



Minutes of the Roanoke Rapids City Council

A regular meeting of the City Council of the City of Roanoke Rapids was held on **Tuesday, January 19, 2021 at 5:30 p.m.** in the Council Chambers at the Lloyd Andrews City Meeting Hall.

Present: Emery G. Doughtie, Mayor
Carl Ferebee, Mayor Pro Tem
Ernest C. Bobbitt)
Sandra W. Bryant) *
Suetta S. Scarbrough)
Wayne Smith)

Council Members

Joseph Scherer, MPA, MS, City Manager
Geoffrey Davis, City Attorney
Kathy Kearney, Deputy City Clerk/Human Resources Manager
Leigh Etheridge, Finance Director *
Bobby Martin, Police Chief
Kelly Lasky, Planning & Development Director
Christina Caudle, Main Street Director

Absent: Traci Storey, City Clerk
John Simeon, Parks & Recreation Director
Larry Chalker, Public Works Director
Jason Patrick, Fire Chief

*Denotes joining the meeting via Zoom.

Mayor Doughtie called the meeting to order and opened with an invocation.

Adoption of Business Agenda

Mayor Doughtie asked Council members if there were any known conflicts of interest with respect to the matters before them this evening and stated he understood a few items needed to be removed from the agenda.

Motion was made by Mayor Pro Tem Ferebee, seconded by Councilwoman Scarbrough and unanimously carried to adopt the agenda with the removal of Item 3a) and b) and Item 6a).

Approval of City Council Minutes

Motion was made by Mayor Pro Tem Ferebee, seconded by Councilwoman Bryant and unanimously carried to approve the December 15, 2020 Regular City Council Meeting, January 5, 2021 Work Session and January 12, 2021 Special Meeting minutes as drafted.

New Business

Consideration of City Ordinance Amendment

City Manager Scherer stated after further consideration and after conducting the last City Council Work Session, it has been determined the J. Reuben Daniel City Hall & Police Station first floor conference room is not an adequate location to hold the City Council Work Sessions. He recommends the work sessions be held in the Lloyd Andrews City Meeting Hall. Therefore, the City Ordinance needs to be amended to reflect the change in location. He presented Ordinance No. 2021.01 for their consideration and adoption.

ORDINANCE NO. 2021.01

AN ORDINANCE TO AMEND CHAPTER 30 "CITY COUNCIL" OF THE ROANOKE RAPIDS CITY CODE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROANOKE RAPIDS, NORTH CAROLINA that:

SECTION 1. Section 30.16 be amended to read as follows:

§ 30.16 TIME AND PLACE.

Work session meetings of the City Council shall be held on the first Tuesday of each month at 5:30 p.m. at the Lloyd Andrews City Meeting Hall at 700 Jackson Street.

Regular meetings of the Roanoke Rapids City Council shall be held on the third Tuesday of each month at 5:30 p.m. at the Lloyd Andrews City Meeting Hall at 700 Jackson Street.

SECTION 2. This Ordinance shall become effective January 19, 2021.

Emery G. Doughtie, Mayor

ATTEST:

Traci V. Storey, City Clerk

Motion was made by Mayor Pro Tem Ferebee, seconded by Councilwoman Scarbrough and unanimously carried to adopt Ordinance No. 2021.01 amending Chapter 30, Section 30.16 of the City of Roanoke Rapids Code of Ordinances.

Consideration of 2020 CDBG Consultant Administrative Services Contract

Planning & Development Director Lasky said the City has received notice that they expect to receive \$750,000 in CDBG funds. As a requirement of that, the City is required to hire a consultant to administer the project and see it through until completion.

She said it was required to do strict advertising and they sent out a request for proposals for professional consulting and administrative services to over thirty qualified firms in the nearby area of North Carolina and Virginia. They advertised in two different newspapers: *The Daily Herald* and *The News & Observer*. They posted it in the Historically Underutilized Businesses Office, entered it in the Statewide Interactive Purchasing System and advertised it on the City's website. They have completed a very open and competitive bid process that lasted for about 30 days.

Planning & Development Director Lasky stated at the end of the process and by the January 12, 2021 deadline, they received four proposals from qualified firms. They created evaluation criteria to determine which firm would be the most advantageous for the City to contract with for the administrative services for the grant program. The criteria that was considered: Previous administrative experience with Neighborhood Revitalization or similar CDBG projects; Understanding the needs of the city and responsiveness to those needs; Experience of the firm's Project Manager (they will be onsite several days a week); Ability to carry out projects on schedule and completion without any findings by the State; Hourly fee and not to exceed price.

