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**Minutes of the Roanoke Rapids City Council**

A special meeting (Budget Work Session) of the City Council of the City of Roanoke Rapids was held on Tuesday, May 10, 2016 at 3:00 p.m. in the first floor conference room of the J. Reuben Daniel City Hall & Police Station.

**Present:** Emery G. Doughtie, Mayor

 Ernest C. Bobbitt)

**Council Members**

 Suetta S. Scarbrough)

 Carol H. Cowen)

 Wayne Smith)

Joseph Scherer, MPA, MS, City Manager

 Lisa B. Vincent, MMC, NCCMC, City Clerk

 Leigh Etheridge, Finance Director

**Absent:** Carl Ferebee, Mayor Pro Tem

City Manager Scherer stated Finance Director Etheridge has one administrative issue that needs attention.

Finance Director Etheridge stated this is just a housekeeping matter regarding the fund ledger for our senior center funding that is part of the expenditure section of the Budget Ordinance that we carry forward each fiscal year. She stated we need to be able to utilize senior center funding for our operations. She stated our auditor, Mr. Greg Redman, agreed that we needed to move the matching and corresponding $69,643 revenue amount for this carryforward expenditure back into the current operating budget for senior center operations. Finance Director Etheridge pointed out that this is not new monies, and that these funds must be spent on senior center allowable purchases.

City Manager Scherer stated Parks & Recreation Director Simeon would like to purchase one of his capital requests with some of these funds. He stated they need a new senior center bus and he can get a new one for about $60,000. He stated the bus they have is about 20 years old.

Councilwoman Scarbrough asked what we would do with the old bus.

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City Manager Scherer stated we would declare it surplus and sell it on Govdeals.com.

Mayor Doughtie asked if we could look at getting one that is about two years old for half the money.

City Manager Scherer stated we are basically getting free money to get a new bus that will hopefully last another 20 years rather than taking a chance on a used bus.

Motion was made by Councilman Smith, seconded by Councilman Bobbitt and unanimously carried to adopt the following Ordinance:

**Ordinance No. 2016.10**

**CITY OF ROANOKE RAPIDS**

**BUDGET AMENDMENT**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROANOKE RAPIDS:**

**SECTION 1.** The following additional amounts are hereby appropriated for the operation of City Government and its activities for the fiscal year beginning July 1, 2015 and ending June 30, 2016, according to the following schedule:

**SCHEDULE A – GENERAL FUND (OPERATING)**

Capital Outlay (Prior Year Carryforward) Senior Center

 Operations **$69,643**

 **\_\_\_\_\_\_\_\_\_**

**GENERAL FUND OPERATING TOTAL $69,643**

**SECTION 2.** The following additional revenues and reductions in appropriations are available for the fiscal year beginning July 1, 2015 and ending June 30, 2016, in order to meet the foregoing appropriations, according to the following schedule:

**SCHEDULE B – GENERAL FUND (FUND BALANCE)**

Fund Balance – To move revenue back into current operating

 Budget for prior year funding appropriations **$69,643**

 **\_\_\_\_\_\_\_\_\_**

**GENERAL FUND OPERATING TOTAL $69,643**

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**SECTION 3.** This Ordinance shall become effective upon adoption.

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 Emery G. Doughtie, Mayor

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Lisa B. Vincent, City Clerk

Adopted this \_\_\_\_ day of May, 2016.

**Proposed FY 2016 – 2017 Fee Schedule**

City Manager Scherer presented Council a copy of the Proposed FY 2016 – 2017 Fee Schedule and reviewed the following changes:

* *Add Business Registration Fee of $20.00 per year*
* *Add Fee for Change in Business Registration of $5.00*
* *Add Itinerant Merchant, Peddler & Vendor License Fee of $20.00 per year*

City Manager Scherer pointed out that these fees were part of the Code of Ordinance amendments approved at the last meeting. He stated the only other changes are in the Planning & Development Department. He reviewed the following:

* *Add Appeal Petition Fee of $350.00*

City Manager Scherer stated this new fee is for appeals such as the recent appeal of Planning & Development Director Lasky’s decision on the School’s bus garage. He stated everything associated with the appeal such as mailings and research had to be paid by the City because we did not have a fee to charge.

* *Increase fee for Comprehensive Development Plan from $15.00 to $50.00*

City Manager Scherer pointed out that this document has increased in size and this fee is to cover the copying fees.

