



**LUCAMA BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, JULY 1, 2024
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 July 1, 2024.

2. Roll Call

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

Commissioner, Dennis Ford (hereinafter “Comm. Ford”)
Commissioner, David Johnson (hereinafter “Comm. D. Johnson”)
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”)
Town Clerk, Dena Owens (hereinafter “Clerk Owens”)
Utility Billing Clerk, Ashleigh Hooks (hereinafter “Clerk Hooks”)
Town Attorney, Gabe DuSablou (hereinafter “Attorney DuSablou”)

3. Moment of Silence

Those in attendance observed a moment of silence.

4. Approval of Agenda

Mayor Creech asked for a motion to approve the agenda.

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

5. Approval of Minutes of Last Meetings

Mayor Creech gave the Board an opportunity to review the proposed minutes and financial report from the June 3rd regular meeting.

MOTION: Comm. Ford made motion to approve the June 3, 2024, minutes and financial report; seconded by Comm. Teague. Motion passed by unanimous vote.

Mayor Creech gave the Board an opportunity to review the proposed minutes from the May 6, 2024, regular meeting.

MOTION: Comm. Ford made motion to approve the May 6, 2024, meeting minutes; seconded by Comm. Joyner. Motion passed by unanimous vote.

6. Welcome of Guests

Joe Dooley, with the Upper Coastal Plain Council of Governments, was present at the meeting to give an update on the CDBG-NR grant that the Town is working through. Mr. Dooley was at the meeting to answer questions regarding documents that were required by the grant. He stated that Tirrence Horne, the previous grant administrator from the UPCOG, was no longer employed with them. Therefore, Mr. Dooley has taken over the grant administration for the CDBG grant. The State has advised them not to ask for an extension, therefore he is working to get the work done. The Town has received an award of over \$700,000. Part of the award had a memorandum of understanding and a funding grant agreement. Those documents are the funding documents but there are others that must be in place and there are conditions preceding the documents. Those documents are the Citizen Participation Plan, Equal Employment Plan, Residential Anti-Displacement Plan. The Anti-Displacement Plan says that the project will not displace anyone unnecessarily. Mr. Dooley stated that rather than rehabilitate homes, the grant administration is looking to replace the homes. As of today, it costs \$240,000 to replace a modular home, taking care of placing it on the site, the engineering, surveying, etc. He stated it was planned to replace two, maybe three. He stated that a Housing Committee would need to get together on housing participation, that a new committee would have to be reconstituted, reorganized, minutes kept, then they will come back with the recommendations of properties.

Comm. Joyner asked if the town had received the monies. Mr. Dooley stated that once expenses are incurred, the Town is reimbursed. A budget was adopted in 2020 when the application was formed. The budget mentions four unit replacements. However, the cost then was \$120,000 for a modular home, which is not the case today. The cost now is several hundred thousand for each, which will include asbestos removal, demolition construction, temporary location, reconstruction and the first year's homeowner's insurance.

Comm. Ford stated it seemed that the project needed to be started again. Mr. Dooley stated that it just needs to get current. This project is fully grant, with no loan portion. Therefore, it will not need to be approved by the LGC.

The other document that was included in the package is Amendment Number One. When the grant contract with the COG was signed, the language used was correct. Since that time, the State suggested that it isn't correct any longer and suggested the amendment be adopted. Mr. Dooley also stated that a document could not be located for the Grant Project Ordinance. He prepared one with the appropriations for the housing rehabilitation and grant administration costs. The budget ordinance is for \$474,750.00 and shows proceeds and disbursements as required by the State. He mentioned that a resolution was included which will allow the appropriate officials to take certain steps to keep the project moving, if something wasn't covered in a regular meeting.

For clarification, Clerk Owens asked if Mr. Dooley was looking to have all documents pertaining to the grant that were mentioned in the meeting be adopted for the grant to continue. He concurred.