She reported they found that all four firms were qualified. The firms are: The Adams Company, Inc.; Insight Planning & Design (formally Holland Consulting Planners); Opportunities Linked; Summit Design & Engineering Services. Based on the five criteria, the proposals from the four firms were scored. She presented a Proposal Tabulation for Consultant Administrative Service Contract Award. (On file in Clerk's Office). Using this type of evaluation criteria and scoring allowed staff to determine the most qualified consulting firm to assist the City with this project. The results of this evaluation are scored by rank. The highest ranking consulting firm is Insight Planning & Design (formerly Holland Consultant Planners). She said staff recommends the City select the best qualified and highest ranking consultant firm for the City to enter into a contract for the grant administration. This consulting firm has a long standing service to the City of Roanoke Rapids and over a 30 year history in the area so they feel confident that they will have another successful grant program

with Insight Planning & Design group.

Councilman Smith asked if the firm agreed with the hourly not to exceed price. Planning & Development Director replied yes, although they did not specifically state a not to exceed price, but in the actual writing it said it would fall within the administrative funds. There was a statement of understanding that the City would not pay more than the grant allows for. There is no City money that will be allocated towards this, but 10% is the maximum. The contract will not exceed what is allowable by state and federal guidelines.

Councilman Smith asked if the City Attorney would review the contract. City Attorney Davis replied yes he would review it and the terms they just discussed would be written in that.

Mayor Doughtie asked who makes the decisions on which homes the money is spent on. Planning & Development Director Lasky replied for this particular program, the City Council will make the final determination. Once the City hires a grant administrator, they will start doing some of the required due diligence. The City will not receive the funds until they complete a list of conditions and stipulations. The City Council will act as a housing selection committee. She said within a couple of months they will bring City Council a list of applicants that have expressed interest in the program.

Mayor Doughtie said he recalled she told City Council there would be someone that would go out and inspect the property to make sure the funds are spent on a dwelling that is deserving. She stated yes and that is one of the reasons why Insight Planning & Design firm is recommended because they have a housing specialist that will come in and do the inspections. They will also handle the bid process for contractors. With the administrative contract the City is basically hiring them turn-key and do the work for the City so staff can continue to do their day-to-day jobs. The firm will have staff onsite inspecting the homes, handling the contracts and will be in communication with City staff on a regular basis.

Mayor Pro Tem Ferebee asked if they were homeowner type requests. Planning & Development Director Lasky replied they had a total of fourteen (14) homeowner applications. It was required to have a list of pre-qualified applicants who were interested in it for the grant application. Right now they have more interested property owners on the list than they have money to provide them right now. They are hopeful they will be able to pick up additional housing funds in the future. They will attempt to serve the ones with the greatest needs first. They will present the list to City Council at a future date. Once the City contracts with the consultant there is work to be done

over next two months to get to a point where the State will release the authorization to spend the funds.

Motion was made by Mayor Pro Tem Ferebee, seconded by Councilman Smith and unanimously carried to award a contract with Insight Planning & Design and authorize the City Manager to negotiate and execute a CDBG Neighborhood Revitalization Program based on proposal evaluations and scoring completed by Planning Staff.

Consideration of Modification to Agreement with G&T Holdings

Attorney Davis stated he wanted to discuss modifying the current agreement with G&T Holdings, the owner of the Roanoke Rapids Theatre. This year has been hard on most businesses and especially difficult on concert venues and places like the Theatre. He and the City Manager had discussions with Beau Petty of G&T Holdings regarding their current obligations under the last note modification. They discussed what they thought about their current financial state and not being able to have shows or to make profitable use of the Theatre at this point. After these discussions he and the City Manager presented them with what is proposed in their agenda packets. He stated G&T Holdings have tentatively agreed to these terms already. It comes down to two options. The City can further negotiate with G&T Holdings and agree to a modification of the current note which is proposed here or the City can tell them they were done negotiating and force some kind of default situation. He did not believe the latter was in the best interest for the City at this point. If G&T Holdings were to default on their obligations and the Theatre would end up back in the City's hands, immediately they would start incurring costs. Not just from the everyday maintenance, but insurance and other things they would have to do to it.

He said another significant consideration is the fact that the Theatre itself is not an insignificant part of the City's tax levy, just by virtue of its value. G&T Holdings pay the taxes and a substantial part of it comes back to the City. If it comes back in the City's hands, obviously they do not pay taxes on it.

Attorney Davis reported as of today, G&T Holdings has not paid taxes that were due for 2020. He understands they have spoken with the Halifax County Tax Office and they plan to have the taxes paid by March 31, 2021.

