$9.00	\$18.00
0 to 4 units	\$1.70	\$3.40	\$1.85	\$3.70
>4 to 1,000 units	\$2.15	\$4.30	\$2.34	\$4.68
> 1,000 to 3,000 units	\$2.15	\$4.30	\$2.34	\$4.68
>3,000 to 6,000 units	\$2.15	\$4.30	\$2.34	\$4.68
>6,000 to 40,000 units	\$1.90	\$3.80	\$2.07	\$4.14

>40,000 units                      \$1.85                      \$3.70                      \$2.01                      \$4.02

	Current Inside City	Current Outside City	Proposed Inside City	Proposed Outside City
Water Irrigation				
Customer Charge	\$6.50	\$13.00	\$6.50	\$13.50
0 to 5 units	\$3.15	\$6.30	\$3.43	\$6.86
>5 units	\$3.40	\$6.80	\$3.70	\$7.40
Water Wholesale/ Resale				
Customer Charge	\$100.00		\$100.00	
0 to 1,000 units	\$2.50		\$2.72	
> 1,000 to 6,000 units	\$2.50		\$2.72	
>6,000 units	\$2.24		\$2.44	

	Current Inside City	Current Outside City	Proposed Inside City	Proposed Outside City
Water Retail				
Customer Charge	\$9.00	\$ 18.00	\$9.00	\$18.00
0 to 5 units	\$2.70	\$4.73	\$2.94	\$5. 15
>5 units	\$3.25	\$5.67	\$3.54	\$6.20
Sewer Wholesale/ Resale	\$100.00		\$100.00	
Customer Charge	\$4.05		\$4.40	
All Volume	\$9.00	\$ 18.00	\$9.00	\$18.00

Mr. Hunter stated it was important to know that the customer charge is not being increased. He stated for the for the typical residential water consumer using about 3000 gallons of water per month this would amount to a 60 cent increase in water and a 96 cents increase in sewer.

Councilmember Blackwell asked if adjustments would have to be made each year.

Mr. Hunter stated that he would hope there would be a period of time between any rate increases and said it has been six (6) years since the last rate increase.

Discussion was held relative to how the need for a lift station is handled if a developer comes into the City.

Interim City Manager Varney stated in the past the cost of the station on the development.

Discussion continued.

- Stormwater Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$3,330,304	\$5,445,000	\$6,268,732	\$5,470,000

o Increase operating costs and debt service

- o Continued equipment replacement
- o Capital Improvements

Mr. Hunter informed Mayor and Council that one project not in the budget is the downtown culvert project because we have not received the award from the grant yet that is covering about 80% of the costs. He stated after the award is received, it will come back to City Council as an amendment.

#### **FY 2023 PROPOSED BUDGET FOR OTHER FUNDS**

Mr. Hunter stated these are funds that are appropriated on an annual basis. He presented the following highlights:

- Powell Bill

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$8,436,192	\$3,088,000	\$3,186,244	\$3,447,000

- o Eligible surface transportation maintenance expenditure
- o CMAQ sidewalk improvements
- o Street resurfacing
- o Dirt street paving
- o Corridor improvements

- Emergency Telephone Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$204,344	\$325,000	\$325,000	\$250,000

- o Eligible E-911 communication expenditures
- o E-911 dispatch equipment replacement

- Trust (Canteen) Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$24,691	\$594,320	\$224,340	\$244,020

- Specific activities not utilizing City funds

- Self-Insured Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$11,469,691	\$10,130,000	\$10,130,000	\$10,130,000

- Administration and payment of benefits for City's employee health insurance program

- Communications Fund

FY 2021 Actual	FY 2022 Adopted	FY 2022 Amended	FY 2023 Proposed
\$1,417,985	\$1,571,250	\$1,637,620	\$1,852,310

- Operation of City's radio and telephone communication systems

Mr. Hunter reviewed the adjustments made during the course of the budget proposal process. The adjustments are as follows:

