

January 23, 2023

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, Tom Harris and Jabaris Walker.

Councilmember absent: T.J. Walker, Jr.

Staff present: Peter F. Varney, Interim City Manager; Kim Batts, City Clerk; Elton Daniels, Assistant City Manager; Brad Kerr, Public Works Director; Will Deaton, Director of the Department 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; Mark Adcox, Video Production Specialist; Robin Cox, Communications Specialist; Cornelia McGee, Interim Community and Business Development Director; Kena Cofield-Jones, Director of Human Resources; Kream Mosley, Deputy City Clerk; Monica Brantley, Deputy City Clerk and Richard J. Rose, City Attorney.

Security Officers: Corporal Clay Wilder, Sergeant Chris Williams, and Senior Police Officer Shawn Battle.

The Mayor called the meeting to order at 4:00 p.m. and requested all to stand for a moment of silent prayer.

APPROVAL OF MINUTES

Motion was made by Councilmember Daughtridge, seconded by Councilmember Joyner, and unanimously carried the minutes of the Regular Scheduled City Council meeting held October 24, 2022 and the Regular Scheduled Committee of the Whole meeting held on August 15, 2022 be approved as submitted to the City Council prior to the meeting.

The Committee of the Whole minutes are as follows:

MINUTES OF A REGULAR SCHEDULED MEETING OF THE COMMITTEE OF THE WHOLE HELD MONDAY, JANUARY 9, 2023, AT 5:00 P.M. IN THE COMMITTEE ROOM 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
Reuben C. Blackwell, IV

STAFF PRESENT:

Peter F. Varney
Kim Batts
Archie Jones

Richard Joyner
 Lige Daughtridge
 W.B. Bullock
 Jabaris Walker
 Mayor C. Saunders "Sandy" Roberson, Jr.

Robert Hassell
 Kenneth Hunter
 Elton Daniels
 Kirk Brown
 Kena Cofield-Jones
 Greg Cotten
 Latasha Hall
 Corey Mercer
 Richard J. Rose
 Brenton Bent
 Cornelia McGee-Anthony

OTHERS PRESENT:

Telly Whitfield, Metronet
 Marshall Quarles, Metronet
 Kelly Parker, Metronet
 Daniel Klus, Public Trust Advisors
 David Joyner, Rocky Mount Event Center

OPENING OF MEETING

Mayor Pro Tem T.J. Walker called the meeting to order at 5:00 p.m.

METRONET - Ken Hunter

Assistant to the City Manager for Budget & Evaluation Kenneth Hunter shared that Metronet would start work in the next several months on a new fiber optic service for residents and businesses throughout the city. He introduced Telly Whitfield, Governmental Affairs Director for Metronet. Mr. Whitfield said that Metronet is prepared to present a multimillion-dollar private investment into Rocky Mount. Metronet is the largest independent fiber optic company in the US. He said it's a 100% fiber to the home broadband company in 250 communities within 16 states. Metronet is in 26 communities in North Carolina.

Mr. Whitfield made the following presentation:

Why Fiber:

- Meet the demand with reliable fast internet speed
 - Drives Economic Development
 - Fiber Optics is the fastest way to transmit information today
 - Multi-gig service. The up speed and down speed are the same.

Government Affairs role:

- Develop & Maintain Relationships
- Provide Internal Support - Relational, Strategic and Tactical - for "production, problem-solving & predictability"
- Facilitate Construction Communication
- Monitor the Market Place
- Get us to the Finish Line

Partnership:

- Provides transparency and accountability to City
- Prevent call volume to city centers
- Reduce surprises related to neighborhood construction activity
- Build goodwill and awareness with residents

Metronet's industry recognitions:

- Top 3 Fastest Internet Provider Nationwide
- Top 3 Fastest Fiber Provider Nationwide
- Number one Fastest Internet Provider in two states

Mr. Whitfield shared Metronet's plan:

Pre-Construction:

- Partnership and Collaboration with City and community stakeholders
- Pole Attachment Agreement & process
- Initial Build Design

Resident Communication:

- PR Activity
- Mailed Letters
- Postcards
- Individual Yard Signs
- Neighborhood Entrance Yard Signs

Construction:

- Asset placement follows existing utilities, both underground and aerial
- Project designed/organized by groups of 300-500 homes (neighborhoods) and businesses
- Partnership with city to provide daily list of locations and crew names
- Average 1 Supervisor per 3-5 construction crews
- Team is easily identifiable-Vehicle signs, picture badges, safety vests with Metronet logo
- Ground construction - all Metronet terminals are 100% flush mounted

Post Construction:

- Put the community back in a better place
- Restoration within 24-48 hours
 - Restore as they build

Construction Website:

- See where we're working
- Document questions or concerns
- Construction Process Education - Easement

Mr. Whitfield said that 32% of all residential sales are from direct sales. Screened associates will make door-to-door contact in neighborhoods for 90 days.

Mr. Whitfield mentioned the Affordable Connectivity Program allows eligible households to receive a credit up to \$30 a month towards internet service.

