

APRIL 7, 2009, CITY COUNCIL MEETING

The City Council of the City of Clinton, North Carolina, met in regular session at 7:00 PM on April 7, 2009, in the city hall auditorium. Mayor Starling presided. Councilmembers Becton, Harris, Stefanovich, Strickland, and Turlington were present. The city attorney Dale Johnson; city clerk Elaine F. Hunt; city manager John F. Connet; assistant city manager Shawn Purvis; finance director Betty Brewer; deputy fire chief Todd Solice; planning and community development director Jeff Vreugdenhil; planner Mary Rose; recreation director Judi Nicholson; public works director Chris Doherty; human resource manager Lisa Carter; and police chief Mike Brim were present.

Mr. Mitchell Brewington gave the invocation.

CITY COUNCIL

Upon a motion made by Councilmember Becton, seconded by Councilmember Harris, the minutes of the March 3, 2009 regular city council meeting and March 17, 2009 special city council meeting were approved unanimously.

PRESENTATION

Chief Mike Brim presented a certificate of recognition from CALEA (The Commission on Accreditation for Law Enforcement Agencies) to Mayor Starling and City Council. He stated that the City of Clinton Police Department was 1 of 900 agencies in the United States to achieve this honor. He gave special thanks to recently retired Detective David Turner. Chief Brim also presented CALEA pins to Mayor and Council.

Mayor Starling gave a vote of thanks to the Police Department, as well as, the other departments, for all that we do.

APPEARANCE

John D. Swope, Executive Director, Sampson County Economic Development Commission, appeared before City Council to give an update regarding the work and recent efforts of the Economic Development Commission.

P & Z -- USDA GRANT FOR DOWNTOWN REVITALIZATION PROJECT PHASE III – CITIZEN'S INPUT

Mayor Starling opened a public hearing on a request to receive citizens' input regarding the City's proposal to obtain financing from USDA, Rural Development for the purpose of Phase III of the Downtown Revitalization Project.

Planning and Zoning Director Jeff Vreugdenhil stated that the City is seeking funding from USDA, Rural Development for Phase III of the Downtown

Project. He stated that the project is on schedule. He stated that a \$100,000 grant will be received from USDA as part of our \$2 million overall cost. This public hearing is one of the requirements of the application process.

No one else appeared to be heard, and the hearing was closed.

P & Z – 403 SOUTHEAST BLVD – MIDNITE RODEO OF CLINTON, LLC

Mayor Starling opened and closed a public hearing on a request by Paul Scoggins of Midnite Rodeo of Clinton, LLC for a conditional use permit to operate an entertainment facility at 403 Southeast Boulevard, in an HC Highway Commercial district.

This public hearing was continued until 7:00 PM on May 5, 2009.

P & Z – 204 SAMPSON STREET -- LESA MOORE & SUE SMITH

Mayor Starling opened a public hearing on a request by Lesa Moore and Sue Smith for the rezoning of approximately 0.47 acres located at 204 Sampson Street, from O & I Office and Institutional to CB Central Business.

Planning Director Vreugdenhil explained the request and gave the staff and Planning and Zoning Board recommendation to approve the request upon the findings of fact and zoning consistency statement. No one else appeared to be heard, and the hearing was closed.

Upon a motion made by Councilmember Strickland, seconded by Councilmember Becton, a request by Lesa Moore and Sue Smith to rezone approximately 0.47 acres located at 204 Sampson Street, was unanimously approved.

2008-2009 BUDGET ORDINANCE -- AMENDMENTS

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, the following ordinance amendments **#2009.04.01 and #2009.04.02** were unanimously adopted:

Budget Ordinance Amendment 2009.04.01

Be It Ordained by the City Council of the City of Clinton, NC, that the following amendment be made to the Annual Budget Ordinance for the fiscal year ending June 30, 2009, and amended September 2, 2008, November 5, 2008, and December 2, 2008, hereby amended as follows:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Account #	Account Title	Increase	Decrease
104100.5300	Dues & Subscription	1,200.00	
104100.5700	Miscellaneous	500.00	