Fund/Account	FY 2023	FY 2023 Adjusted	Difference	Reason
Community Services, Other Services		30,000	30,000	Extend operating hours of Boys & Girls Club
Community Services, Library Aid	648,530	654,880	6,350	Increase Braswell Library funding from 2% to 3% in alignment with Edgecombe & Nash Counties
Parks, Special Events, Tackle the Tar	1,000	5,000	4,000	Increase support for Tackle the Tar
Parks, Special Events, Other Services		20,000	20,000	Establish annual support for GoGo Music Festival
<b>Total Expenditure Adjustments</b>			<b>60,350</b>	
			83,318,700	Current FY 2023 Proposed General Fund Budget
			<b>83,379,050</b>	<b>Revised FY 2023 Proposed General Fund Budget</b>
Revised Interest on Investments	400,000	460,350	60,350	Revised projection for interest earnings
Emergency Telephone Fund	325,000	250,000	(75,000)	Revised to reflect loss of State Al location per revised policy

Councilmember Daughtridge asked if the information received per the Mayor's request as the last meeting would be reviewed.

Mr. Hunter stated he did not have it on the schedule but can go over the information.

Mr. Hunter reviewed the information in annual reports and stated that the administrative fees are mainly driven by capital improvement costs.

#### **Councilmember Comments/Concerns**

- Councilmember Daughtridge stated he had concerns about the fees and feels this is where funds are being pulled from when there is not money to pay for things
- Councilmember Blackwell asked if our financial advisors had concerns with the management of resources and if we met the requirements of the State Treasurer and State Auditor

Response: No concerns have been expressed and practices meet the requirements of the State Treasurer and State Auditor

- Mayor Pro Tem Walker asked if it was a sustainable practice

Response: working to reduce the share of these particular expenses; this will make the practice more sustainable

- Mayor Roberson expressed wanting to ensure consideration is given to the salary compression issues and the impact

Discussion continued relative to community investment of all communities.

Interim City Manager Varney asked Mayor and Council to please let him know if there were any more areas to follow up on.

Mayor Pro Tem Walker informed Mayor and Council he would like to see an update to the comprehensive plan.

#### **ADJOURN**

Without objection, Mayor Pro Tem Walker adjourned the meeting at 5:22 p.m.

*\*The Full PowerPoint Presentations are on file in the City Clerk's Office*

#### **OATH OF OFFICE/COUNCILMEMBERS**

Mayor Combs recognized the Honorable Lamont Wiggins, Resident Superior Court Judge, Judicial District 7B, to administer the oath of office to the following City Officials who were elected/re-elected on May 17, 2022 (Ward 7 runoff is scheduled for July 26, 2022):

- Ward 2 - Reuben C. Blackwell, IV
- Ward 3 - Richard Joyner
- Ward 6 - Tom Harris

Judge Wiggins administered the oath of office to incumbent Ward 2 Councilmember Reuben C. Blackwell, IV for a four-year term to expire December 2025.

Judge Wiggins administered the oath of office to incumbent Ward 3 Councilmember Richard Joyner for a four-year term to expire December 2025.

Judge Wiggins administered the oath of office to incumbent Ward 6 Councilmember Tom Harris for a four-year term to expire December 2021.

Photographs of Councilmembers and their family members and supporters were taken.

#### **ROLL CALL**

The City Clerk called the roll for the newly seated City Council.

Members present: Reuben C. Blackwell, IV, Richard Joyner and Tom Harris.

#### **RECOGNITION/OUTGOING WARD 6 COUNCIL MEMBER**

Mayor Sandy Roberson thanked Councilmember W.B. Bullock on behalf of the City Council for his service to the City of Rocky Mount and presented the City Council with the following resolution

honoring W.B. Bullock for twenty (20) years of faithful and dedicated service:

**RESOLUTION EXPRESSING APPRECIATION TO W.B. BULLOCK FOR FAITHFUL AND DEDICATED SERVICE TO THE CITY OF ROCKY MOUNT**

**WHEREAS**, W.B. Bullock served the City of Rocky Mount as a member of the City Council representing Ward 6 from October 14, 2002, until July 11, 2022; and