Council Questions/Comments:

Councilmember Blackwell asked:

- Once a neighborhood is completed will they be able to receive services or have to wait for the entire city to be wired
- Is activity going to occur simultaneously in Nash and Edgecombe Counties
- Is the cost comparable, more expensive or less than what is currently available

Mr. Whitfield responded:

- When an LCP is completed and connected it is available for service.
- Metronet is comparable to the market with a better service

Marshall Quarles, Project Director for Metronet reiterated that customers will not have to wait for the entire market to be built. Service will be available as they continue to build. He also stated that he will be local and will ride through to engineer any changes.

Councilmember Harris asked:

- Will there will be simultaneous work with pole and underground distribution
- Do you know where you will be starting

Mr. Quarles said that a local area is categorized as an LCP. Metronet plans to start with aerial builds on Old Mill Road. He reported that there is very little underground. Maps have been provided to show how much aerial to underground work will be done.

Councilmember Daughtridge asked for the start date.

Mr. Quarles said they are looking to start in the next 2 months once they have solidified the pole attachments. They have identified the area where they want to beta test.

Councilmember Joyner asked if they do any local hiring.

Mr. Quarles said they've already hired locally. They currently employ 4 Outside Plant Field Supervisors. Mr. Whitfield said that the website will be up soon to apply for employment.

Mayor Pro Tem Walker asked if the City could capitalize using Metronet's conduits to resolve connectivity issues in areas that can't be reached.

Mr. Whitfield said that they are going to try to alleviate some of those challenges. The team can look at subsequent builds. He said that interest from the community makes it better for him to sell the build.

Mayor Pro Tem Walker asked if a citizen fact and frequently asked questions line directed to Metronet, pre and post construction, will be available. He stated he would like to avoid an influx of calls to the City.

Mr. Whitfield said that the website will be available, and FAQs will be listed.

Mayor Pro Tem Walker said that there is a large elderly constituent base and asked if there is a phone number and educational component available.

Mr. Whitfield said that he will work with City to develop an educational piece.

Ken Hunter stated that there will be discussions with Business and Collection services because he realizes that calls will be received. The goal is to transfer those calls to Metronet.

Mr. Quarles added that Metronet does community communication with door tagging and yard darts. A phone number is available and if people call, an email is sent directly to him.

Mayor Roberson asked how long it will take to cover the entire City.

Mr. Quarles said anywhere between a year to a year and a half. Rain, snow, colder days and equipment issues can slow things down.

Councilmember Blackwell asked if they were being conscientious and intentional in ensuring that building will occur in Nash and Edgecombe simultaneously. He stated that in the initial presentation the Nash/Edgecombe dynamic was discussed, and it was said that the wealthy communities would not be built first and the ones with less resources last.

Mr. Whitfield said that multiple layers and ensuring that the communities are touched in various forms was discussed. He will double check to make sure the Edgecombe and Nash perspective is there and get an answer to Ken Hunter. He said that this is the initial build and that the project is not fully designed yet. He wanted to make sure that all the council districts are represented.

Councilmember Blackwell asked Mr. Whitfield to confirm that Metronet is intentional about building up inner city communities simultaneously.

Mr. Whitfield responded absolutely, he sees this as an opportunity to build community with transformational assets and fiber.

Mayor Pro Tem Walker asked if they have any inner-outer loop maps available.

Mr. Quarles answered, yes and that they will make them available. The full footprint of the build has already been laid out and it shows where the placement is.

Mayor Pro Tem Walker what is the difference between the speed of what Metronet offers and the speed of Optimum.

Mr. Quarles responded that it works in compatibility with 6G. Speed differences will not be noticed, regardless of the number of devices you have on it. He said that the internet works as fast as your slowest device. Devices need to be compatible with the speed to see it implemented in the home.

Councilmember Knight said that he hopes to hear back regarding Councilmember Blackwell's question before moving forward. He mentioned challenges from other projects, referencing subcontractors and digging in yards. Councilmember Knight asked Mr. Varney if a Rocky Mount staff person is going to monitor the project.

Mr. Varney responded that several people will be. City employees will have to work ahead of Metronet to do locates.

Mr. Quarles said that Field Supervisors monitor the crews. He said that the crews do a solid restoration and that they also have contracts with local landscapers. In instances where a landscaper needs to be called out, it will be handled at no cost to the customer. He also stated that traffic controllers will be in the area if traffic needs to be redirected.

COMMITTEE RECOMMENDATION. Received report; no formal action.

IDLE FUND INVESTMENTS - Ken Hunter

Ken Hunter, Assistant to the City Manager for Budget and Evaluation reported that the City has \$96 million dollars across all funds currently held in investments. He was presented with an opportunity to improve the performance of the City's idle funds within the limitations of a municipality and in compliance with NCGS 159.30. The City can manage their investments or utilize the local government investment pool. Mr. Hunter said that The City Manager has investment authority regarding adjusting how the funds are invested. Per statute and LGC requirements investments are allowed in secure short-term government or corporate investment vehicles. Maturity dates cannot be greater than 36 months. Up until 2020 NCCMT had two pools, one purely governmental with Treasury and Federal agency debt and a second that was mix of federal debt and well as other vehicles like commercial paper. They now only invest in Treasury and Agency debt.