104200.1200	Office Supplies	2300.00	
104200.1401	Auto Allowance	1,200.00	
104200.1600	Maint & Repair Equipment		3000.00
104200.2700	Minute Indexing		1,009.00
104200.3600	Uniforms	100.00	
104200.5300	Dues & Subscription	600.00	
104200.5401	Worker's Comp Insurance		406.00
104200.5402	Property Insurance	29.00	
104200.5700	Miscellaneous	800.00	
104200.7400	Capital Outlay		114.00
104400.5400	Bond Insurance		500.00
104400.5401	Worker's Comp Insurance		500.00
104900.0202	Intern Salaries		3,500.00
104900.0400	Professional Service	1,500.00	
104900.1400	Travel & Education	3,000.00	
104900.2600	Advertising	1,295.00	
104900.3100	Auto Supplies	1,000.00	
104900.5401	Worker's Comp Insurance		3,000.00
104900.5402	Auto Insurance		295.00
105100.0702	Separation Allowance	9,261.00	
105100.1000	Employee Training		2,000.00
105100.1500	Maintenance & Janitorial Supplies	4,000.00	
105100.2100	Equipment Rental		2,000.00
105100.2600	Advertising	1,000.00	

105100.3100	Auto Supplies		5,000.00
105100.4500	Contracted Services	2,000.00	
105300.1000	Transf Firemen's Relief Fund		6,484.00
105300.1500	Maint & Repair Building		1,500.00
105300.1600	Maint & Repair Equipment	5,000.00	
105300.3100	Auto Supplies	3,500.00	
105300.3301	Fire Hose		4,000.00
105300.5401	Worker's Comp Insurance		5,000.00
105300.5402	Auto Insurance	165.00	
105300.7400	Capital Outlay	237,847.00	
105550.3100	Auto Supplies	800.00	
105550.3400	Special Tools		800.00
105600.0201	Temporary Salaries	22,000.00	
105600.3100	Auto Supplies		3,000.00
105600.3301	Street Maint/Supplies		2,000.00
105600.4502	Contracted Services	900.00	
105600.5401	Worker's Comp Insurance		8,000.00
105600.5402	Auto Insurance		2,400.00
105600.5700	Miscellaneous	400.00	
105600.7200	Fayetteville St Sidewalk Project		9,000.00
105610.1400	Travel & Education	600.00	
105610.1500	PW Complex Maintenance	2,000.00	

105610.3100	Auto Supplies	1,800.00	
105610.3200	Office Supplies	200.00	
105610.3300	Supplies & Materials		2,000.00
105610.3400	Small Tools	100.00	
105610.3600	Uniforms		575.00
105610.5403	Insurance Building		595.00
105900.1400	Travel & Education		1,000.00
105900.1600	Maint & Repair Equipment		3,000.00
105900.5401	Worker's Comp Insurance		5,000.00
105900.5402	Auto Insurance		3,177.00
106200.0201	Part-time Salaries	13,000.00	
106200.1400	Travel & Education	600.00	
106200.1601	Pool Supplies & Maintenance		3,000.00
106200.3100	Auto Supplies Program & Service		867.00
106200.3300	Supplies	1,000.00	
106200.4500	Contracted Services		10,000.00
106200.5300	Dues & Subscription		1,000.00
106200.5401	Worker's Comp Insurance	1,114.00	
106200.5402	Auto Insurance		1,114.00
106200.7200	Payment Building	267.00	
106400.1400	Travel & Education		500.00
106400.4500	Contracted Services		5,000.00
106400.5401	Worker's Comp Insurance		2,000.00
106600.0300	Overpayment Taxes		

		1,000.00	
106600.1000	Misc Professional Services	5,000.00	
106600.5402	Blanket Bond	34.00	
106600.5403	Building Insurance	1,800.00	
106600.6000	Housing Demolition	60,000.00	
106600.6715	Miller Property/KS Bank	76,105.00	
106600.8000	Contingency		44,000.00
	TOTAL	465,017.00	146,336.00

Section 2. The revenues are to be changed as follows:

Account #	Account Title	Increase	Decrease
103040.0200	Insurance Revenue	1,616.00	
103160.0000	Lot Cleaning/Housing Demolition	31,915.00	
103260.0000	Hold Harmless	6,751.00	
103470.0000	ABC Revenue	1,840.00	
103470.0100	ABC Revenue-Police	1,140.00	
103590.0000	Solid Waste Disposal Tax	1,253.00	
103670.0100	Sales Tax Refund	3,940.00	
103920.0000	Loan Proceeds	229,654.00	
103990.0000	Fund Balance Appropriation	40,572.00	
	TOTAL	318,681.00	

Section 3. Copies of this budget amendment shall be furnished to the City Clerk, City Manager, and Finance Director for their direction.