**WHEREAS**, during his tenure, Councilmember W.B. Bullock discharged the responsibilities of his office dutifully, thoughtfully, and faithfully and with dignity and courage; and

**WHEREAS**, W.B. Bullock conscientiously studied and deliberated all issues that came before him as a member of the City Council and made decisions that contributed significantly to the economic, social, and planned growth of the City of Rocky Mount; and

**WHEREAS**, W.B. Bullock although a strong and devoted advocate for the citizens of Ward 6, fully understood that decisions made as a member of the City Council would impact the entire citizenry of the City and cast his votes according to what he deemed to be in the best interest of all citizens; and

**WHEREAS**, during his tenure W.B. Bullock served three (3) one-year terms as Mayor Pro Tem in 2005, 2011 and 2017 and served three (3) two-year terms as Treasurer from 2007-2009, 2009-2011 and 2015-2017. Additionally, Councilmember W.B. Bullock served on the Transportation Advisory Committee from 2003 through 2021 and on the Carolinas Gateway Partnership from 2003-2021; and

**WHEREAS**, W.B. Bullock did not seek re-election following his final term of office as Ward 6 City Councilmember from 2018-2021; however, due to redistricting the 2021 Election was postponed until May 17, 2022, thus requiring Councilmember W.B. Bullock to serve an additional six (6) months in office; and

**WHEREAS**, and the City of Rocky Mount is desirous of expressing its sincere appreciation and respect for the loyal, conscientious, and dedicated service of Councilmember W.B. Bullock as a member of the Rocky Mount City Council.

**NOW, THEREFORE, BE IT RESOLVED** that this resolution shall be spread upon the pages of this proceeding and a copy shall be presented to W.B. Bullock in grateful appreciation of his service to the City of Rocky Mount.

Adopted this 11<sup>th</sup> day of July 2022.

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell and unanimously carried that **Resolution R-2022-30 entitled RESOLUTION EXPRESSING APPRECIATION TO W.B. BULLOCK FOR FAITHFUL AND DEDICATED SERVICE TO THE CITY OF ROCKY MOUNT** be adopted.

Mayor Roberson presented Councilmember Bullock with a framed copy of the resolution.

**COMMUNITY UPDATE BY INTERIM CITY MANAGER**

Interim City Manager Peter F. Varney provided the following community update. The Interim City Manager:

- Updated that 4 operators, 6 technicians 1 transfer station supervisor and 1 administrative assistant started work in the Environmental Services Department which will give more manpower to provide services
- Stated that 2 of the trucks in Environmental Services that were not working well have been combined to allow for a more reliable truck to carry out services
- Stated the reservoir levels were being watched and the rain over the weekend has restored levels to where they should be this time of the year
- Stated the City's Housing Rehabilitation Matching Rebate Program is open and applications will be accepted through August 5<sup>th</sup>
- Community Development's webpage has been updated to be more user friendly
- Summer Youth production of the Wizard of Oz will be at the Imperial Centre on July 22, 23 and 24<sup>th</sup>
- Downtown Live at the Imperial Centre will feature the Main Event Band

- The Rocky Mount Police Department and the Human Relations Department have planned an event on July 21<sup>st</sup> from 4-8:30 p.m. at the Rocky Mount Event Center called Control Your Destiny and Resource Fair; Terry Ruffin will be the speaker and will discuss choices and consequences our youth and young adults often face and there will be local employers talking about opportunities for employment

#### **PETITIONS FROM THE PUBLIC**

The Mayor opened the meeting for petitions from the public and outlined guidelines for public petitions. He informed citizens if they listed on their sign in sheet, they were there for a public hearing that he would wait until the public hearing to recognize them. He called on the following individuals for public comment and a summary of comments is outlined below:

##### ***Adrienne Copland***

- Stated she would like to know why the Youth Connect program could not be operate without paying the kids a stipend
- Stated she felt the stipend paid to the kids was a lot of money
- Stated even if it is referred to as a stipend, it is really a salary being paid