Comm. Joyner stated for clarification what the Board needed to accomplish was to appoint a committee for housing selection. Mr. Dooley concurred. Comm. J. Johnson stated that before the committee consisted of Board members and two to three citizens. Mr. Dooley stated that the Board consider having the committee chosen during the month.

Comm. Teague asked if the recipients of the project had been chosen. Mr. Dooley mentioned that although the recipients had been chosen previously, that it is possible that there would be a change to the property list and stated that is why the housing committee needs to be reinstated. The housing consultant will visit the properties chosen to see if the recipients are still eligible for the grant or if other properties need to be chosen. The properties must be owner occupied. Heir properties would be excluded.

Comm. Teague questioned if the style of the homes would be similar to the houses around it or a particular style that is provided. Mr. Dooley stated that the house would have to fit on a lot meeting the zoning requirements. Comm. Teague stated that if there is a property chosen on Main Street, that there was a concern that the house be totally different from the styles of the adjoining properties or those in close proximity. Mr. Dooley stated that the housing consultant, property owner and someone from the Board would be involved in the choice of styles available for replacement.

Mr. Dooley stated that the Town has two other grants that have principal forgiveness. He mentioned that the one with the water tower needs to have geotechnical studies done and that two proposals from companies had been sent to the Town. One came in that would not exceed the \$10,000, which the engineer said was needed. He recommends that the Town authorize the work to be done. Being that the audits are only a year and a half behind, they may be caught up by the time the work is done.

Mayor Creech asked for Admin. Clark's thoughts, who stated that the Utilities Committee should meet to get details on what is planned. Mr. Dooley stated that he could resend the proposals, but that he felt it needed to be moved on quickly because the Town would not be able to move the first grant/loan without the geotechnical study. Comm. Joyner questioned if this is one of the grant/loans that the Town would have to borrow the \$1,000,000. Mr. Dooley concurred. Comm. J. Johnson stated it is for the new water tower and replacing the water lines on Spring Street past the Town's maintenance shop. It is the Clean Drinking Water grant with a State number of WIF-2034 for \$1,500,000. He stated the geotechnical expense was reimbursable. Admin. Clark stated that it is one that would require the borrowing of \$1,000,000. He mentioned that until the audits are caught up, the LGC stated that the Town would not have borrowing power. Mr. Dooley stated the importance if the Town isn't going to borrow any money that he be told so that he can cancel the grant. He said that the prior Board agreed with the State and signed a contract. He said that from experience, that if the town cancels the grant that the ability to apply for future grants, the Town would possibly not be included in the lottery again. Admin. Clark stated that he felt as if the engineering firm should meet with the Utility Committee to get a full grasp of what is included in the grant/loan. With new Board members, it is important that they have knowledge and to be clear on what is being voted on. Comm. Joyner agreed.

Again, Mr. Dooley stated that from experience, that if the town cancels the grant that the ability to apply for future grants the Town would possibly not be included in the lottery again. Comm. J. Johnson questioned if returning the water grant would affect the sewer grant that had been given the Town. Admin. Clark said that it would not impact the sewer grant because they are two separate issues. Comm. Teague asked when the water grant was awarded. Mr. Dooley said that the water grant was in 2021. The sewer grant was done in 2019 or 2020. Comm. Joyner questioned Mr. Dooley asking if he was saying that if the Town did not go forward with the water grant, that it would affect every other grant the Town applied for. He stated that it would impact future grants.

There was much discussion rendered regarding water and sewer rates and their affect on the ability to receive full grants versus grant/loans.

Referring to the CDBG-NR grant the following motions were made:

MOTION: Comm. Ford made motion to approve the Residential Anti-Displacement and Relocation Assistance Plan; seconded by Comm. Teague. Motion passed by unanimous vote.

MOTION: Comm. Teague made motion to approve Amendment No. 1, Grant Administration Agreement between the Town of Lucama and the Upper Coastal Plain Council of Governments; seconded by Comm. Joyner. Motion passed by unanimous vote.