**Budget Ordinance Amendment
2009.04.02**

Be It Ordained by the City Council of the City of Clinton, NC, that the following amendment be made to the Annual Budget Ordinance for the fiscal year ending June 30, 2009, and amended September 2, 2008, November 5, 2008, and December 2, 2008, hereby amended as follows:

Section 1. To amend the Water and Sewer Fund, the expenditures are to be changed as follows:

Account #	Account Title	Increase	Decrease
30.6600.7400	Capital Outlay Equipment	2,745.00	
30.8200.1301	Tipping Fee/Utility Bill	11,000.00	
30.8200.3301	Lab Chemicals & Equip	3,000.00	
30.8200.3302	Waste Treatment Chemicals	1,312.00	
30.8200.5402	Auto Insurance		1,440.00
30.8200.5403	Insurance Equipment		13,872.00
30.8300.5403	Insurance Equipment	<u>6,465.00</u>	
	TOTAL	\$ 24,522.00	\$ 15,312.00

Section 2. The revenues are to be changed as follows:

Account #	Account Title	Increase	Decrease
30.3360.0000	Sales Tax Refund	<u>\$ 9,210.00</u>	
	TOTAL	\$ 9,210.00	

Section 3. Copies of this budget amendment shall be furnished to the City Clerk, City Manager, and Finance Director for their direction.

BIDS—STREET RESURFACING

Public Works Director Chris Doherty spoke regarding the award of bid for asphalt work of city streets. He stated that bids were solicited from the following contractors: Raleigh Paving, Ruston Paving, RDU Paving, and Barnhill Contracting Company; however, only Ruston Paving, RDU Paving, and Barnhill Contracting Company responded. He further stated that Barnhill Contracting Company was the low bidder and recommended awarding our 2009 Street Resurfacing Contract to Barnhill Contracting Company for \$210,810.

The tentative roads/area to be resurfaced are:

Pierce Street from NC 24 to the dead end; and
 Bunting Street from Byrd Street to Lane Street; and
 Stewart Avenue from College Street to Peterson Street; and
 Pineview Road from Raleigh Road to Cul-De-Sac; and
 Beaverdam Drive from Willow Road to Thornton Street; and
 Beaverdam Drive from Thornton Street to Fairfax Street; and
 Graham Street from West Powell Street to Lisbon Street; and
 Eastover Avenue from Morrissey Blvd. to College Street; and

Cemetery Roads – Springvale:

“C” Street from 1st Avenue to 5th Street; and
“B” Street from 1st Avenue to 5th Street; and
3rd Street from “B” Street to Cemetery Road; and
9th Street from Main Street to Cemetery Road; and
Main Street from Spivey Street to the dead end.

Councilmember Strickland asked how many unpaved streets are there remaining in the city and Public Works Director Doherty stated one—Bunting Street. Councilmember Strickland stated two streets in his districts are badly worn.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, the bid from Barnhill Contracting Company for \$ 210,810 was unanimously approved.

RESOLUTION – FUND BALANCE POLICY AMENDMENT– GENERAL FUND

City Manager Connet stated that at the recent CIP workshop, he spoke regarding recommending amending the fund balance policy for the General Fund adopted in July 2008. He stated that the previous policy established a capital reserve fund for revenues beyond a 38 percent General Fund balance goal. He further stated that this amendment would designate any funds over the 38 percent goal for capital purposes, rather than move them into a capital reserve fund, which will allow for more flexibility and the ability to maintain a healthier fund balance.

Upon a motion made by Councilmember Harris, seconded by Councilmember Stefanovich, the following resolution was unanimously adopted:

A RESOLUTION ESTABLISHING AN UNDESIGNATED AVAILABLE FUND BALANCE POLICY FOR THE CITY OF CLINTON GENERAL FUND

WHEREAS, for the purpose of improving and maintaining fiscal responsibility as required under the Local Government Budget and Fiscal Control Act, NC General Statue Chapter 159 it is prudent to establish a clear policy defining the level of undesignated available fund balance and retained earnings to be held in reserve by the City; and

WHEREAS, the NC Local Government Commission is charged with overseeing the fiscal health of cities and counties and recommends a minimum undesignated available fund balance reserve of no less than eight percent (8%) of expenditures; and

WHEREAS, it is necessary to maintain undesignated available fund balance reserves and retained earnings to provide appropriate cash flow for operation of city services, to address emergencies and unexpected opportunities, to increase the potential for investment income, and to enhance the city’s credit rating to provide the city the ability to borrow at the lowest possible interest rate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLINTON, NORTH CAROLINA THAT:

Section 1. All revenue in excess of expenditures realized at the end of any given fiscal year will be credited to undesignated available fund balance until a minimum goal of thirty eight percent (38%) is realized. It is further resolved that the City will adjust this minimum as appropriate based upon recommendation from the NC Local Government Commission and the changing financial outlook.