* *Increase from $3.00 to $5.00 per $1,000 of construction value for Inspection Fees*
* *Increase from $.30 to $.50 for each 110 Volt Outlet for Electrical Permit Fees*
* *Increase from $.01 to $.05 per square foot of protected area added to the $50.00 Fire Sprinkler System Permit Fee*

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* *Increase from $.01 to $.05 per square foot of floor area added to the $50.00 Insulation Permit Fee*

City Manager Scherer stated the above is a result of the increased cost of doing inspections. He stated Planning & Development Director Lasky is also proposing to remove the flat fee for technical review of commercial building plans and replace it with a fairer cost based on square footage as follows:

*Commercial Building (Preliminary Plan, Construction Plan) Review:*

 *Technical Review and Fee (based on square footage of project)*

 ***Square Footage of Project Area/Site Fee***

 *less than 10,000 SF $125.00*

 *10,000 SF – 29,999 SF $250.00*

 *30,000 SF – 49,999 SF $375.00*

 *50,000 SF – 69,999 SF $500.00*

 *70,000 SF or greater $700.00*

 *Additional Charge per review for failure to satisfy review comments $100.00*

City Manager Scherer pointed out that we are estimating that the new business registration fees will bring in about $12,000 annually.

**Major Expenses/Capital Items**

City Manager Scherer presented Council a copy of the entire list of capital requests as follows:

**CITY OF ROANOKE RAPIDS**

**Unfunded Capital Requirements**

**As of December 1, 2015**

**Fire Department**

Radios $ 70,000.00

Air Packs $ 120,000.00

New Fire Truck $ 550,000.00

Generators/Station 1 $ 50,000.00

Pickup Truck $ 30,000.00

Resurface Parking Lot $ 10,000.00

Extrication Tools $ 20,000.00

Replace Dated Equipment $ 50,000.00

 **Subtotal – Fire Department $ 900,000.00**

**Police Department**

7 Equipped Patrol Vehicles $ 280,000.00\*\*

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4 Equipped Patrol Vehicles $ 160,000.00\*\* \*\*Most vehicles are over

45 Handguns $ 21,375.00 seven years old and have

45 Shotguns $ 27,000.00 very high mileage. Loss of

In-Car Camera Update $ 112,500.00 capital outlay funding over

Storage for Videos $ 30,000.00 the past many years has Laptop Replacement for Vehicles $ 160,000.00 attributed to extremely high

Additional Radars $ 15,000.00 maintenance costs.

City Wide Camera System $ 350,000.00

Additional Cameras $ 20,000.00

 **Subtotal – Police Department $1,175,875.00**

**Public Works Department**

1 Rear Loader Trash Truck $ 190,000.00

1 Knuckleboom $ 160,000.00

Rubber Tire Loader (Used) $ 70,000.00

Traffic Signal – Park & 7th $ 42,000.00

1 Truck Load – Roll Out Carts $ 39,500.00

Vacuum Trailer $ 50,000.00

City Hall Roof $ 90,000.00

Theater Stage Roof $ 50,000.00

Leaf Vacuum Truck $ 185,000.00

Backhoe w/Attachments $ 90,000.00

Pothole/Asphalt Patcher Recycler $ 140,000.00

Track Loader $ 60,000.00

Recycling/Rear Loader for Curbside Maintenance $ 130,000.00

Cemetery and Fleet Maintenance Software $ 150,000.00

 **Subtotal – Public Works Department $1,446,500.00**

**Planning Department**

**Vehicle Needs (Total Cost Opinion 2015 Values = $84,000.00)**

Vehicle for Building Inspector: similar to Ford F250 4WD, 4Door = $30,000.00

Vehicle for Minimum Housing Code Officer: similar to midsize SUV 4WD = $27,000.00

Vehicle for Land Use Administrator/Zoning Director: similar to midsize SUV 4WD = $27,000.00

**\*\*Demolition of Unsafe Commercial/Industrial (non-residential) Buildings Adjacent to Public Right-of-Way**

**Current Court Orders with City Authority to Demolish – Values = $1,430,000.00**

501 Jackson Street, Building B = $800,000.00

206-208 Roanoke Avenue (People’s Theater) = $600,000.00

222 Hamilton Street (Back Building) = $30,000.00

\*\*Does not include buildings that are currently in process for owner-compliance; demolition of residential dwellings is covered in department budget.