MOTION: Comm. Joyner made a motion to approve the Equal Employment Opportunity Policy and Plan; seconded by Comm. Teague. Motion passed by unanimous vote.

MOTION: Comm. Ford made a motion to approve the Citizen Participation Plan; seconded by Comm. Teague. Motion passed by unanimous vote.

MOTION: Comm. Joyner made a motion to approve the Grant Project Ordinance for the 2020 CDBG-NR Project; seconded by Comm. J. Johnson. Motion passed by unanimous vote.

MOTION: Comm. J. Johnson made a motion to accept the resolution allowing that the Mayor, Mayor Pro-Tem, Chief Financial Officer and Town Clerk be authorized to sign and attest to respectively any and all documents, agreements, plans, and materials required by the REDD for undertaking the NR Grant; seconded by Comm. Joyner. Motion passed by unanimous vote.

7. Public Comments

Roy Harris had signed up to speak, however during the allotted time for public comments, he had left. There were no public comments.

8. Old Business

Traffic Studies: Mayor Creech presented emails to the Board from the NCDOT regarding the traffic studies that took place in Town on E. Spring Street and E. and W. Blalock. He was seeking the addition of a four-way stop at the intersection of Spring and Goldsboro Streets. He also requested a stop sign at the end of Spring Street, as well as a study on E. and W. Blalock in reference to speeding.

Regarding the intersections of Spring Street, at Goldsboro and Hill St. and Blalock Road there had been no reported crashes at any of the intersections in the last ten

years. They do not recommend an all the way stop at any of the intersections. Regarding the Mayor's concern about speeding, it was noted that there are no speed limit signs on Spring between Main and Hill St. They recommend additional signage on Spring. The centerline pavement markings are in poor condition, and they recommend restriping the centerline and consider providing edgeline pavement markings.

Regarding East and West Blalock, NCDOT suggested adjusting the stop ahead signs to meet the new MUTCD standards and replacing signs, upsizing the stop signs to 36", and making the existing crosswalk a High-Vis crosswalk. Regarding control for speed, Mayor Creech stated that he had spoken with Jason Grantham with the DOT, who stated that it could be a possibility to reduce the speed limits and East and West Blalock, as well as on Spring St. from 35 mph to 25. Mayor Creech asked for Board approval to change the speed limit on those streets from 35 to 25 on East and West Blalock, Spring Street, as well as East and West Oak. Comm. Teague stated that changing signs will not correct the issues if the limit was not enforced. She is concerned with where the complaints came from on Spring Street. She mentioned that her home is situated so that she can sit and watch the traffic and said there were very few cars that travel down Spring Street. After much discussion, the Board chose to turn the issue of speeding on said streets over to the Public Safety Committee, who will in turn contact the Sheriff's Department and Highway Patrol.

Website Launch: Clerk Owens reported that she had been trained on making additions to the site and the Website launch would take place during the week of July 1 – 5.

Mid-East Contract: Admin. Clark mentioned the presentation that was made at the June meeting by the Mid-East Commission regarding updating the Town's Code of Ordinances and the Zoning Map. The proposal will be coordinated through the Upper Coastal Plains COG but performed by the Mid-East COG. It is scheduled to be completed by December 31, 2024, if approved. The cost of the work is \$7,500 and is budgeted in the current fiscal year. The proposal was presented to the Board and has been reviewed by the Administration Committee. It is recommended for approval.

MOTION: Comm. Ford made a motion to approve the Technical Services Agreement for Professional Services by and between the Town of Lucama and Upper Coastal Plain Council of Governments at the cost of \$7,500; seconded by Comm. Joyner. Motion passed by unanimous vote.

9. New Items of Business

Amendment of Audit Contract for FY21/22 – Change in Scope – Single Audit

Water Grant: Admin. Clark mentioned that when the original quote was given for the audit there was no mention of a single audit fee required. Because the Town had a grant that exceeded the minimum criteria, an additional single audit was required of the grant. The original fee was quoted at \$19,750 and is being modified to \$21,750.