Section 2. Once the thirty eight percent (38%) goal is realized, all revenue in excess of expenditures realized at the end of any given fiscal year may be designated for capital purposes as recommended by the City Manager and Finance Officer.

Section 3. All revenue in excess of expenditures realized at the end of any given fiscal year will be credited to undesignated retained earnings until a minimum goal of fifty percent (50%) is realized. It is further resolved that the City will adjust this minimum as appropriate based upon recommendation from the NC Local Government Commission and the changing financial outlook.

Section 4. Once the fifty percent (50%) goal is realized, all revenue in excess of expenditures realized at the end of any given fiscal year may be designated for capital purposes as recommended by the City Manager and Finance Officer.

Section 5. The City Manager is charged to annually monitor and report to City Council during the preparation of the annual operating budget regarding the status of available fund balance/retained earnings and compliance with the stated thirty eight percent (38%) and fifty percent (50%) goals.

Section 6. This Resolution shall become effective upon its adoption and approval.

CLINTON FIRE DEPARTMENT -- 1986 GRUMMAN FIRE ENGINE

City Manager Connet presented an offer from Turkey Volunteer Fire Department, Inc. for the purchase of the City of Clinton 1986 Grumman fire engine #1FDYD80U4GVA58677 for \$4,000. He stated that the fire engine was offered for sale through the upset bid procedure and this was the final bid received.

City Manager Connet recommended selling the property to Turkey Volunteer Fire Department, Inc.

Upon a motion made by Councilmember Becton, seconded by Councilmember Turlington, it passed unanimously to accept the offer by Turkey Volunteer Fire Department, Inc.

BIDS—BANKING SERVICES

Finance Director Betty Brewer spoke regarding the award of bid for the City of Clinton banking service contract. She stated that proposals were solicited from six local banks: BB&T, First Citizens, RBC, Southern Bank, Wachovia, and New Century. She stated that only BB&T, First Citizens, RBC, and Southern Bank responded. Ms. Brewer stated that although First Citizens and RBC were

close in their proposals, First Citizens' proposal was better suited for the City of Clinton.

Finance Director Brewer stated that First Citizens would review the proposed pricing structure in one year or upon a change in the short-term interest rate environment to make any necessary adjustments. She stated that RBC would provide the first 300 A/P disbursement checks and deposit slips; while, First Citizens will provide all deposit slips and A/P disbursement checks. She recommended awarding our banking service contract to First Citizens Bank for a three-year period.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, it passed unanimously to award First Citizens Bank the banking service contract for the City of Clinton for the next three years.

PERSONNEL POLICY -- AMENDMENT – QUALIFICATIONS FOR OVERTIME

City Manager Connet stated that public safety personnel work under different hour requirements than other city personnel. He stated that there has been some confusion regarding qualifications for overtime for public safety personnel. He further stated that this amendment is to clarify overtime qualifications for full-time and part-time police officers and firefighters. City Manager Connet recommended amending the Personnel Policy to clarify overtime qualifications for full-time and part-time police officers and firefighters.

Upon a motion made by Councilmember Harris, seconded by Councilmember Turlington, the following amendment to Article I. General Provisions Section 8. Definitions of the Personnel Policy was unanimously adopted:

Personnel Policy Amendment

Article I. General Provisions Section 8. Definitions is hereby amended to include the following:

Exceptions related to: Section 207(k) of the Fair Labor Standards Act provides that:

Firefighters may work 212 hours in a 28-day cycle without overtime compensation.

Police officers may work 171 hours in a 28-day cycle without overtime compensation.

CONDEMNATION – 304 Barden Street

Planning and Zoning Director Jeff Vreugdenhil spoke regarding an ordinance of condemnation for 304 Barden Street. He stated that the owners, Rosa and Elizabeth Fryar, are asking for a sixty-day extension. He further stated that the MERCI center, the disaster and home rebuilding program of the North

Carolina Conference of the United Methodist Church has agreed to demolish the structure for the Fryars. Mr. Vreugdenhil stated that the local project coordinator for this project is the Reverend Sam Loy at Grace United Methodist Church, Clinton, North Carolina.

This item, consideration of ordinance of condemnation, was continued for sixty (60) days.

APPOINTMENTS

Notification was given of the expiration of terms of:

- a. Recreation Advisory Board
Lawrence Hargrove, District 2
Mac Purcell, District 4
Dawn Ballard, District 5
Richard Pearson, At Large

- b. Historic Preservation Committee
Frank Butler
Eugene Vaught, Jr.
Joel W. Rose

Recreation Advisory Board's term is for three years. Historic Preservation Committee's term is for four years.

