



**LUCAMA BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, MARCH 3, 2025
LUCAMA TOWN HALL
BOARD ROOM**

MINUTES

1. Call to Order

Mayor, Matthew Creech, (hereinafter “Mayor Creech”) called to order the regular meeting of the Town of Lucama Board of Commissioners (hereinafter “Board”) at 6 pm on March 3, 2025.

2. Roll Call

Mayor Creech conducted roll call – by use of sign-in. The following were present:

Commissioner, Dennis Ford (hereinafter “Comm. Ford”)
Commissioner, Jeff Johnson (hereinafter “Comm. J. Johnson”)
Commissioner, Kim Joyner (hereinafter “Comm. Joyner”)
Commissioner, Jody Teague (hereinafter “Comm. Teague”)
Interim Town Administrator, Ralph Clark (hereinafter “Admin. Clark”)
Assistant Administrator, Gabe Merando (hereinafter “Admin. Merando”)
Town Clerk, Dena Owens (hereinafter “Clerk Owens”)
Utility Coordinator, Ashleigh Hooks (hereinafter “Coord. Hooks”)
Town Attorney, Gabe DuSablou (hereinafter “Attorney DuSablou”)

3. Moment of Silence

Those in attendance observed a moment of silence.

Commissioner Teague asked that Comm. D. Johnson be excused due to a health concern.

4. Approval of Agenda

Mayor Creech asked for a motion to approve the agenda.

MOTION: Comm. Ford made motion to approve the agenda; seconded by Comm. Teague. Motion passed by unanimous vote.

5. Approval of Minutes of Last Meeting

Mayor Creech gave the Board an opportunity to review the proposed minutes from February 3, 2025, regular meeting and the financial report.

MOTION: Comm. Joyner made motion to approve the February 3, 2025, minutes and the financial report; seconded by Comm. J. Johnson. Motion passed by unanimous vote.

6. Welcome of Guests

There were no guests in attendance.

7. Public Comments

Garry Wright, 6305 Blalock Road, was in attendance regarding his concerns over the proposed sites asking for rezoning. He mentioned that he had concerns, especially run-off. He stated if you look at the numbers on it, there would be a 95.92 percent increase by converting land to a 4 acre lot as opposed to a farm field. If a half acre it would be about 46.94 percent. He is worried about hydraulic trespass issues. There are properties close by that have had flooding in the past. He also mentioned his concern about traffic, even though the owners are looking for a second entrance in. (Blalock Road – Boyette Farms). Garry also mentioned the cemetery that was located across from the school. He isn't sure if in the future DOT would be able to do improvements there. He also mentioned that there was not a lot of road frontage in the area, or even on the other side of the church where the second proposed entrance will be located there isn't much area for turn lanes. In the future he stated that it could be eminent domain to get right of ways to fix the issues and that as well concerns him. His main concern is traffic. It isn't so much of a concern for the Huckleberry Road property, but he feels that the Board should consider keeping the properties at RA-20. He feels that there will be compounding of problems, especially with run-off.

Josh Easley, 712 Easley Acres Lane, was in attendance, sharing his concerns over the proposed rezoning sites. He mentioned that he had heard many reasons that the Town would need the proposed rezonings and annexations: Lucama is a dying town, if the Town does not accept these terms that there is a chance that they will build anyway and proceed in a way that Lucama does not see any tax or utility revenue. He mentioned an alternative perspective and suggestion of how the Town could add healthier growth versus the alternative proposal. He feels that the developers want to reduce the lot sizes to maximize their profits. The suggested proposal would more than double the size of the town without requiring a single conditional term to be followed. He feels the conditional proposal is the answer to some of his concerns. He said that what the Town is considering is an

unconditional proposal. Josh continued to share his concerns. When his time had run out, Kim Easley, Josh's mother, continued to read his report giving concerns. The suggestion is to deny the current proposal that has been presented in favor of one side with no guarantee of these so called "gentleman's agreements". Upon denial the Town would provide feedback that they are willing to consider giving them 15,000 sq. ft. lots under the conditional approval that requires concrete plans. It may take another couple of months to work through the process, but it is better for a couple months of careful planning versus a reckless approval that could bring a multi-year nightmare to Lucama. He asked that the Town find a way to place himself on the Planning Committee since there are multiple commissioners on the committee that hold deciding votes here in the room. There needs to be another perspective on the project. Doing so would give the ETJ additional representation to someone who loves and cares for the Town and wants to see it grow as well. Josh committed to helping solve both the imminent growth for the Town, as well as the growth that is inevitably coming.

Mayor Creech told those in attendance that rezoning had not been decided and that the Board is still in talks. There are still concerns among the citizens as well as the Board. He assured that the Board is not rushing into this issue without caution.

8. Old Business

Admin. Clark reminded the Board that on February 24, 2025, there was a public hearing on the requested rezonings.