Current Practice:

- Utilize Local Government Investment Pools (LGIPs)
- 100% invested in NC Capital Management Trust (NCCMT)
- Established in 1982, managed by Fidelity
- Portfolio as of November 2022 (All Treasury & Agency since 2020)
- 34.2% US Government Agency Debt
- 29.7% US Treasury Debt (T-Bills & Notes)

- 36.1% US Treasury Repurchase Agreements
- 7-Day Yield: 4:14% (as of 1/4/2023)
- Management Fee: 0.16%

Mr. Hunter reported that up until recently that was the only local government investment pool in North Carolina. He was approached by Dan Klus from Public Trust Advisors. Public Trust Advisors were going to establish a new local government pool, called The North Carolina Cooperative Liquid Assets Security Systems (NC Class). It is based on a model that they used in several states to provide support to local governments.

Proposal:

- NC Cooperative Liquid Assets Security System (NC CLASS)
- Managed by Public Trust
- Broader Diversification
- 14.5% US Treasuries & Agencies
- 62.5% Commercial Paper
- 15.0% Repurchase Agreements
- 8.0% Bank Deposits & Cash Equivalents
- Management Fee: 0.15% (Will be initially waived)

Advantages & Risks:

- Advantages
- Broader diversification of portfolio
- Potential investment in higher-yield securities
- Same liquidity availability as with NCCMT
- NC CLASS would be AAAM rated (highest available)
- Anticipate 4.58% 7-Day Yield
- Risks are insignificant

Mr. Hunter stated that his recommendation is to adopt a resolution that would authorize participation in NC Class. He said that Lincoln County and Hope Mills have already signed on and New Bern will be voting later in the month. Rocky Mount would be the fourth jurisdiction to join the fund. That would be the formation of the interlocal agreement.

Mr. Hunter recommends transferring 10% of the \$96 million available. He said that would give a chance to compare it to NCCMT and monitor its performance. The holding can be adjusted as warranted. He said that interest earnings on these funds are a source of revenue and will allow additional money for City operations.

Mr. Hunter shared that there is a third option available:

- North Carolina Investment Pool (NCIP)
- Established in 2021 by Wake & Buncombe Counties
- Managed by PFM Asset Management
- Consistent structure to NC CLASS
- AAAM rated (highest available)
- 7-Day Yield: 4.50% (as of 1/4/2023)

Council Questions/Comments:

Councilmember Daughtridge asked if the City can go through the Treasurer's office.

Ken Hunter said that he wasn't aware of that and would get an answer.

Councilmember Daughtridge asked:

- How long will the management fee be waived

- Is there an option to reduce the time and reduce the base points charged

Mr. Klus responded that anytime you're starting something new, you want a solid base of diversified initial investors. He said from a competitive standpoint the fee would probably be waived the first year or two, if not in its entirety of a significant matter.

Mr. Klus answered yes. He said The Board of Trustees has full discretion on proposing the fees. The .15 written in the fund documents is the maximum charge. They recognize that public entities are looking at the net return. If they see that in North Carolina the competitive advantage of having the fee closer to 5 base points, three years from now they can advise the Board to keep it there.

Councilmember Daughtridge said that in the presentation 62.5 percent is diversification in commercial paper and in the slide before that one it doesn't list commercial paper.

Mr. Klus said that it moves, if they don't feel like the risk adjusted return makes sense in commercial paper in could be 0%. They have the flexibility to go up to the percentage where they are still diversified yet providing the best return for the fund.

Councilmember Daughtridge said that's a large exposure.

Mr. Klaus responded that it's an asset class with a broad range of CP issuers.

Councilmember Daughtridge asked what the investments in the asset class are.

Mr. Klus responded Coca Cola, Proctor and Gamble, General Electric and any A1P1 issuer CP. The percentage total is 62 but it's diversified over all the CP issuers.

Councilmember Daughtridge asked:

- What about liquidity under stressful times
- What is the return of investment as opposed to the yield
- Have you compared the two over the same period

Mr. Klus responded that there is daily liquidity. They have never had a liquidity event with the funds they operate. He said that a public entity who invested today could get their entire amount plus interest the next day.

Mr. Klus said interest is compounded daily. They post the actual one day and seven-day effective yield. That is the return on the investment.

Ken Hunter responded they were compared prior to the presentation. He said he will compare further, in terms of looking at it across multiple metrics to see how they perform comparatively.

Councilmember Harris said if \$10 million dollars was put in on January 8, 2022, since then interest rates have more than doubled and prime rate has gone from 3.25 to 7.5, he commented that yield was one thing, but what is the value of the portfolio.

Mr. Klus answered that the portfolio is valued daily at a stable \$1. He said that only interest is recorded. A \$10 million dollar investment is a \$10 million today plus whatever interest is earned overnight.

Councilmember Harris asked what the yield would have been over the last 12 months.

Mr. Klus said using one of the states they are in he believes 1.6 would be the 10-month yield. The fund has a 60-day weighted average maturity. The daily yield would be around 4.0.