##### ***Susan Perry Cole***

- Congratulated newly elected and re-elected City Council Members
- Wanted to remind the City Council that is was stated that a detailed public engagement process would take place regarding the American Rescue Plan Act Funding Allocation
- Expressed her support for OIC's Youth Connect Program

##### ***Dr. Kim Koo***

- Stated gun violence is still an issue
- Feels funding should be increased for programs that will train and teach young or unemployed people skills

##### ***Donna Johnson***

- Stated she was disappointed in the denial of funding for OIC's Youth Connect Program
- Stated the program is an excellent program for the youth
- Requested for City Council to support the program

##### ***Muntaz Shaik***

- Stated gun violence is still an issue
- Stated she feels we need assistance from federal, state and local officials to eradicate poverty
- Stated withholding funds for no good cause stifles programs that help the community

##### ***Morrie Minges***

- Stated her waters smells and has a bad taste
- Stated she thought she read somewhere a year ago that G.K. Butterfield gave OIC a million-dollar grant
- Stated she would like to see a stronger initiative with the City for helping clean up litter
- Asked if the Imperial Centre, Athletic Center and South Rocky Mount Community Center came about during Pete Armstrong's time at the City

Interim City Manager Varney explained that for many years the water was treated with chlorine and then changed to a treatment process that uses chloramines. He stated that every year for one month the City has to disinfect the lines by treating the water with chlorine.

Councilmember Blackwell stated he just wanted to clarify that OIC had never received a million-dollar allocation from Congressman Butterfield, but they have received funding from the federal government to provide health care for the citizens that are uninsured and underinsured. He stated they follow rules and regulations for funds because they are designated for specific functions.

***Mysha Lynch***

- Stated she hears too often that the state of the youth is the worst thing ever
- Stated she would like to know how the City is investing in youth progress and success in all of Rocky Mount
- Stated she feels people are okay with the children being the future as long as they do not have to fund it
- Stated she wanted City Council to consider the direct needs of the youth and young adults and implement policies to supplement those needs

***Troy Davis***

- Stated he has an intern from OIC taking phone calls in his office and he is grateful for him
- Stated it is a shame that the program was voted against
- Appreciated Chief Hassell for implementing the FUSUS program because a person who committed shootings in his neighborhood was caught in Goldsboro due to the program

***Nathlyn Ohree***

- Stated she would like to know when Denton Street Pool would be reopened
- Stated she feels like the pool would provide an outlet for the youth
- Stated she was embarrassed by the fact the OIC Youth Program funding was not approved, and they should be more supportive of their citizens

Interim City Manager Varney stated the Denton Street Pool is in poor shape and it will be about 8-9 months before all the repairs are complete. He stated the repairs should be started soon. He also stated the City has an agreement with the YMCA that allows the summer camp program participants to attend sessions at their pool.

**PLANNING BOARD RECOMMENDATIONS**

The City Council received the recommendations from a Planning Board meeting held May 10, 2022 (*not furnished with May Planning Board Recommendations*) and the minutes and recommendations from a Planning Board meeting held on June 14, 2022. The minutes are on file in the office of the City Clerk.

The following action was taken upon the recommendations of the Planning Board:

**LAND DEVELOPMENT CODE AMENDMENTS/PUBLIC HEARING**

The Mayor opened a public hearing relative to the following Land Development Code amendments recommended for approval and found in compliance with the City's Comprehensive Plan by the Planning Board:

1. Amends Chapter 5. of the Land Development Code Entitled ZONING USE REGULATIONS. to establish standards for conducting neighborhood meetings
2. Amends Chapter 1. of the Land Development Code Entitled DEFINITIONS AND CONSTRUCTION.; and Amends Chapter 8. of the Land Development Code Entitled STORMWATER MANAGEMENT.; Sec. 801. Soil erosion and sedimentation control.; Sec. 802. Tar-Pamlico stormwater nutrient management requirements.; and Sec. 804. Design, construction and maintenance of stormwater management and/or BMP facilities. to meet the current minimum standards for stormwater management as established by the North Carolina Department of Agriculture and Consumer Services

Will Deaton, Director of Development Services, gave an overview of the requested amendments.

