



Minutes of the Roanoke Rapids City Council

A Special Meeting of the City Council of the City of Roanoke Rapids was held on **Tuesday, June 29, 2021 at 5:30 p.m.** the Council Chambers at the Lloyd Andrews City Meeting Hall.

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

Council Members

Joseph Scherer, MPA, MS, City Manager
Geoffrey Davis, City Attorney
Kathy Kearney, Deputy City Clerk/Human Resources Manager
Bobby Martin, Police Chief
Christina Caudle, Main Street Director

Absent: Traci V. Storey, Clerk Clerk

**Denotes those joining remotely using Zoom.*

Mayor Doughtie called the meeting to order at 5:35 p.m. and offered an invocation.

Halifax County E-911 Center Agreement

Consideration of Halifax County E-911 Center Agreement

Attorney Davis reported further to City Council rejecting Halifax County's original proposal of the 911 Center Agreement, the County Commissioners passed a revision to the proposed agreement at their June 21, 2021 meeting. The revised agreement was enclosed in their agenda packets, entitled Amended and Restated Interlocal Agreement Regarding Local Funding of the Halifax County Central Communications Center.

He noted the changes were outlined in red. The only real change from the original proposal they made was concerning funding of the center's budgeted costs rather than actual costs. The revised proposal states the City would pay based on the budgeted costs and at the end of the fiscal year a determination would be made on how the budgeted costs lined up with the actual costs. If the actual costs exceeded what was budgeted then the municipalities under the new agreement would pay at

their percentage for whatever the overage would be. On the other hand, if the actual costs came in under what the budgeted costs were, there would be a credit given back to the City at their percentage. The amount the City would be due to pay for the upcoming fiscal year 2021-2022 remains the same at \$281,321.

Mayor Doughtie stated City Council had two options: to approve or not approve the revised agreement. He asked Attorney Davis to repeat how City Council would move forward if they did not accept the agreement.

Attorney Davis reminded City Council at their last meeting two motions were made:
To reject the original proposal
If the City had not agreed to a new proposal by June 30th, to authorize the City Manager to give notice of termination of the current agreement.

He said at this point, City Council should decide whether to accept or reject the revised agreement. If they accept, the City will pay at the new rate. If they reject it, as of tomorrow the City Manager will transmit the notice that they are pulling out of the current agreement. Because it is a year's notice of termination for the current agreement, the City would still pay at the old rate of \$352,000 for fiscal year 2021-2022. For fiscal year 2022-2023, if no new agreement had been entered into the City would not pay anything.

Councilman Smith confirmed that the new agreement is based on actual costs not budget so if actual costs goes over what the County predicted, then the City would be required to make up their percentage rate. Attorney Davis said that was correct.

Councilman Smith said nothing else in the agreement has changed except that one part. The City would still be obligated for five years with a year's termination. If they did decide to get out of it, the County would put a referendum on the taxes and if it failed the City could not get out of the contract. Attorney Davis replied that was correct.

Councilman Smith said the people that live outside the city limits of Roanoke Rapids pay for the 911 center through county taxes and the fee on their cell phone bill. He said what they were asking the City of Roanoke Rapids was costing 2-1/2% of the taxpayers money (2-1/2% of annual budget) to pay for the 911 Center bill and they were also paying county taxes. He feels this agreement was asking the City to tell the citizens of Roanoke Rapids that they were going to increase their taxes 2-1/2 cents so they can pay for 911 service. Attorney Davis replied that was not the way he would have thought about it, but he believes Councilman Smith is correct in looking at it that way. The amount the City is paying, even under the

new agreement, does work out to approximately 2% of the City's annual budget. He was also correct that a resident that lives in the county is not paying anything other than county taxes. Whereas, in addition to the county taxes and addition of what a city resident pays on a cell phone bill, they are also paying taxes to the City of Roanoke Rapids. Rather than the City of Roanoke Rapids spending those dollars in other ways such as in public works or police.

Councilman Smith stated there was no guarantee that the City could end up paying more than the \$281,000 in a couple of years. They could end up paying what they do now which is \$350,000 or even more than that. Attorney Davis replied that was correct because the County's costs could increase. The City has no say in their hiring policies or their management of the 911 Center under the current agreement. All they do is pay what is due based on that formula.

Councilman Smith confirmed that if the County hired six additional employees for the 911 Center, that would be based on actual costs not budgeted costs. That would automatically increase the amount of money the City would have to pay to the County. Attorney Davis replied that was correct. He explained in more detail if that happened, under the new agreement, the City would pay their percentage of the increased amount at the beginning of the fiscal year. If they filled all six positions, the City would not receive anything back, but if they only filled four of the six, then at the end of fiscal year the City would get a credit.