He presented the Fourth Note Modification Agreement and stated the initial paragraphs are basically the same as in the last modification agreement except for some dates. The real changes start in paragraph 1 where it states G&T Holdings will pay the taxes by March 31, 2021. In paragraph 2, the amount due has changed because interest has continued to accrue. In paragraph 3, the maturity date would

be changed from January 15, 2021 to January 15, 2022. As an incentive for them to pay the taxes for 2021, if those taxes are paid, the maturity date will automatically be extended until May 31, 2022. He stated this was a product of some back and forth discussions. G&T Holdings said even if the COVID pandemic were over today and they were able to open back up again and begin having shows, it would take some time to do that.

Attorney Davis continued to say the next material changes were in paragraphs 4 and 5. In the last agreement, one of the things that was negotiated as the COVID pandemic was beginning was if they received any federal grants, loans or anything related to programs to help offset their losses for COVID 19 and it exceeded a certain amount, they would pay the City a certain percentage of that. The change the City has proposed in this agreement is to remove the threshold number. He believes there is some money that will potentially come from the latest federal stimulus. The federal government doesn't just hand that to the private business, instead they serve as lender guarantee by the federal government.

He said next in paragraph 6, in the old agreement he believed it was paragraph 7, one of the City's concerns last time was over maintenance that needed to be performed on the Theatre. There was an elevator that had some issues, a fire suppression system that needed to be upgraded and a leak in the roof. The City has confirmed they addressed all those issues except for the item listed, M/A Light DMX desk. They have discussed repairing it with G&T Holdings. They have represented to the City that they would like to upgrade the lighting desk and install a new one. They understand the market for these lighting desks and production equipment seem to be better now with theaters not being able to open. The last agreement had a list of repairs that needed to be fixed in order to protect the City's interest in the property. City personnel has confirmed G&T Holdings have made those repairs. He stated the rest of the agreement basically tracks the language of the last modification.

Attorney Davis stated the most important part of this proposal is that it allows the City to continue the relationship with the current owners and the ability to get the taxes paid and to be able to recover any monies they may receive as far as COVID-19.

Mayor Pro Tem Ferebee asked Attorney Davis if he felt good about them receiving some of the stimulus money. Attorney Davis replied he did not know the dollar figure, but his understanding was the last stimulus money issued the last week of December should help them out. G&T Holdings have had to make some other funding choices.

Mayor Doughtie confirmed with Attorney Davis and the City Manager that they felt confident G&T Holdings had made the repairs that the City had requested. City

Manager Scherer said they have been to the Theatre and they had made all the repairs the City asked them to do.

Mayor Doughtie asked if it was correct to say the tax bill on the Theatre for both the City and County is approximately \$120,000. Attorney Davis replied that was correct. Mayor Doughtie stated with this option the City would get a portion of that rather than the Theatre coming back to the City's ownership. Attorney Davis replied that was correct. If the City told them they were not willing to agree to an extension and force them into default then they have no reason to pay those taxes. Not only is the Theatre back in the City's hands, the City and County would be out \$120,000. Mayor Doughtie confirmed G&T Holdings was also paying all the utility bills, insurance and those types of things which amounts to thousands of dollars a month. Attorney Davis replied yes.

Councilman Smith asked under the original contract, if the note was not paid by a certain date the City would charge interest. Attorney Davis replied yes, there is interest still accruing on the loan. He believes what has changed is originally if the note was not paid by a certain date, money was getting added to the principal. That is no longer the case as of the last modification. Councilman Smith asked if no interest was being charged to \$2,400,000. Attorney Davis said no money was being added to the principal but interest is continuing to accrue as they do not pay off the principal. Councilman Smith asked if they knew how much interest has accrued on it. Attorney Davis replied that in talking with Finance Director Etheridge the principal plus interest is \$2,433,192.30.

Motion was made by Mayor Pro Tem Ferebee, seconded by Councilman Smith and unanimously carried to approve the further modification to the agreement with G&T Holdings and authorize the City Manager to sign the agreement.

City Manager's Report

City Manager Scherer gave the following report:

Work has begun by Public Works and a private contractor on repairs and upgrades to the communications tower behind City Hall. The cost of the project is covered by insurance payments. The work includes setting up a satellite line of sight system with Fire Station 1, to establish an Internet connection between City Hall and them which could allow the elimination of their monthly Internet cost. This project may lead to the same option with the other City facilities nearby.

Public Works continues to be busy with leaf collection, cemetery burials and

temporary street repairs (until the weather warms up enough for permanent repairs).

The Fire Department has received the fire safety house they were awarded a grant for last year. They are working on its outside design and future plans for when the public will be allowed to participate in its use.