Application for Zoning Amendment – 6421 Blalock Rd
Wilson Co. Pin #: 2698-76-1427 & 2698-68-9992
From R-20 to R-10
101 acres

Application for Zoning Amendment – Huckleberry Rd
Wilson Co. Pin #: 2698-16-9937, 2698-26-9287 & 2698-28-2783
From R-20 to R-10
197.26 acres

Application for Zoning Amendment – 6601 Blalock Rd
Wilson Co. Pin #: 2698-29-8349
From Light Industrial to R-10
15.7 acres

Admin. Clark stated that the public hearing was properly advertised, and an estimated fifty notices were mailed to the adjoining property owners. The record shows that only one person chose to speak. The speaker was generally supportive of the project; however, it was suggested that the Town negotiate with the owners to increase the lot size from 10,000 sq. ft to something greater. Also, noted by the Town Attorney, that based upon the request, the Board could either vote the requests up or down.

Admin. Clark stated that he was instructed to meet with the developer to determine if there was an alternative to the request. He had conversations with the developer's representative, Kevin Varnell, and he agreed that if the project was approved at the R-10 zone, that they would in design establish a minimum lot size of 12,500 square feet and a lot width frontage of 87.5 feet. He shared notes of the discussion to the document which outlined other issues that pertain to the projects.

Admin. Clark noted that the information was not conditions for the rezonings, but merely an agreement. In the development of the site plan and final plat, which must be approved by the Board, it will serve as the Town's protection for the agreement.

Admin. Clark stated that as he looks at the accomplishments made by the Board, addressing past issues and the preparation for the future, he sees the projects as part of the future. With the completion of four audits over the last 11 months he sees it as a positive sign that puts Lucama in the position to complete many things that had just been able to be talked about prior. The requested projects will have a positive impact completing the projects by providing the financial resources to accomplish the goals that could only be spoken about.

Admin. Clark sees some of the concerns he has discussed previously with the Board, such as the population trends or volunteerism concerns in the fire department as real and will come whether the Town is ready or not. The project will help with the Town's plans, not only financially, but will replenish the pool for community leadership, whether in government, churches, fire department, or other areas.

As the projects go through the process, there are many checkpoints like NCDOT and NCDEQ that have responsibilities to ensure that everything is done properly and will be in the best interest of North Carolina, particularly Lucama. He encouraged the Board to trust the process.

Admin. Clark recommended the approval of the resolutions attached separately granting the requested rezoning. He also suggested that the notes from the developer's representative become part of the minutes of the action.

He also mentioned that the approval had been given on the final audit and will appear before the Local Government Commission loan committee in May and the revenue projections that he used if the projects were approved will help the status in getting the loan funds to do the waterline replacement and sewer pumps station rebuild. He feels that they will be necessary if approval is gained.

Comm. Joyner requested that the decision be tabled and there be a special work session planned for Thursday for the Commissioners and whomever is interested in attending. She feels it prudent to meet and discuss with Kevin Varnell all the questions that need answering. She feels the rezoning is a big decision and does not want to take it lightly.

MOTION: Comm. Joyner made motion to table the decision regarding the rezonings of properties allowing for a Thursday at 4 pm meeting with the developer's agent; seconded by Comm. J. Johnson. The motion passed by unanimous vote.

Comm. Ford suggested that the Board remember the loans that the Town would be acquiring to fix the infrastructure and the need to have more citizens to help repay the said loans.

9. New Items of Business

Rich Moore, with McDavid and Associates, was present at the meeting to give updates on the current projects and to share the need for a water and sewer rate adjustment. As part of the asset inventory assessment of the Town, there was a water and sewer rate study to address the requirements placed on the Town.

The information given was based on the 2023 audit. Based on the water and sewer enterprise funds, using extracts from the fund, each year, from 2019 to 2023, the water and sewer fund has operated in a deficit. This is without any additional borrowing that the Town is currently looking to obtain.

With where the Town currently is to the revenues and expenditures, using the 2023 audit, it will take an increase of 14.21 percent increase of the rates for both water and sewer to break even. A new rate schedule and changing out aging water meters will help recover the deficit. Where the water and sewer bills on average are \$68 per month (average consumption) to break even, the rates will need to be raised 14.21 percent to \$77.85. Again, this will be used to just break even the deficit. It does not represent any other future increases to water and sewer rates.

Comm. Ford stated that the State requires that rates be so that the Town at least breaks even. Rich stated that if the Town does not make adjustments to the rates

to get the water and sewer funds to break even or positive cash flow, they will come in and make the increases.

Mr. Moore also covered rate increases if the new developments were started. He gave a break-even scenario with projections with the 14.21 percent increase and the same 2.5 percent in expenditures. Increasing the customer base by 70 individuals per year would put the Town in a position from breaking even to being able to set aside \$100,000 in the water and sewer fund, which is where the fund should be. Cash flow should be generated to put in capital reserve as seed monies where when there is a need for repairs that there is money to address the repairs.