Councilman Smith asked about the section where the County can amend the agreement. Attorney Davis explained that on page 6, paragraph 11: This Agreement may be amended from time to time by mutual agreement adopted in the same manner prescribed for the adoption of this Agreement..." Both parties would have to agree to amend the agreement.

Councilwoman Bryant said Councilman Smith stated the \$281,000 equates to about 2.5% of the City's budget, but if City Council does not accept the new agreement they will have to pay \$354,000. She asked what percent would they be looking at with that amount. Attorney Davis said it would be 3% or a little more.

Mayor Doughtie said the City collects between \$112,000 – \$115,000 on a penny for ad valorem tax so 3-cents would be about \$345,000. So 3-cents of the citizens tax money goes to fund the 911 Center plus what they pay on cell phone bills.

Councilwoman Bryant confirmed in City Council's last meeting they wanted it to be based on actual costs for salaries/benefits rather than projected. Attorney Davis said if the City does want to continue in this relationship with the County, he does

feel that is a much fairer basis to determine the fee on. His concern before with the old agreement was if the County budgeted arbitrarily. One of the things they need to consider with agreements, especially from a legal standpoint, is the potential where that could be a negative situation for his client which is the City of Roanoke Rapids. He feels this agreement based on actual costs rather than budgeted costs if a fairer option as opposed to the alternative that was presented to City Council earlier this month so she was correct in that.

Mayor Doughtie asked Attorney Davis if the City Council decided not to approve the agreement, could the City continue to have dialogue and communication with the County after June 30, 2021. He replied they could and there could be some legal options that are not appropriate to discuss in open session at this time. The downside in the short term is the City will have to pay at the old rate during this year. That gets locked in unless the two parties can agree to something after June 30th. If there would be an alternative from the County, it would need to be brought before City Council to determine if that was something they would want to do. Just because they may take this step did not mean the City was not interested in continuing to discuss this. He assumed they would want to come to some resolution.

Mayor Doughtie said he would hope as time goes by maybe new ideas could be shared and they could all come to an agreement to work better for all of them.

Mayor Pro Tem Ferebee asked what was the City's percentage of the total costs. Attorney Davis replied it would be based on the City's call volume and right now that is projected at 22%. He noted there was an example in the agreement of not over 13.7%, but he stated that has no bearing on the City's call volume.

Mayor Pro Tem Ferebee asked if the City's costs go up, does the County's costs go up. Attorney Davis replied yes that was correct. Mayor Pro Tem Ferebee said based on the \$281,000 the City is getting a \$71,000 credit. Attorney Davis said he would not characterize it as a credit but the City would be getting a \$71,000 discount compared to the current agreement.

Mayor Pro Tem Ferebee asked if it went over and the City would have to pay more, did they feel the City would have to pay \$71,000 more. Attorney Davis replied if the City was looking at paying 22%, the 911 Center's personnel costs under the new agreement would have to increase significantly.

Mayor Pro Tem Ferebee asked if they feel the new agreement was not a good agreement. He heard them say there wasn't anything changed. He knew the 5 years

changed and he thought they were going to continue to negotiate. He feels the six employees was one of the main issues they had and it sounds like the City would get a credit at the end of year if there isn't an overage which was not there before. He felt that was one of the issues as well as the 5 years, but he believes they could still continue to negotiate that. He feels the agreement is much better than it was. He did not believe the County would be good stewards of their own money to go up because their portion is larger than the City's. He was torn between saving the \$71,000 and not moving forward. He thinks they still need to negotiate the 5 years piece. If not, they don't know what their other options are and may end up doing their own thing which he did not want to do.

Attorney Davis said with respect to the proposal they have here, they were still in the same situation as they were earlier in the month with the previous proposal. If they enter this agreement and once it is signed, the City will be stuck in it. He thinks the County would then have no incentive to negotiate further. Going back to Mayor Pro Tem Ferebee's question whether this was a good agreement. He feels better about it because of it being based on actual costs rather than budgeted, but if the City were to enter into the agreement they would be stuck in it. If City Council does chose to accept this proposal, he would ask them to keep that in mind when they accept it.

Mayor Doughtie made note that the City's costs has increased from \$250,000 to \$350,000 in the past 5 years. Attorney Davis said that was correct. Even beyond the figures on the chart he presented in the last meeting and looking back to the years 2011-2014, those numbers are even lower because they were getting the population credit. Since the population credit has been eliminated, those costs have gone up over \$100,000 by virtue that the costs for the 911 Center has increased over the years.

Councilman Smith said if City Council was willing to tell the citizens of Roanoke Rapids that they were going to increase their taxes 2-1/2 to 3 cents next year to pay for the 911 Center, he believes they would have a lot citizens mad at them. That is the chance they will have to take if City Council thinks it is best to get into a contract that will cost them money. They would have to pass the costs on because they do not have any other choice. Property tax is the only income they have.