Councilmember Harris asked Mr. Hunter what the return was on the NCCMT the last 12 months.

Ken Hunter responded he will go back and look at the numbers and give that information based on the average based holding for the last calendar year.

Councilmember Blackwell asked Mr. Klaus for some information on his company.

Mr. Klus provided the following information about Public Trust Advisors:

- Serve as the investment advisor and administrator of NC Class.
- Work with public entities around the country on creating overnight investment programs.
- Manage 50 billion of the assets for over 6,000 public entities nationwide.
- Have 11 billion in separately managed portfolios where the policy allows up to 36 months.
- 10 billion public entities who want further than overnight
 - 9, 12, 18 months space on an average maturity
- Fiduciaries and not brokers.
- Charge no fees for any public entity to invest money
 - No ACH or wire fees
- Vehicle for Finance Directors and City Managers.

Councilmember Blackwell asked what the shortest investment with a strategy could be.

Mr. Klus responded technically overnight.

Councilmember Blackwell said that depends on the goals for the cash available, the interest desired or if they want to go further.

Mr. Klus said absolutely, the program is set up to have no minimum requirements. It's designed to give tremendous flexibility.

Councilmember Blackwell asked if the state law has adapted to the market so that participation is available.

Ken Hunter responded that the law hasn't changed, there are now other entities entering the market. He spoke with the LGC and the attorneys at McGuire Woods. A significant amount of vetting was done and he feels like this was a good option. He said that the third fund he mentioned seemed like it was created to serve two parties and wasn't marketed outward.

Councilmember Blackwell asked where the elected oversight is and if Council has to approve the total amount of the transfer to invest or if the investors just move the money.

Ken Hunter stated there is an existing balance. Each month the money that is received from the local option sales tax goes into the account. Interest is earned on an overnight basis. In the first half of the fiscal year timing issues exist between when revenue from property taxes is collected and money that must be spent. Funds may have to be withdrawn and that affects the balance. He said that it is a passive approach and if Council would like, he can look at how other jurisdictions are handling it and offer suggestions.

Councilmember Knight asked which municipalities they are in.

Mr. Klus answered that resolutions have been signed for NC Class by Lincoln County and the town of Hope Mills. The city of New Bern is presenting the resolution for approval January 24th and the city of Hickory is evaluating it. They have approached the cities of Charlotte and Raleigh. He said that no public entity will be forced to use it.

Councilmember Knight asked if the City Council should consider this now or wait for a permanent Finance Director.

Peter Varney, Interim City Manager said he is inclined to continue evaluating it and go forward. He said that it appears to be a safe, well-managed investment. There is a board of trustees that will have local representation.

Councilmember Knight asked how the board of trustees is selected.

Mr. Klus answered that the bylaws state that two trustees are necessary to get NC Class launched. They are in place and the initial board of trustees can decide. The board can be as large as 13 people. It's at the discretion of local government for representation on the trustees, how often and how many to add.

Councilmember Joyner asked Ken Hunter what the benefits of NC Class are.

Mr. Hunter said that he is going to confirm, but it would be a higher future return. The goal is to generate more money and interest.

Mayor Roberson said that the recommendation is clearly a process to try to generate more income.

Councilmember Harris asked if Charlotte and Raleigh are only using NCCMT.

Mr. Klus responded that Charlotte is a large enough entity to have staff to buy CP on their own. They do use NCCMT for some of their monies.

COMMITTEE RECOMMENDATION. Received report; no formal action.

FIRST QUARTER FINANCIAL REVIEW: CITY/FIRST QUARTER FINANCIAL REVIEW: EVENT CENTER - Ken Hunter

Assistant to the City Manager for Budget & Evaluation Kenneth Hunter presented the first quarter report, which is July 1, 2022 to September 30, 2022. He said that he expects to be able to report the second quarter next month and be back on track with quarterly reporting. Mr. Hunter reported that sales tax performance is about 15% ahead of last year. He feels the City is in a comfortable position and presented the following updates:

General Fund:

- Revenues continue positive direction for start of Fiscal Year
 - o Local Option Sales Tax continues to grow
 - o Strong increases in Sales & Services revenues
 - Solid waste
 - Parks & Recreation
 - Event Center
- Anticipated, manageable expenditure increases
 - o Impact of pay increase
 - o Operating cost increase due to inflation
 - o Increased capital outlay (equipment replacement)

Mr. Hunter shared that the General Fund Operating Ratio for FY 20-FY 22 had a 3-year average of .857. The main contributor for being under one is that collection of ad valorem tax revenues from, real

and personal property start the second quarter. He said that number will flip to well over one after the end of the second quarter.