**Planning Documents (Total Cost Opinion 2015 Values = $195,000.00)**

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Streetscape Plan for Roanoke Avenue = $50,000.00 (does not include construction documents)

Streetscape Plan for Roanoke Avenue with Construction Documents (engineering drawings, specs) = $100,000.00

Unified Development Land Use Ordinance = $30,000.00

 **Subtotal – Planning Department $1,709,000.00**

**Parks Department**

2 Replacement Trucks $ 50,000.00

Administrative Vehicle Replacement $ 25,000.00

Mower Replacement $ 25,000.00

Tractor Replacement $ 15,000.00

Pool Pumps for 3 Pools $ 15,000.00

HVAC Repairs for 3 Facilities $ 75,000.00

Restroom Repairs at Parks $ 50,000.00

Parks Outdoor Child Equipment $ 80,000.00

Kirkwood Adams 1975 Chair Replacement $ 140,000.00

Tables/Kirkwood Adams $ 15,000.00

T. J. Davis Roof Replacement $ 80,000.00

Senior Center Bus Replacement $ 60,000.00

 **Subtotal – Parks Department $ 630,000.00**

**GRAND TOTAL – ALL DEPARTMENTS $5,861,375.00**

City Manager Scherer reviewed the following list of major expenses/capital items he is recommending for funding:

|  |  |  |
| --- | --- | --- |
| **ITEM** | **COST** | **COMMENTS** |
| 2% COLA | $275,000 |  |
| 911 | $100,000 | Increase from last year’s cost |
| Health Insurance | $120,000 | Cost not finalized yet |
| PD Cars | $160,000 | (4) Ford Interceptors |
| Refuse Vehicle | $190,000 |  |
| Rubber Tire Loader | $ 70,000 |  |
| Trash Carts | $ 30,000 |  |
| Road Maintenance | $100,000 |  |
| Mower Replacement | $ 36,000 | (2) each, PW and P & R |
| P & R Facility | $ 50,000 | HVAC replacement |
| PD Guns | $ 25,000 |  |
| New K9 | $ 12,000 | One animal recently ruled unreliable |
| Library Carpet | $ 12,000 |  |
| Air Packs | $ 60,000 | FD Need |
| P & R Truck | $ 25,000 |  |
| P & R Tractor | $ 15,000 |  |

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**Items in Red are designated for funding through Loan (total $556,000).**

**Other items total $724,000.**

**Both categories together total $1,280,000.**

**No personnel positions recommended for funding at this time.**

City Manager Scherer stated we are now being told that our health insurance cost will increase by 11%. He stated he met with Mr. Hux and a BCBS Representative and asked them to bring us new numbers.

Councilwoman Scarbrough asked what would happen with the K9 that has been determined unreliable.

City Manager Scherer stated we will probably let his handler, Officer Gerald Morris, have him.

Councilwoman Scarbrough stated in the past, these dogs were given to us by the Air Force.

City Manager Scherer explained that they are hard to get and you have to be on a waiting list. He stated we were lucky to get the ones we have.

City Manager Scherer stated for the items to finance, we have a proposal from BB&T for a 2% rate which would equal about $95,000 a year for six years. He stated if we go with a loan, he would need $500,000 from undesignated fund balance. He stated if we do not go with a loan, he would need about $1.28 million from undesignated fund balance which would bring it down to 16.5%. He stated this is his recommendation for funding and a starting point for Council’s discussion.

Councilman Smith asked about a vehicle for Planning & Development Director Lasky.

City Manager Scherer stated he did not include it on the list for funding. He stated if Council would like for him to try and find funding or if Council would rather have that vehicle on the list in lieu of another item, he needs to know.

Councilman Bobbitt asked how many air packs we can get for $60,000.

Finance Director Etheridge stated she believes about 8.

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Councilman Smith asked about funds for the maintenance of ballfields.

City Manager Scherer stated the recommendations he has made are based on monies. He stated if Council wants to see something else, that is what he needs to know. He stated this is a starting point.

Councilman Bobbitt asked the age of the Parks & Recreation Department tractor. He stated he does not believe it is that old.

City Manager Scherer stated he does not know but it has to be old because it is falling apart and is unsafe.

Councilman Bobbitt asked what the tractor is used for.

City Manager Scherer stated that would be a question for Parks & Recreation Director Simeon.

Councilman Bobbitt stated he does not remember the need for a tractor being discussed.

City Manager Scherer stated Parks & Recreation Director Simeon stated in his earlier budget meetings with Council that this tractor was unsafe.