No one from the public appeared and the Mayor declared the public hearing closed.

Motion was made by Councilmember Daughtridge, seconded by Councilmember Joyner and unanimously carried that **Ordinance No. O-2022-48** entitled **ORDINANCE AMENDING THE LAND DEVELOPMENT CODE OF THE CITY OF ROCKY MOUNT** be adopted.

**RESOLUTION REQUESTING THE BOARDS OF ELECTION FOR NASH AND EDGECOMBE COUNTIES ESTABLISH AND MAINTAIN EARLY VOTING SITES WITHIN THE CITY LIMITS FOR ALL MUNICIPAL ELECTIONS INCLUDING RUNOFF ELECTIONS**

The City Council requested a resolution be drafted at the June 27, 2022, City Council meeting requesting the Boards of Election for Nash and Edgecombe Counties establish and maintain early voting sites within the City Limits for all municipal elections, including runoff elections.

Councilmember Knight requested the resolution be amended to add within the fourth Whereas, voting sites be established and identified within the City limits for every municipal election.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner and unanimously carried that **Resolution No. R-2022-31** entitled **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROCKY MOUNT REQUESTING THE BOARDS OF ELECTION FOR NASH AND EDGECOMBE COUNTIES ESTABLISH AND MAINTAIN EARLY VOTING SITES WITHIN THE CITY LIMITS FOR ALL MUNICIPAL ELECTIONS INCLUDING RUNOFF ELECTIONS** be adopted.

**LEASE/LICENSE AGREEMENT/GAY ROAD PROPERTY**

Consideration was given to a lease/license agreement with REB Properties, Inc. for 87 acres of City owned land on Gay Road (formerly used as a solid waste landfill site) for hunting purposes. Interim City Manager Peter Varney advised the City Council that REB Properties, Inc. would like the new license agreement for use of the property to be at a cost of \$850 per year with a five-year term to run concurrent with current lease (expiration date would be April 2028).

The Council was advised that the Notice of Intent to Lease Property has been advertised as required by the General Statutes.

Motion was made by Councilmember Joyner, seconded by Councilmember Walker and unanimously carried that **Resolution No. R-2022-32** entitled **RESOLUTION AUTHORIZING A LICENSE AGREEMENT FOR CERTAIN PROPERTY** be adopted.

This resolution authorizes the Mayor and City Clerk to execute the License Agreement with REB Properties, Inc. **(C-2022-26)** on behalf of the City.

**MEMORANDUM OF UNDERSTANDING WITH OIC FOR YOUTH CONNECT INTERNSHIP PROGRAM**

The City Council was advised that funding has been provided for several years to OIC for their Youth Connect Internship Program. It was stated the initiative provides paid internships to local high school and college-aged students during the summer months.

Councilmember Knight and Councilmember Blackwell recused themselves from the vote due to their service on OIC's board and Recusal Statements are on file in the City Clerk's Office.

A presentation was provided to City Council by OIC's Director of Education Services, Charles Washington, and OIC's Youth Connect Manager, Linda Joyner. It was explained it was an eight-week program the students receive a stipend for reporting to work and performing their duties as requested. Mr. Washington stated they had several students and parents they would like to allow to speak on behalf of the program.

Mayor Roberson requested they pick two individuals to speak.

- Pamela Bynum

- o Both of her boys have gone through the program
- o Program keeps the children engaged during the summer months and teaches them skills
- o She is now giving back through the program by teaching children coding

- Miracle King

- o Stated she wanted to speak for her and the other kids in the program
- o Stated she has learned skills such as time management and how to budget because it is different when she makes her own money
- o Said she enjoys being able to talk to her mom about things that happen in her day
- o Stated she hope the program continues because she would love to do it again

Councilmember Daughtridge stated he appreciates everyone coming to speak on this matter tonight. He stated he voted against this before because it would have been a part of the budget if not for SB 473 and he voted against the entire budget. He stated he was going to vote in favor of the item tonight, but he had asked Interim City Manager to find areas that could be reduced in the budget to account for the amount of this funding, which he has done.