Enterprise Funds:

- Electric & Gas
 - Sales higher for both utilities
 - Significant increase in wholesale Gas costs
- Water & Sewer
 - Sales up in Water & Sewer, reflecting increased usage & adjusted rates
 - Continued increase in capital project activity
- Stormwater
 - Revenues meeting expectations
 - Planned, significant capital project activity underway

Outlook:

- Revenue Monitoring Continues
 - Anticipate finishing FY 2023 in line with budgeted forecasts
 - Ad Valorem Taxes are key (primary collected in 2nd Quarter)
- Monitoring Expenditures with respect to Inflation
 - Fuel
 - Consumables
 - Capital Equipment
- Staff working on Proposed CIP for Fiscal Years 2024-2028
- Benchmarking data collection underway
- FY 2024 Budget Development begins later this month

Ken Hunter gave an overview of the Event Center Performance

Financial Performance

	FY 2023 Amended	FY 2023 Q1 Year-to-Date
Revenues	1,986,810	376,740
Cost of Goods Sold	1,621,770	359,065
Facility Expenses	1,012,410	281,160
Net Operating Margin	(\$647,370)	(\$265,485)
Tax Credit Expenses	427,000	86,750
Debt Service	3,065,050	-
Capital Outlay	156,942	6,473
Net Total Margin	(\$4,296,362)	(\$358,709)

- First Quarter financial performance reflects normal activities for this period in operations
 - Less activity than other times of the year
- Net Operating Margin
 - Loss will reduce in FY 2024 and FY 2025
 - Positive for FY 2026
- Capital Outlay
 - Ongoing facility improvements
 - Equipment
 - Included in CIP

Operational Performance

	Calendar Year 2021	Calendar Year 2022	Change
Attendance	52,398	77,011	24,613 (47%)
Total Economic Impact (Est)	\$9,132,348	\$14,956,388	\$5,824,040 (64%)
Events Hosted			
Major Sporting Events		21	
Concerts & Conferences		7	
Banquets & Other Rentals		223	
Total Events		251	

Councilmember Harris said that he is interested in seeing actual budgeted revenues.

Mr. Hunter said that how the budget is distributed on a quarterly basis is available and will be shared in the Q2 report.

Councilmember Joyner asked for a projection of downtown lodging's impact.

Mr. Hunter said a rough conservative estimate for a 100-room hotel could be 7 million a year. He considered 4.5 million in hotels with restaurants, conference space, other activities and incidentals. He said conceivably 7 million dollars with economic, tax and job impact.

Mayor Pro Tem Walker asked:

- How aggressive has the approach been to hotels and individuals
- Is the Event Center being marketed for concerts

Mr. Varney replied that a hotel feasibility study has been commissioned and should be back 75 to 90 days.

David Joyner responded that the Sports Facility Company operates several venues that have concert apparatus. He stated that he has been conservative because there isn't a budget to pay for talent. With tournaments, conferences and corporate events, market study work is done. He said that allows them to haggle because he knows how they performed in other markets. Mr. Joyner said that another factor is the time of the year. The gym is expensive to take up. The first half of the year is tournament season. Mr. Joyner reported that last weekend The Event Center hosted 80 teams with 960 players and participants. He said that 1753 people bought tickets at the door. The Event Center keeps concessions and bar sales. In addition to \$53,000 in parking and the rental cost. He said a plated dinner event was in the ballroom at the same time. Mr. Joyner said if someone wanted to have a concert, they have to pay for the floor conversion unless they wait until August when it's taken up. He said that they strategically push music events when the floor is taken up. He feels the biggest misnomer with concerts is we can't confidently tell them how many tickets they're going to sell. He said this is a smaller market so more is done with marketing and billboards. He shared that they are getting calls for festivals. Mr. Joyner said that they are marketing to get non-sporting business to help for the weekend and off season.

Councilmember Blackwell how many people are asking for more hotel spaces in Rocky Mount.

Mr. Joyner said that it comes up the most with corporate events. When you go to most conferences the hotel is typically there. He said that event holders have mentioned that the hotels are a little far away. He thanked Mr. Varney and Mr. Daniels for their help with being creative with transit. Mr. Joyner said that he's selling the experience not just the facility. Mr. Joyner stated from a selling standpoint it will be helpful immediately.

Councilmember Knight asked:

- What percentage of people are turned away because of affordability
- How do you work with non-profits and local citizens

Mr. Joyner said that the majority of the 223 events were local. Nonprofits, churches and organizations. He said they try to work with people and a small percentage gets turned away. He shared that after conversations a proposal made, not knowing if they can pay it or not. Mr. Joyner said that their job is to maximize revenue.

There are parameters, but they do their best to work with people. He said that competition during peak season makes it harder.

Councilmember Knight feels more can be done with the entertainment piece. He thinks promoters may not understand pricing and negotiations.

Mr. Joyner said that entertainment events are usually at clubs or event halls. He said the operation is different. Security adds an additional piece. He said that clubs will split alcohol sales and all that revenue goes to the City. He said that parking can be negotiated.

Councilmember Blackwell requested a quarterly Event Center presentation from David Joyner to hear what needs to be done to gain more opportunities.

Councilmember Harris asked that the plan to reach the goal of covering operating expenses in 3 years be shared.

Councilmember Joyner expressed his appreciation, because he saw the efforts that were made to ensure people walking downtown after the event were safe.

Mr. Joyner stated it shows they use their feedback to figure out how to create a better experience.

COMMITTEE RECOMMENDATION. Received report; no formal action.