The Planning & Development Department will move forward with CDBG Neighborhood Revitalization Grant plan after receiving the grant administrator approval tonight. This is a major project for the City with a total grant of \$750,000 to help improve blighted properties around the City. Ms. Lasky is also working on recommended zoning considerations in the Premier Boulevard/SR 125 project area, for the County Economic Development Director's next project planning meeting. She is also working with the regional Council of Government to conduct a Phase I Brownfields evaluation on the donated City property by Ledgerwood Field, to determine its potential use for recreation activities. The Department is conducting inspections on several commercial business renovations or upfit projects.

The Police Department has recently focused on traffic enforcement to help improve the safety of both drivers and pedestrians to reduce the number of accidents. Their detectives have been working on resolving the most recent drug and violence cases in the City. Chief Martin continues to concentrate on recruitment of quality officers as well as candidates for the BLET course at HCC.

The Parks & Recreation Department continues to try to meet our citizens' recreational needs while observing COVID-19 protocol restrictions at all their facilities. At Kirkwood Adams Community Center in December, the Red Cross held a blood drive and the County Health Department conducted COVID-19 testing for all citizens. They also provided support for the ceremony this past Sunday at Martin Luther King Jr. Park commemorating Reverend King's memory and legacy.

Mayor Pro Tem Ferebee asked about the side-by-side comparison for the vehicle lease. City Manager replied additional information has been requested about getting numbers for a vehicle loan instead of leasing. Staff has submitted proposals from local banks, they have not received that information back yet. They have also asked for a written proposal from White Motors in order to do a side-by-side comparison to the agreements but they have not received that yet. Staff is planning to have all this information to present at the next City Council work session.

Mayor Pro Tem Ferebee stated this was getting to be a prolonged process and he knows the Police Department wants to go ahead and get some vehicles. He understands it can still be four or five months after the process to get the vehicles, is

that correct. City Manager Scherer replied at this point yes. All the 2021 models are ceasing production and getting ready retool to begin the 2022 models.

Mayor Pro Tem Ferebee stated he would like to see the City go ahead and do something this budget year. He suggested expediting at least three vehicles now because there is a need and then maybe five or whatever the case may be. Otherwise, it will all be in the next budget year. City Manager Scherer stated he expects to have all the requested information City Council has asked for by the next work session so they can have a discussion and reach a decision on which way City Council would like staff to proceed.

Councilwoman Scarbrough asked about the \$750,000 grant to help improve blighted properties and houses that need improvement; she wanted to know if that included houses with junky front yards. City Manager Scherer replied he would defer that question to Planning & Development Director Lasky, but he presumed it would not. Planning & Development Director Lasky said it would only go toward substandard houses as part of the grant program. Councilwoman Scarbrough asked if the City had any kind of ordinance to address junky yards. City Manager Scherer replied yes and he believes the Police Department has taken action on those properties before and continues to do so. Councilwoman Scarbrough stated there are some in her district that are a disgrace.

Police Chief Martin said he has discussed with the City Manager and Public Works Director Chalker in regards to residents they have had ongoing issues with. They have been out and given the property owners a timeframe. Once they can get together with Public Works Director Chalker and talk with City Manager Scherer, they will cite them again and then the items will be removed. The City will be the ones removing the items at this point; they've been out there multiple times.

Councilwoman Scarbrough asked if they were fined. Chief Martin replied yes.

Councilman Smith asked if they were paying the fines. City Manager Scherer said they are submitted as liens on the property so eventually the property owner will be responsible for them.

Councilman Smith said in the last Work Session, they had talked about doing some tightening up due to money/bank balance and asked if they had taken any actions on what they talked about a month ago. City Manager Scherer replied no because his personal situation has not allowed him to sit down with the department heads and come up with an action plan. He hopes to do that in the next week or so depending on how things go. He plans to put together some proposals to make sure the budget

is much leaner for the rest of this fiscal year.

Councilman Smith asked if it had been discussed with Public Works about taking over the building maintenance. City Manager Scherer replied that was going to be a part of the budget discussions with the department heads because it does have an impact on those departments.

Councilman Smith asked how the zoning was coming along for the extension at Hwy. 125 and Walmart area. City Manager Scherer said he mentioned that in his report. Ms. Lasky was working on those to be prepared to discuss in the next meeting with Cathy Scott. Councilman Smith asked when it was going to go before the Planning Board to get something done on this; they are running out of time on this. He stated they cannot keep procrastinating on stuff. Those roads are going to be built and he was hoping people would come and they will not even have the zoning out there. City Manager Scherer said this was not the City's project, they were assisting Ms. Scott with that overall economic development project out there. Councilman Smith said it was in the City's zoning district.