Motion was made by Councilmember Miller, seconded by Councilmember Joyner, and carried by a vote of 5-0 (Councilmember Knight and Councilmember Blackwell recused themselves) that the Memorandum of Understanding with OIC for the Youth Connect Internship Program **(C-2022-27)** in the amount of \$50,000 be approved.

Councilmember Knight thanked Councilmember Miller for asking the City Manager to place this item back on the agenda. He stated he does not agree that they are neglecting citizens. He stated if City Council had known that trucks and other items were needed that they would have made sure the purchases were made. He stated he did not

want it printed or said that the City Council were neglecting the citizens.

**TEMPORARY STREET CLOSING**

The City Council received a request from Berkshire Acres Community Association for the temporary closing of the 700 Block of Lincoln Drive from 5:00 p.m. to 8:00 p.m. on Saturday, July 23, 2022, in Celebration of Berkshire Acres Community Day.

Motion was made by Councilmember Joyner, seconded by Councilmember Walker and unanimously carried that the temporary street closing request be approved.

**PURCHASED GAS ADJUSTMENT (PGA) FOR NATURAL GAS**

The City Council was informed due to an unstable gas market, the Director of Energy Resources, Chris Beschler, has requested that the City apply a Purchase Gas Adjustment (PGA) of \$.40/therm for gas sales occurring between August 1, 2022, and October 31, 2022. Mr. Beschler stated applying the PGA now would best prepare the Gas Fund to avoid applying a PGA during the winter heating period.

Kenneth Hunter, Assistant to the City Manager for Evaluation and Budget responded to City Council questions and stated the increase would be about \$8 for the average customer that uses gas appliances and that while he could not speculate what the winter months would produce, the goal would be to try to avoid any increases during that time.

Motion was made by Councilmember Joyner, seconded by Councilmember Miller and unanimously carried that the Purchase Gas Adjustment (PGA) of \$.40/therm for gas sales occurring between August 1, 2022, and October 31, 2022 be approved.

**SECOND AMENDMENT TO PARKING LOT LEASE AGREEMENT**

The City Council was provided with an amendment to a parking lot lease agreement with Carolina Telephone and Telegraph Company, LLC d/b/a Century Link first approved in July 2010 with a first amendment approved in 2011. The requested amendment will increase the parking spaces to forty-eight (48) parking spaces in the parking lot at the corner of Washington and East Thomas Streets and extends the term to July 2025.

Motion was made by Councilmember Blackwell, seconded by Councilmember Harris and unanimously carried that the Second Amendment to the Parking Lot Lease Agreement with Carolina Telephone and Telegraph Company, LLC d/b/a Century Link be approved and that the Mayor and City Clerk be authorized to execute the same on behalf of the City. The amendment will be placed on file with the original parking lot agreement (C-2010-31).

**PARKING AGREEMENT/TRI-FAITH MINISTRIES**

The City Council was provided with an amendment to a parking lot agreement with Tri-Faith Ministries that was first approved on

May 9, 2022. The requested amendment restrict access to the parking lot by patrons of musical concert events at the Rocky Mount Event Center. All other terms of the agreement remain the same.

Motion was made by Councilmember Joyner, seconded by Councilmember Harris, and unanimously carried that the First Amendment to the Parking Agreement with Tri-Faith Ministries be approved and that the Mayor and City Clerk be authorized to execute the Agreement on behalf of the City. The amendment will be placed on file with the original parking lot agreement **(C-2022-18)**.

**ADMINISTRATIVE POLICY AMENDMENTS - DOWNTOWN INCENTIVE INCREASE**

The City Council was provided with amendments to the following administrative policies:

- Policy No. II.43 Entitled "Roof Replacement and Repair Grant"; and
- Policy No. II.33 Entitled "Downtown Building Assistance Program"

Motion was made by Councilmember Joyner, seconded by Councilmember Walker and unanimously carried that **Resolution No. R-2022-33** entitled **RESOLUTION APPROVING ADMINISTRATIVE POLICY AMENDMENTS** be adopted.