MOTION: Comm. Joyner made motion to approve the amendment to the audit contract, change in scope due to the single audit requirement; seconded by Comm. Ford. Motion passed by unanimous vote.

Budget Change: Clerk Owens reported on budget changes that took place. These changes were needed to keep the line item accounts in good standing. A report of line accounts was given as well as the Budget to Actual to show why the changes were needed.

Admin. Clark mentioned that keeping the budget account line items in the positive will help keep them from being a finding on the future audits. He spoke of talking with the auditor about manners and areas to work through for segregation of duties. Ideas were shared and are in the plans.

Organizational Issues: Admin. Clark mentioned that during the budget adoption that he proposed several organizational changes. He identified them through an attached chart. It identifies three additional employees and significant changes in the Administration part of the Town's operation. An attachment included a description of the duties to be performed by the division along with goals and objectives.

Admin. Clark mentioned that at the regular Board meeting in February that he had shared information in NCGS Section 160A-155, Article 7, part 3 which states that for the Mayor Council Form of Government, the Council or Board is to provide for the administration of the unit of government. The section states that the Council or Board can appoint, suspend, or remove the heads of all departments and all other employees: provided the Council or Board may delegate to any administrative official or department head the power to appoint, suspend and remove anyone assigned to his or her department.

Admin. Clark stated the NCGS states that each local government shall always have a Finance Officer appointed by the local government to serve at the pleasure of the governing board. In January, Clerk Owens was appointed as the Interim Finance Officer.

Admin. Clark shared that a very similar requirement of the NCGS is that each local government and public authority shall appoint a budget officer to serve at the will of the governing board. Towns not having the manager form of government may impose the duties of the budget officer on any officer or employee.

Requested Actions:

Delegations of Duties – Admin. Clark requested that the Board delegate the duties of appointment, suspension and removal of the heads of all departments and employees to the Town Administrator’s position.

Finance Officer – Admin. Clark requested that the Board appoint Clerk Owens as the Finance Officer for the Town, thus removing the Interim from her title.

Budget Officer – Admin. Clark requested that he be appointed as the Budget Officer for the Town.

Attorney DuSablón stated that as to the delegation of hiring and firing of department heads and employees to the Town Administrator, it is certainly the Board’s decision, and he does not have issue with them doing so. He said that it likely would need to take place as an ordinance revision, due to the Town’s ordinances stating that the Town Council has the authority. Admin. Clark said if the Board agreed that Attorney DuSablón would draw up an ordinance for the next meeting.

Mayor Creech asked for a motion for appointing Clerk Owens as the Town’s Finance Officer and for appointing Admin. Clark as the Budget Officer.

MOTION: Comm. Teague made a motion to appoint Clerk Owens as the Town’s Finance Officer; seconded by Comm. Joyner. Motion passed by unanimous vote.

MOTION: Comm. Ford made a motion to appoint Admin. Clark as the Town’s Budget Officer; seconded by Comm. Teague. Motion passed by unanimous vote.

Mayor Creech suggested tabling the item of the Delegation of Duties regarding the hiring and firing of employees until a proper ordinance has been written. Comm. Ford asked if there was a need for a motion for the ordinance. Attorney DuSablón said “No, just a draft would need to be written and then brought up at the next meeting.” Admin. Clark mentioned that he was asking for this ability because of all the vacant positions that are to be filled. Comm. J. Johnson stated that he would like to see the Board involved in everything, giving the ability of transparency and the feeling that everyone knows what is going on. He doesn’t see a need for

change. Comm. Ford stated that it would be up to Admin. Clark to keep everything transparent. He feels that there is a need for one person to oversee hiring, especially with the new employees that will be coming in. He felt the consistency of one person overseeing the hiring and firing was needed and feels that Admin. Clark will be as transparent as the Board wanted. He tends to agree with Admin. Clark. Admin. Clark reminded the Board that he worked for them. He would be sure to remain transparent.