CRIME REPORT - Robert Hassell

COMMITTEE RECOMMENDATION. Item not addressed.

TRAVEL POLICY FOR MAYOR AND CITY COUNCIL - Peter Varney

COMMITTEE RECOMMENDATION. Item not addressed.

NC LEAGUE OF MUNICIPALITIES VOTING DELEGATE - Peter Varney

Mr. Varney stated that Mayor Pro Tem Walker currently serves as the District Representative with the league.

Mayor Pro Tem Walker stated he would be willing to serve as the voting delegate and asked that the Councilmembers get the priority items to him.

COMMITTEE RECOMMENDATION. By consensus, the City Council approved Mayor Pro Tem Walker as the NC League of Municipalities Voting Delegate.

ADJOURNMENT

Without objection, the Mayor Pro Tem adjourned the meeting at 6:59 p.m.

A printed copy of the PowerPoint presentations are on file in the office of the City Clerk.

APPROVAL OF ADDITIONS/DELETIONS TO AGENDA

Mayor Roberson stated he had received the following requests to amend the agenda:

- Request to remove item 9B3 from the Consent Agenda for consideration; and
- Request to remove item 9C1 from the Consent Agenda for consideration

Motion was made by Councilmember Daughtridge, seconded by Councilmember Harris, and unanimously carried that the agenda be amended as requested.

COMMUNITY UPDATE BY INTERIM CITY MANAGER

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

- Stated leaf collection is still being caught up, city has crews out everyday of the week trying to catch up and they are currently on the North side of the city, once they finish, they will move to the South Side
- Stated leaf collection should be caught up in three weeks assuming there is no bad weather or equipment breakdowns
- Stated that he appreciates everyone's patience with leaf collection
- Stated that there is a free event coming up on 1/26/2023 from 6-8 pm called Community Gang Awareness 101 which will be held at the Booker T Theatre giving an overview on gangs and how to prevent kids from joining them
- Stated the targeted audience for this is parents
- Stated the police department has reintroduced the DARE program in Elementary schools and has initiated a new program called EKG (educating kids about gangs and guns) in middle schools
- Stated that there will be an exhibit held at the Imperial Centre Feb 4 – March 14 called Dinosaurs: Land of Fire and Ice

PARKS AND RECREATION MONTH

Mayor C. Saunders Roberson, Jr. read a proclamation designating Year 2023 as "Year of the Trail" the City of Rocky Mount and presented the proclamation to Parks and Recreation Director Joel Dunn. The Mayor joined Mr. Dunn for a photograph.

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:

Morrie Minges

- Stated that her first concern is that when she was growing up, she was one of five kids, she has four brothers, two older and two younger. Her dad used to go by the rule "majority rules."
- Stated that if one person has a proposal and they come up to council and everyone discusses it and that one person has a want and 50 to 100 people are against that want how can the city council back that one persons want over a number of other people who are opposed to that persons want
- Stated that if that is majority rules then she must have slipped somewhere.
- Stated that she is sure that the council isn't going to tell her anything about that but it makes her wonder how one person can get what they want when so many other people don't think it's a good idea

- Stated that there should be a space on the sheet saying what ward the citizens live in so they know which council member to contact for a problem
- Stated that citizens should be told of the decisions made on the topics that they speak about at the meetings
- Stated that she wanted to remind the council that Ebony and Ivory is still a dump and she hasn't seen anything done to it

CONSENT AGENDA

9A. AD VALOREM TAX RELEASES: (recommended for approval)

The City Council received the following schedule of ad valorem taxes recommended for release and/or refund:

SCHEDULE A - acknowledge receipt of report of the following taxes under \$100 approved for release and/or refund by the City Manager:

<u>YEAR</u>	<u>BILL NO.</u>	<u>NAME/ADDRESS</u>	<u>TAX</u>	<u>COMMENT</u>
<u>NASH COUNTY</u>				
2022	1405	CRICKET WIRELESS LLC 1579 BENVENUE RD ROCKY MOUNT NC, 27804	96.45	CITY VALUATION CORRECTION
		TOTAL RELEASE:	96.45	
2022	1001093	NIEDERGALL, BRENT JAMES 3821 PROVIDENCE RD ROCKY MOUNT, NC 27803	35.39	CITY PERSONAL PROPERTY LOCATED OUTSIDE CITY LIMITS
		TOTAL RELEASE:	35.39	

SCHEDULE B - taxes over \$100 recommended for release and/or refund by the City Council:

<u>YEAR</u>	<u>BILL NO.</u>	<u>NAME/ADDRESS</u>	<u>TAX</u>	<u>COMMENT</u>
<u>EDGECOMBE COUNTY</u>				
2022	21660	SMITH, JAMES R 116 WASHINGTON PL ROCKY MOUNT, NC 27801	305.32	CITY ELDERLY/DISABLED EXEMPTION
		TOTAL RELEASE:	305.32	
2022	24242	WHITAKER, WILLIAM C 15 BLK I FLAGMARSH HILLS SEC 2 ROCKY MOUNT, NC 27801	263.91	CITY ELDERLY/DISABLED EXEMPTION
		TOTAL RELEASE:	263.91	
<u>NASH COUNTY</u>				
2022	1000826	HUMPHREY, CHIANTI MARCHETTE 1532 PRESTON CT ROCKY MOUNT, NC 27804	195.89	CITY PERSONAL PROPERTY LOCATED OUTSIDE CITY LIMITS
		TOTAL RELEASE:	195.89	
2022	1001405	STUART, MARIANNE JEAN STUART, MARK EDWARD 1200 TAVERN LNDG ROCKY MOUNT, NC 27804	252.88	CITY PERSONAL PROPERTY LOCATED OUTSIDE CITY LIMITS
		TOTAL RELEASE:	252.88	

The recommended action is to approve tax releases.