REPORTS

City Manager Connet acknowledged that the fire, minimum housing, financial, police, personnel, and public works reports were received and he stands ready to answer any questions from City Council regarding the reports.

He stated that Wednesday, May 6, 2009 would be Town Hall Day. He stated this is an annual event. City Manager Connet stated that the City of Clinton would be going to Tampa, Florida competing with approximately thirty (30) others for the 2009 All-America City Award. He further stated that included within the approximately thirty (30) others are three town/cities from North Carolina: Benson, Kinston, and Statesville. He stated the competition would take place in June of this year.

City Manager Connet stated that Standard & Poor's and the North Carolina Municipal Council has increased the City's bond rating to an "A+".

City Manager Connet asked Chief Mike Brim to update City Council regarding an activity being implemented within the Police Department. Chief Brim stated that Captain Jay Tilley has formed a Neighborhood Improvement Team to go door to door surveying for troubled spots within the city. He stated that troubled spots would include: nuisances, loud music, drug trafficking, etc.

PUBLIC COMMENTS

Mayor Starling welcomed Trey Fetterman, Ben, Bill, and Max Prestage to the meeting. Mr. Fetterman stated that Ben, Bill, and Max were there to see how the City is run. He further stated that the young men are working on a merit badge for the Boys' Scout. Also in attendance was Trey Fetterman's mother, Joni Fay Fetterman.

Ms. Rosa Fryar thanked City Council for giving them additional time to demolish their property located at 304 Barden Street. It was during this time that Councilmember Maxine Harris introduced Ms. Fryar's daughter to the Council, Dr. Elizabeth Fryar.

OTHER BUSINESS

City Manager Connet asked City Council to adopt a Resolution Supporting Local Control of Local ABC Boards and Opposing Forced Mergers of Local ABC Boards.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, the following Resolution Supporting Local Control of Local ABC Boards and Opposing Forced Mergers of Local ABC Boards was approved unanimously:

A Resolution Supporting Local Control of Local ABC Boards and Opposing Forced Mergers of Local ABC Boards

WHEREAS, the citizens of the City of Clinton voted to permit the sale of spirituous liquor through the establishment of the Clinton ABC Board, which is a part of the North Carolina's state control system; and

WHEREAS, SB 839/HB 768 – *Modernization of the ABC System* would require all ABC boards in a county to merge, allow the state ABC Commission to merge county-wide boards into regional boards, require the ABC Commission to develop performance standards, allow the ABC Commission to close or merge ABC boards, close ABC stores with low profitability, contract directly with agency stores for the sale of spirits where ABC stores are authorized but not in operation, and require an ABC board to contract with an agency store; and

WHEREAS, it is a local decision to establish and operate an ABC store, and any decision to merge an ABC Board should be made by the local government based on local circumstances, and not by the state; and

WHEREAS, a local government balances control, profits and availability of spirits in operating ABC stores; and

WHEREAS, the decision by a local government to operate with a low profit margin does not reduce the amount of liquor excise tax received by the state, so the state does not have a financial interest in the profitability of ABC stores; and

WHEREAS, an “agency store” is a private retail seller, and the citizens of the City of Clinton when voting to permit the operation of ABC stores, did not vote to allow liquor to be sold in such private off-premise retail establishments; and

WHEREAS, sales of liquor may not be well-regulated in agency stores, thereby potentially creating law enforcement and other problems, the City of Clinton desires to retain North Carolina’s control system over the sales of spirits and to continue to make spirits available to its citizens only through its ABC store(s).

NOW, THEREFORE, BE IT RESOLVED BY THE City of Clinton City Council that the establishment and operation of Clinton’s ABC store(s) through the control system should be a local decision and that the City Council, opposes any state mandate to merge ABC Boards, mandate the merger or closing of ABC stores and opposes the establishment of agency stores.

RESOLUTION—CLOSED SESSION

Upon a motion made by Councilmember Becton, seconded by Councilmember Stefanovich, the following resolution was unanimously adopted:

RESOLUTION TO ENTER CLOSED SESSION

Be It Resolved that the regular meeting of the City Council of the City of Clinton, North Carolina, held at 7:00 PM on April 7, 2009, entered closed session as allowed by G. S. 143-318.11(a)(5)(6) to discuss matters relating to the acquisition of real property and personnel.

Council re-entered regular session at 8:17 PM. Mayor Starling reported that City Council was briefed on a land purchase and personnel matter; however, no action was taken.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, and unanimously passed, the meeting adjourned at 8:22 PM.

****NOTE: City Clerk did not enter closed session. City Manager Connet recorded closed session minutes.**

City Clerk

Mayor