Mayor Doughtie said they have had several meetings on it and asked Planning & Development Director Lasky to bring them up to speed on the project.

Planning & Development Director Lasky confirmed they have had some meetings about it and the property has the zoning right now; it has been in the City's ETJ for several decades. The road alignment does not follow a commercial corridor all the way. There is an extensive process involved with changing the zoning of properties. They expect within a few months to bring it to the Planning Board. She understands from the meeting with the County office, the roads are still at least a year out. Also, there are other utility considerations that are in play as far as water and sewer services. Zoning is an important part of it but they are not behind schedule at all.

Councilman Smith said he understood the road was going to be finished in June. Planning & Development Director Lasky stated she had not been notified of that, she has heard much later dates. These meetings are with NCDOT representatives as well. She has gone through and done the proposed changes, but they have to get the property owners onboard with that. It is commonly known you don't try to ask people to come to neighborhood meetings during the holidays. Some of the other things they need to consider is the impacts of the comments from the property owners. They want to have them onboard with it in order to have a successful process rather than one with a lot of objection.

Councilman Smith asked when the last time they met with Ms. Scott and the property

owners. Planning & Development Director Lasky said they have only met with one of the property owners, but there are several out there. They met with Ms. Scott right before Thanksgiving.

Councilman Smith asked if they had contacted her since Thanksgiving. City Manager Scherer replied she has told them she is scheduling a meeting soon.

Councilman Smith stated he feels they are dragging their feet and he feels this Council needs to be more active. They need to push; they need businesses and the income. They need to get some things going. He may be wrong, but that is his feeling on it.

Mayor Doughtie said he was in that last meeting, most all of that property will be zoned business. There is one housing development and a few more houses so it was his understanding they would try some type of buffer or put limits on what type of businesses could go near the housing. By and large, it is trying to be set up as business zoned so they can take advantage of businesses coming to those areas.

City Manager Scherer reported Ms. Scott said she was applying for a grant to have utilities installed in that area. Again, they are waiting on that to happen or get approved. All that property is in the City's ETJ, not the City Limits so the City does not necessarily directly benefit economically from any of these projects out there. Councilman Smith said he disagreed with that. Anytime a business sets up somewhere, they benefit very much from employees and everything else. City Manager Scherer agreed they would get income tax, but no property tax. He added Ms. Scott was working with a company called Retail Coach to help determine what would be the most appropriate businesses to go out there and help solicit those businesses to come to Exits 171 and 173.

Councilman Smith said he would like the City to be more business friendly. He was getting some complaints that they were not as business friendly as they should be. They are going to zone that out there and people are going to have to build the way Roanoke Rapids says build, not the way the County says build.

Mayor Doughtie asked City Manager Scherer if he could contact Ms. Scott to see if she has a date. He replied yes, he would email her once he gets home tonight.

Finance Director's Report

City Manager Scherer presented the December 2020 Financial Report. He reported General Fund year to date receipts totaled \$8,180,581. (The percentage of actual money collected of adopted budgeted figures is 52.5%). General Fund year to date

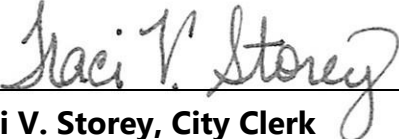
expenditures totaled \$7,641,504. (The percentage of actual monies expended of adopted budgeted figures is 49.0%). After the month of December, 50% of the budget year has been completed.

He referred to the year to date collections in the financial report and noted some resources are slightly ahead of last year from the following revenue sources: Ad Valorem, Sales & Use Tax, Residential Solid Waste Users and Motor Vehicle Tax. There are some revenue sources running below last year's levels. They are: Utility Franchise Tax, Powell Bill Street Repair Funds and Interest Earnings. The total revenue year to date is 6.6% ahead of last year's totals and the total expenditures to date is 2% behind last year's totals. Year-To-Date Revenues exceeded Expenditures by \$539,077.

Mayor Pro Tem Ferebee asked how that tracked in relation to the past during the same time frame. City Manager Scherer stated revenues are up slightly and expenditures are down slightly. Mayor Pro Tem Ferebee asked if that was about the same, better or worse. City Manager Scherer replied overall it was a little better than last year; he could not speak for previous years.

Adjournment

There being no further business, motion was made by Mayor Pro Tem Ferebee, seconded by Councilwoman Scarbrough and unanimously carried to adjourn. The meeting adjourned at 6:35 p.m.



Traci V. Storey, City Clerk

Approved by Council Action on: February 16, 2021