9B. FY 2022-2023 ORDINANCE/AMENDMENTS:

PROJECT ORDINANCES/AMENDMENTS

- 1) **Ordinance No. O-2023-41** entitled **GRANT PROJECT ORDINANCE AMENDMENT/URBAN TRANSIT OPERATING CARES ACT PROJECT** - appropriates additional funds received for Tar River Transit (\$363,067)- no City match required;
- 2) **Ordinance No. O-2023-42** entitled **GRANT PROJECT ORDINANCE AMENDMENT/AMERICAN RESCUE PLAN ACT** - transfers \$10,000,000 from the American Rescue Plan Fund to the General Fund for allocations meeting the intent of the State & Local Fiscal Recovery Fund (no City funds appropriated; only funds received from the Federal Government through SLFRF);
- 3) **Final Capital Project Ordinance Downtown Streetscape Project** - removed from Consent Agenda for separate consideration
- 4) **City Housing Grant Program Project Ordinances/Amendments**
 - a. **Ordinance No. O-2023-43** entitled **GRANT PROJECT ORDINANCE/2022-2023 URGENT REPAIR PROJECT** - appropriates funds from the General Fund and funds received from NC Housing Finance Agency for the 2022-2023 Urgent Repair Project (\$682,000);
 - b. **Ordinance No. O-2023-44** entitled **GRANT PROJECT ORDINANCE AMENDMENT/2022-2023 COMMUNITY DEVELOPMENT BLOCK GRANT ENTITLEMENT GRANT PROJECT** - transfers funds from the General Fund to the Community Development Grant Fund (\$50,000);
 - c. **Ordinance No. O-2023-45** entitled **GRANT PROJECT ORDINANCE AMENDMENT/WORKFORCE HOUSING REPAIR GRANT PROGRAM** - transfers funds from the General Fund to the Community Development Grant Fund (\$450,000);
 - d. **Ordinance No. O-2023-46** entitled **GRANT PROJECT ORDINANCE AMENDMENT/MATCHING REBATE HOUSING REPAIR GRANT PROGRAM** - transfers funds from the General Fund to the Community Development Grant Fund (\$342,045);
 - e. **Ordinance No. O-2023-47** entitled **GRANT PROJECT ORDINANCE AMENDMENT/DOWN PAYMENT ASSISTANCE GRANT PROGRAM** - transfers funds from the General Fund to the Community Development Grant Fund (\$100,000);
 - f. **Ordinance No. O-2023-48** entitled **GRANT PROJECT ORDINANCE AMENDMENT/COMMUNITY WEALTH BUILDING GRANT PROGRAM** - transfers funds from the General Fund to the Community Development Grant Fund (\$225,000);

BUDGET ORDINANCE AMENDMENTS

- 5) **Ordinance No. O-2023-49** entitled **ORDINANCE AMENDMENT/FEMA REIMBURSEMENT FOR COVID EXPENSES** - appropriates funds received from FEMA and State of NC for expenses incurred during COVID (\$67,139);
- 6) **Ordinance No. O-2023-50** entitled **ORDINANCE AMENDMENT/INCREASED DONATIONS TO THE MARTIN LUTHER KING, JR. COMMISSION** - appropriates funds donated to the Martin Luther King, Jr. Commission for programs and activities (\$1,730)
- 7) **Ordinance No. O-2023-51** entitled **ORDINANCE AMENDMENT/FOR FIRE STATION 2 REPLACEMENT** - appropriates funds in the General Fund for the design phase of the Fire Station 2 replacement project (\$980,000)

The recommended action is to adopt the Ordinances and Ordinance Amendments.

9C1. BID/CONTRACT LINEMAN LABOR

Item removed from consent agenda for separate consideration.

9C2. BID/CUSTODIAL SERVICES

The City Council received the tabulation of bids received on a bid for City of Rocky Mount Custodial Services. Bids were received and opened December 1, 2022 after all necessary legal requirements had been implemented and the bid tabulation is on file in the office of the City Clerk as **BD-2023-4**. The solicitation was posted on the City's purchasing webpage, the HUB website, and the North Carolina Interactive Purchasing System website.

The recommended action is that the bid be awarded to Royal Quality Maintenance, Inc. @ a cost of \$471,472.92 per year - (2) year contract @ a total cost of \$942,945.92 and authorize the Mayor and City Clerk to execute the contract on behalf of the City.