Electric Tariff and Rate Sheet: Admin. Clark stated that the Electric Tariff Sheets are available which define the services that the Town provides, along with the responsibilities of the Town and those of the customer. Also, the current rates are part of the tariff sheets. The tariff sheets are for residential service (R03), Small General Service (C01), and Large General Service (C02). While the small and large general service schedules look the same, the definition that makes them different is that one is for customers with less and 8,000 kWh's in monthly use and the large is for those greater than 8,000 kWh's. The current rates are the same, but in the future, there may be a need to make the rates different. Having these customers separate will help in the evaluation. The Town does not currently have a demand charge, but as future power costs are seen and not knowing what impact demand charges may have on the Town's total power cost, charging demand charges may be necessary. Admin. Clark recommended the tariff schedules be adopted as presented.

MOTION: Comm. Joyner made a motion to approve the Electric Tariff Schedules; seconded by Comm. Ford. Motion passed by unanimous vote.

Sewer Line Project Update / Osmose Pole Study Update – Utility Committee: Comm. Joyner reported that on June 18th that she, Comm. Ford, and Admin. Clark met with McDavid and Associates regarding the sewer inspection project. The project will include the cleaning, video inspection and smoke testing of the entire sewer system. The work will begin on August 5th and there is a proposed completion date in November. There will be trucks moving through the Town looking and inspecting during this time. If there is minimal damage found during the process that can be repaired easily, repairs could be made. If not, there will be a list of items that will need to be repaired. Comm. D. Johnson questioned if the crew would share the video with the Board. Comm. Joyner said that it could be viewed. Comm. D. Johnson asked that it be brought to the Board so it could be reviewed by the entire Board, specifically the trouble spots.

Comm. Joyner also reminded the Board that Osmose will be in Town doing a pole study.

Comm. D. Johnson asked if the study had been done on the streetlights on Mobley Road. Comm. Ford mentioned that it is a part of the pole inventory and study that is being done. The projected time for the project completion is eight weeks.

Electric System Capital Improvements: Admin. Clark stated that recently the Town had received four bids for the project. The bids are as follows:

C Phase Services	\$ 441,582
Lee Electrical Construction	\$ 433,800
River City Construction	\$ 596,775
East Coast Power and Lighting	\$1,115,000

All bids are considered responsible bids and meet the requirements of the bid proposal. Admin. Clark stated when looking at the bids and the materials that are to be supplied, the cost is above the engineer's estimates and therefore a budget increase is needed for the project.

MOTION: Comm. Teague made motion to award the construction of the project to Lee Electrical Construction in the amount of \$433,800, to award the purchase of material to Tar Heel Membership Association in the amount of \$161,000 plus all applicable taxes, and to amend the Capital Project budget to increase the Revenue by \$150,000 from the Electric Fund Capital Reserve; seconded by Comm. Ford. Motion passed as follows: yea – Comm. Ford, Comm. J. Johnson, Comm. Joyner, Comm. Teague. Nay – Comm. D. Johnson

10. Town Administrator's Report

Sheriff's Public Safety Contract: Admin. Clark stated that he and Comm. J. Johnson had been speaking about how to address the direct service for the Town regarding the Wilson County Sheriff's Department. The Sheriff did inform that the Town has coverage, just not direct patrol. There is still zone coverage where there are deputies assigned to an area where the Town is included. Deputies will respond to 911 calls, security checks and will assist businesses with daily/nightly escorts. There will continue to be a satellite office where the deputies are allowed to meet, complete reports or other public safety issues including having regular zone meetings.

As the public safety committee continues to evaluate the needs of the Town and offer suggestions, Comm. J. Johnson has contacted the Sheriff's office about their secondary employment business which provides off duty deputies for special causes. The basic terms are that an off-duty deputy is made available for \$50 per hour with a minimum of three hours. There has been some discussion that the Board would like to continue to have a deputy at each Board meeting. Admin.