With the future debt service reserve, the impact that will be made when the projects are completed, there would be a combined debt of \$93,000 per year. There will need to be an additional 10 percent increase by the time the debt service payments start.

Rate increases are inevitable with the depreciation of infrastructure and the need to replace and update the infrastructure. If increases are made on a yearly basis, an increase of 14.21 percent will not need to take place.

Comm. Ford asked Rich how the Town stands with water and sewer rates versus others. He stated that the rates are at or under similar size communities.

The Town should be prepared each year to evaluate what the CPI is and the costs of expenditures, to cover them by rate increases.

Admin. Clark asked the Board to consider raising the rates by 14.21 percent to begin covering the deficit that is now taking place.

MOTION: Comm. Ford made a motion to raise the water and sewer rates by 14.21 percent.

Comm. Ford stated that the Board could continue to put off the raising of rates, but it would not make the deficit go away.

Comm. Teague stated that she was not expecting that a decision would need to be made that night.

There was no second; motion failed.

Rich Moore shared with the Board the last item which are maps that show the water lines and issues where the sewer lines need attention. The first was a map of the water distribution, which shows some description – the size and material type of all of the existing waterlines. He gave concerns about needed updates and

changes, which will take the need of grants to correct. The second map is of the collection system. There are many circles with highlights of where the cleaning, videoing and smoke testing was done, and issues were noted. Included are the pump stations where I & I comes in. This is not something that he hasn't seen before. There were no noted collapses in the system, but the Town does have pump stations that are in bad shape. There are some cracks in the old clay lines that need to be addressed. There was also root intrusions. All are areas that need to be addressed. Groundwork is in place where work can move forward in the future.

Clerk Owens shared an annexation request for Hidden Treasures, a new development off of Little Rock Church Road. She stated that the Board would need to give her an opportunity to study the sufficiency of the petition.

MOTION: Comm. Joyner made motion that Clerk Owens check the sufficiency of the petition for annexation of the Hidden Treasures neighborhood; seconded by Comm. Ford. Motion was approved by unanimous vote.

Clerk Owens shared Budget Amendment number three, which is required by the LGC and allowed through the NC General Statutes, § 159-15.

MOTION: Comm. Teague made motion to accept Budget Amendment Number 3; seconded by Comm. Joyner. Motion passed by unanimous vote.

Clerk Owens shared budget changes that are allowed through the same department. This budget change was made to purchase an additional radar sign, a request by the Public Safety committee.

Clerk Owens mentioned that an email had been received stating that the Town is current. The Town is up to date on all past due audits.

10. Town Administrator's Report

Mayor Creech asked Assistant Admin. Merando to give an update on the projects he was currently handling, the Bank Building, old telephone building and pump house rooves that need replacing. Carpeting and padding had been ripped up at the Bank Building to evaluate the condition of the floors. The floors are solid. There is not a crack in any area. He stated that he had contractors come in to check for mold. Based on the report from a year ago and as well currently, no mold was found. Walls will be evaluated. Admin. Merando had heat and air contractors in to evaluate the air systems. He is waiting for their reports. Roof repairs on the pump houses should begin during the week. The former telephone building has been cleaned out and contractors will come in to build shelves and storage for files, Christmas decorations and library needs. He is currently working

with Wilson County department of zoning identifying non-permitted work being done in the Town. There have been currently three stop-work orders that have been given.

Admin. Merando shared the various courses that he had taken and those that he plans to attend.

Admin. Clark reported that during the recent snow and ice events that the Town had no power outages. It does show that some of the things the Board is doing is making a difference.

Beginning April 8th, Admin. Clark will begin redoing his schedule, reducing his work day to once a week, but will not continue after June 30th.

He mentioned a list of items that needed to take place, but with the non-action of the Board to vote on a rate increase, he felt that he would not be able to participate in them. He has no intent to go to the LGC for loan purposes. To go up to the meeting without showing that the Board is knowledgeable and interested in covering the current deficit of the water and sewer fund, there is no reason that the LGC would give the Town any further debt allowance because of the negative spending. The inaction does not make life any better, and he realizes that the Board has to face citizens, as well as the employees, but a business cannot be operated without having increases. He spoke of the capital reserve and fund balance needs, but does not know how to go further if the Board does not show response.

11. Closed Session

Mayor Creech requested a motion to go into closed session regarding personnel matters.

MOTION: Comm. Joyner made motion to go into closed session, seconded by Comm. Teague. Motion carried by unanimous vote.

12. Adjournment of Closed Session and Back to Open Meeting

MOTION: Comm. _____ made motion to adjourn the closed session; seconded by Comm. _____. Motion passed by unanimous vote.

13. Adjournment

Mayor Creech adjourned the meeting at approximately _____ pm, March 3, 2025, upon motion of Board.

*MOTION: Motion was made to adjourn by _____; seconded by
Comm. _____ Teague. Motion passed by unanimous vote.*

Respectfully Submitted: Dena Owens, Town Clerk