Motion was made by Councilmember Joyner, seconded by Councilmember Blackwell and unanimously carried that the recommendation of the Consent Agenda be approved inclusive of the approval of tax releases, adoption of ordinances, award of bid and authorization for the Mayor and City Clerk to execute any required documentation for the above referenced contract.

FY 2022 SECTION 5310, 5311 AND 5339 COMMUNITY TRANSPORTATION PROGRAM GRANTS/PUBLIC HEARING

The Mayor opened a public hearing relative to FY 2022 Section 5310, 5311 and 5339 Community Transportation Program Grants for funding of \$1,615,294 through the North Carolina Department of Transportation, Public Transportation Program, for a portion of the Tar River Transit administrative, operating and capital expenses. It was explained this grant will require a local match of \$259,694.

The Mayor asked if someone from staff could provide some information about the grants.

Interim City Manager Varney called on Todd Gardner, Transit Manager, to provide a brief description.

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

Motion was made by Councilmember Joyner, seconded by Councilmember Harris and unanimously carried that the Transit Grant application(s) be approved; that **Resolution No. R-2023-9** entitled **PUBLIC TRANSPORTATION PROGRAM RESOLUTION FY 2024** be adopted; and that the Mayor and City Clerk be authorized to execute any required documentation, certifications and delegation of authority, including the subsequent grant agreement(s) on behalf of the City.

FINAL CAPITAL PROJECT ORDINANCE/DOWNTOWN STREETSCAPE PROJECT

The City Council was provided with a Final Capital Project Ordinance for the Downtown Streetscape Project - includes an amendment to the FY 22-23 Annual Operating Budget appropriating \$101,259 in the General Fund to be transferred to the General Capital Projects Fund to cover and balance project expenditures. It was noted that the fund balance was sufficient for the request.

Councilmember Daughtridge stated he asked to have this item removed from the Consent Agenda because he wanted to bring attention to the fact that when funds are transferred to pay for something, there is another thing that is postponed. He stated he would like to wants to ensure funds are in place for the City's streets, as well as the aging infrastructure. Councilmember Daughtridge stated he know this enhanced downtown, therefore he was going to vote in favor of it.

Councilmember Knight asked Interim City Manager Varney to confirm the streets were not being neglected.

Interim City Manager Varney stated that the funding in the Powell Bill can be used for street and sidewalk improvements. He stated the amount for this transfer was for sidewalk improvements in downtown. He also stated the City could always use more money for streets, resurfacing and sidewalk improvements.

Motion was made by Councilmember Joyner, seconded by Councilmember Daughtridge and unanimously carried that **Ordinance NO. O-2023-52** entitled **FINAL CAPITAL PROJECT ORDINANCE DOWNTOWN STREETScape PROJECT** be adopted.

BID/CONTRACT LINEMAN LABOR

The City Council received the tabulation of bids received on a bid for Contract Lineman Labor. Bids were received and opened December 16, 2022 after all necessary legal requirements had been implemented and the bid tabulation is on file in the office of the City Clerk as **BD-2023-3**. The solicitation was posted on the City's purchasing webpage, the HUB website, and the North Carolina Interactive Purchasing System website.

Councilmember Daughtridge stated he asked for this item to be removed from the Consent Agenda because he wanted to bring attention to the fact that the City is losing employees to neighboring municipalities and to independent contractors. He stated he feels a serious look should be taken at the pay for the employees that keep the City's electricity, gas and water going.

Councilmember Knight stated he understands what Councilmember Daughtridge is saying but he feels that all the employees are important and all provide vital services to the City.

Councilmember Blackwell asked Interim City Manager Varney the following:

- if he was confident the City was within the legal boundaries as far as the transfers
- if in preparing for the new manager to take his place, are there any concerns of balances or being sure the City is adhering to all regulations

Interim City Manager Varney stated he was not concerned. He stated the City Council had heard from the independent auditors that the City was in good shape with all the fund balances. He stated the

only concern mentioned was the sewer fund and the City Council has taken action to raise the water and sewer rates to address that issue. He stated he felt confident the City was in good shape.

Councilmember Knight asked the Mayor if he planned on asking the State Auditor to resign.

Mayor Roberson stated he had no intention of asking for a resignation tonight.

Motion was made by Councilmember Joyner, seconded by Councilmember Daughtridg and unanimously carried that the bid be awarded to Southern Power and Lighting, LLC @ a total cost not to exceed \$200,00 and authorize the Mayor and City Clerk to execute the contract on behalf of the City.

APPOINTMENTS

Councilmember Knight nominated Ivana Hanson for the Central City Revitalization Panel as a member-at-large; and Councilmember Jabaris Walker nominated Leonard Bullock, Jr. for the Martin Luther King, Jr. Commission.

Motion was made by Councilmember Knight, seconded by Councilmember Joyner unanimously carried that the nominations be approved.

No action was taken to fill the remaining vacancies on the City's Boards, Commissions and Committees.

ADJOURNMENT

There being no further business, by consensus, the meeting was adjourned at 4:27 p.m.



Kim Batts
City Clerk