Clark suggested with the Public Safety's concurrence, that the Sheriff's office be contracted for a deputy to attend all scheduled meetings of the Board of Commissioners as well as other times as chosen by the Board.

Late Audits: The Town has been notified by the NC Local Government Commission (LGC) that it will continue to be on the Unit Assistance List for FY 24/25 for failure to submit the 2023 audit. A significant penalty of being on the list is that the State is authorized to withhold the sales tax distribution until the audit is completed. There is an appeal process, but Admin. Clark stated that he had notified the LGC that the Town does not wish to appeal, and that it the goal to have all the audits complete and submitted to them prior to December 31, 2024. This will include the audit for the year just completed and the 2022, 2023 audits.

Because of being on the UAL list, the Town must obtain LGC approval of financing contract for purchase, lease, or lease with the option to purchase motor vehicles where the contract exceeds \$50,000; must obtain LGC approval of financing contracts in relation to the lease, acquisition or construction of capital assets that exceeds three years and \$50,000; and city and county managers of UAL units must complete a minimum of six clock hours of education including fiscal management and the requirements of Chapter 159 of the General Statutes.

Admin. Clark stated that during recent conversations with LGC staff, it has been indicated that any borrowing for anything will most likely not be approved until the audits are up to date. He agrees with the staff about the borrowing because without the up-to-date audit reports, the Board does not have a clue about the Town's financial position. He continued to say that it is in the Town's best interest to continue pressing to get all of the audits completed.

Audit Report Update: Admin. Clark stated that it was planned to have what is needed to complete the 2022 FY audit this week. The auditors did the field work the previous week and there are a few questions outstanding before completing the process. Once cleared, the 2022 audit can be completed and submitted to the LGC. The process of gathering the needed data for the 2023 audit will begin shortly thereafter. It is hoped that the 23 audit be done by early September and 2024 which the goal is to have completed and submitted to the LGC in December.

Much discussion was rendered regarding how the Town fell behind in filing the audit reports.

Building Needs and Modifications: Admin. Clark spoke specifically about the current utility collections area, board meetings chambers, sheriff's substation, old telephone building, the old bank building, and the corporate office portion of the bank building. The Town has had ownership of the building since 2014. In looking

at ways to improve things from a space need and a way to possibly create some economic development activity for the Town, Admin. Clark is requesting permission to explore the possibility of renovating the old bank building (bank only) to move the administrative offices to that space; renovate the space vacated by the administrative move and the current Board room be used as the Board Chamber and work office space for the Board. He included a sketch of what could be done with the Board Chambers in the current space; renovate the current space now occupied by the Administrator and be given to the Sheriff for expansion of the substation; renovate the old telephone building currently used for storage to make it a permanent organized and protected storage space that will be organized; renovate the corporate office space of the bank building and work with the Wilson County EDC to locate a tenant that will employ a number of people. He suggested that the Town must be willing to offer some incentive as a tool to gain interest.

Admin. Clark feels that there are grant funds that could be obtained through the Golden Leaf Foundation for the renovation of the corporate office portion of the bank for Economic Development Purposes and Job Creation. Other funding would come from local sources.

Town Admin. Work Schedule: Mr. Clark stated that as planned he will work full days on Tuesdays and Thursdays of each week and on Board meeting weeks he will work Monday, Tuesday and Thursday.

Comm. Teague thanked Admin. Clark for the work he does for the Town. She understands that he has nothing to gain and doesn't live in Lucama. She realizes that he isn't doing any of the work for himself but for Lucama. She appreciates his work. Comm. Joyner concurred. She stated that Admin. Clark is always there to answer any questions that she may have. Admin. Clark thanked them for their comments.

11. **Adjournment**

Mayor Creech adjourned the meeting at approximately 8:07 pm, July 1, 2024, upon motion of Board.

MOTION: Motion was made to adjourn by Comm. J. Johnson; seconded by Comm. Ford. Motion passed by unanimous vote.

Respectfully Submitted: Dena Owens, Town Clerk