Mayor Pro Tem Ferebee stated they would save their tax payers \$71,000 with the agreement. He does believe they would go up \$71,000 because that would mean the 911 Center costs would have to go up a whole lot more. Now that it's based on actual costs not budgeted costs, their budget would have to go up over \$600,000. He said it was not just the City in the boat, the County is in it as well. They need

to look at the savings they have, because if they don't do this it is going to cost the City more in the long run. They need to look at the \$71,000 in savings.

Mayor Doughtie asked City Council to entertain a motion to consider the new agreement proposal for municipal funding costs of the Halifax County E911 Center. They could either accept it or reject it.

Councilman Smith made a motion; seconded by Councilwoman Scarbrough to reject the new agreement proposal for municipal funding costs of the Halifax County E911 Center.

Mayor Doughtie asked if there was any more discussion on the matter.

Councilwoman Bryant stated she was in favor of part of this proposal and she realizes it is an all or nothing, but she would like to see if City Council would be interested in approving the new part of this agreement and continue negotiations on the two parts they do not like. She referred back to the last meeting where City Council wanted the agreement to be based on actual costs and they got it based on actual costs. She disagrees with extending the agreement for 5 years and being responsible for paying for the referendum.

Councilman Smith said that could be negotiated by the City Attorney after the vote.

Attorney Davis said he agreed with Councilwoman Bryant's statement that it was an all or nothing thing. In an agreement like this that is the best way to approach it. He knows the County is paying attention to these discussions. He gets the sense from the City Council's questions that they like that the County agreed to set it based on actual costs rather than budgeted costs. If there was a consensus and they have discussed that and will be communicated to the County in any future negotiations that would take place. He feels this is an all or nothing thing. Are they going to accept it as is or reject the agreement? Even if it is rejected now and the City pays at the old rate this fiscal year and depending on how much the County wants to negotiate, they could come to a new agreement on July 15th for instance. From a legal standpoint it is better to consider it as an all or nothing thing.

Mayor Pro Tem Ferebee asked Attorney Davis if the City rejects this agreement, what was the plan. Attorney Davis replied he believed the City Manager would tender the one-year termination of the old agreement tomorrow. Come July 1st, the City would be liable for the \$354,000 which is paid out in four quarterly payments. They would go back to the County and say they still did not have an agreement and

see where negotiations go. If negotiations continued at an impasse then they would have to look at the City's other legal options in getting this situation resolved.

Mayor Doughtie said if they were successful in negotiating that it would satisfy what they were all concerned about, \$71,000. Maybe they would be able to recoup some of that even if it is in the next budget year. They could possibly bill the City at the new rate.

Attorney Davis stated if the County was willing to continue negotiations with the City and are able to come up with an agreement that everyone feels is fair, they could include that the rate be figured retroactively for the FY2021-2021.

Mayor Pro Tem Ferebee asked what if the County was not willing to negotiate. Attorney Davis replied the City had some other legal options that he was not comfortable discussing in open session right now. If negotiations came to an impasse, he would call for a closed session to discuss legal matters.

Mayor Doughtie stated he would want that to be a last resort. He would like to see them as a Council be united on this situation and would like to see negotiations increase and work on it together with the County.

Mayor Pro Tem Ferebee stated he agreed with that. He would like to negotiate the time versus the monies. The \$71,000 was already given. If they don't do it, it's gone and if it's gone he would rather negotiate the 5 years rather than negotiate the \$71,000.

Mayor Doughtie stated there was a motion and second on the floor to reject the the proposed agreement. He called for a vote.

Councilman Smith, Councilman Bobbitt and Councilwoman Scarbrough voted in favor of the motion. Mayor Pro Tem Ferebee and Councilwoman Bryant voted against. Motion carried by a 3-2 vote.

<p style="text-align: center;">Closed Session</p>
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Motion was made by Councilman Smith, seconded by Councilman Bobbitt and unanimously carried to go into Closed Session to discuss a Personnel Matter as allowed by NCGS 143-318.11 (a)(6).

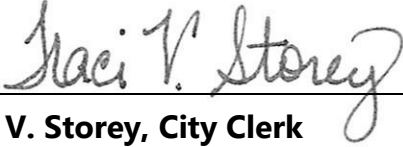
Minute Book Pages 20447 - 20455 contain Minutes and General Account of a Closed Session which have been sealed until such time as public inspection of those minutes would not frustrate the purpose of the Closed Session.

Open Session/Adjournment

City Council returned to Open Session.

In Closed Session, City Council discussed Personnel Matters. No action was taken.

There being no further business, motion was made by Councilman Smith, seconded by Councilwoman Scarbrough and unanimously carried to adjourn. The meeting adjourned at 7:03 p.m.



Traci V. Storey, City Clerk

Approved by Council Action on: July 20, 2021