**American Rescue Plan Act (ARPA) Fund Allocation for Housing Programs/Initiatives**

The City Council was provided with a recommendation to allocate American Rescue Plan Act (ARPA) Funds in the amount of \$500,000 per year for three (3) consecutive fiscal years (2023-2025) for the following Housing Programs/Initiatives:

- a) Urgent Repair - \$50,000
- b) Housing Repair - \$50,000
- c) Workforce Housing - \$50,000
- d) Matching Rebate - \$25,000
- e) Community Wealth Building - \$225,000
- f) Down Payment Assistance - \$100,000

It was noted that the recommendation involves utilization of \$1,500,000 of \$3,000,000 in ARPA funds previously received and allocated for affordable housing allocation.

Councilmember Blackwell stated he felt they had heard from most of the communities related to ensuring these funds are directed to marginalized communities who have income challenges, and he fully supports the initiatives that are outlined. He stated he was not sure if public presentations were scheduled but he does feel it is important to educate the public or give them more in-depth detail about what ARPA is, what it was designed to do and what the expectations should be.

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell, and unanimously carried that allocation for American Rescue Plan Act (ARPA) Funds in the amount of \$500,000 per year for three (3) consecutive fiscal years (2023-2025) for the Housing Programs/Initiatives listed above be approved.

**GRANT/EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE (JAG 2022)**

The City Council was advised that the City is eligible to receive \$43,917 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 2022. They were further advised that these funds which are normally received each year are typically used by the Police Department to purchase equipment items that it is unable to acquire through normal budgetary channels and, if awarded, the funds will be shared with the Nash County Sheriff's office in a 60/40 split (Nash County share = \$17,566.80; City share - \$26,350.20). The City Council was notified that funding can be used to purchase equipment and supplies and the planned use is to purchase community engagement software.

Motion was made by Councilmember Joyner, seconded by Councilmember Miller and unanimously carried that that staff be authorized to submit the grant application for the Edward Byrne Memorial Justice Grant; and that the Mayor, City Clerk and/or appropriate staff be authorized to execute any required documentation, including the final application and subsequent grant agreement, certifications and assurances on behalf of the City.

**BID/HVAC SERVICE CONTRACT**

The City Council received the tabulation of bids received on a bid for an HVAC Service Contract. Bids were received and opened November, 2021 after all necessary legal requirements had been implemented and the bid tabulation is on file in the office of the City Clerk as **BD-2022-25**. The solicitation was posted on the City's purchasing webpage, the HUB website, and the North Carolina Interactive Purchasing System website.

Motion was made by Councilmember Joyner, seconded by Councilmember Harris and unanimously carried that the bid be awarded to Allred Mechanical Services @ a cost for year one of \$616,800 (bid of \$416,800 plus estimated \$200,000 additional repairs); and a cost for year two of \$576,000 (bid of \$416,800 plus estimated repairs at contractual rate) and that the Mayor and City Clerk be authorized to execute the bid contract on behalf of the City.

**RESCHEDULING THE AUGUST 2022 CITY COUNCIL MEETINGS (added in open meeting)**

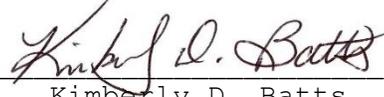
Interim City Manager Peter Varney informed the City Council a revision may need to be considered for the August meeting schedule due to the Electricities Conference being scheduled for August 8 - 10, 2022. He stated he would suggest revising the meeting schedule for August 2022 from the 2<sup>nd</sup> and 4<sup>th</sup> Monday to the 3<sup>rd</sup> and 5<sup>th</sup> Monday.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner and unanimously carried that Committee of the Whole and Regular City Council meeting scheduled for August 8, 2022

be rescheduled to August 15, 2022 and the August 22, 2022 Regular City Council meeting be rescheduled to August 29, 2022. The locations and time would remain the same.

**ADJOURNMENT**

There being no further business, by consensus, the meeting was adjourned at 8:50 p.m.



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Kimberly D. Batts  
Deputy City Clerk/  
Acting City Clerk