Councilman Smith asked what we would do with the old tractor. He asked if we would declare it as surplus.

City Manager Scherer stated yes. He stated all of our equipment that needs to be replaced is sold on Govdeals.com.

Mayor Doughtie asked why the Police Department requested more cameras.

City Manager Scherer stated to have some additional cameras on hand.

Mayor Doughtie asked if the K-9 is more valuable than the cameras.

Councilman Bobbitt pointed out that some of the in-car cameras are very old and need to be updated due to the changes in technology.

City Manager Scherer stated they are old and need to be replaced.

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Mayor Doughtie asked if we need all of the guns requested.

City Manager Scherer stated they are also old and need to be replaced. He pointed out that we can turn in the old guns and get credit.

Councilman Bobbitt stated he asked one of the officers about the pistols and he said they had two spares—one was in use and they were waiting for a part for the other one.

Mayor Doughtie stated he believes the body cameras are real valuable.

Councilwoman Cowen stated she feels it would be unfair to not fund the vehicle for the Planning & Development Department when we have so many Police vehicles and are talking about purchasing more.

Mayor Doughtie pointed out that the Planning & Development Department got a new truck last year.

Councilwoman Cowen suggested taking one away from the four proposed for the Police Department and giving one to the Planning & Development Department. She stated the Police Department has cars sitting all over town.

Mayor Doughtie stated Planning & Development Director Lasky said during emergencies, they would need a 4-wheel drive vehicle.

Councilman Smith stated Public Works Director Chalker needs three entry level positions.

City Manager Scherer stated the cost would be around $120,000 with benefits.

Councilman Bobbitt stated the Public Works Department definitely needs the manpower.

Councilman Smith asked how much of the $500,000 from the fund balance will we have to spend this year.

City Manager Scherer stated we will probably have about $200,000 left over.

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Mayor Doughtie stated someone asked last year during this time where we would be a year from now. He stated we are talking about using more of the fund balance, taking it down to 16%. He stated next year, if we are not successful with selling the theatre, we will probably be back down to 8%.

City Manager Scherer stated if he had to make major cuts to the budget, we would have to cut some personnel, cut services or increase taxes.

Councilwoman Cowen asked if we could wait another year on the guns.

Councilman Bobbitt expressed his concern about the old guns and the possibility of malfunctions.

Someone asked how much the K9 is used.

Councilman Bobbitt stated the dog is used for drugs and tracking. He asked how many dogs the County has. He stated in the past when they did not have a dog, they used ours.

City Manager Scherer stated he does not know.

Mayor Doughtie stated he feels the community might think we need other things more than we need a dog.

City Manager Scherer reminded Council members that one of the things they asked him to prioritize at the Council retreat was drug enforcement.

Councilman Bobbitt asked if the City-County Drug Task Force has a dog.

City Manager Scherer stated he does not know.

Mayor Doughtie stated it seems like the dog is at schools instead of catching crooks.

Councilwoman Cowen suggested taking off the drug dog and guns. She stated maybe there are some grants available for these items.

Councilman Bobbitt stated he does not think we need to eliminate all of the guns.

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There was further discussion between Council members about the need for guns.

Mayor Doughtie asked how much credit we get back from the old guns.

City Manager Scherer stated it depends on the manufacturer. He stated he could cut the number in half for the guns.

Councilman Bobbitt stated he is looking at things we need year-round—not seasonal. He stated he does not know how the Parks & Recreation Department tractor got so worn out. He stated he has one he purchased in the 1960s and it still runs. He stated it all depends on how you take care of it.

Councilwoman Cowen stated the tractor they have is really old.

Councilman Smith asked about the road maintenance.

City Manager Scherer stated the proposed funding for road maintenance is for patching and resurfacing.

Councilwoman Scarbrough stated that needs to be funded.

Councilman Bobbitt stated he still thinks we need to get Planning & Development Director Lasky one vehicle and the three men for Public Works. He stated if not for the Public Works Department, we probably would not have had the skate park already built.

Councilman Smith asked what shape the rubber tire loader is in.

City Manager Scherer stated it is in bad shape. He stated it is one of Public Works Director Chalker’s top priorities. He pointed out that he has to have a new trash truck this year.

Mayor Doughtie asked about piggybacking off of another municipality’s bid.

City Manager Scherer stated they have looked at that.

Councilwoman Cowen asked if there is anything we can do about the extra $100,000 for 911.

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City Manager Scherer stated no. He stated the County has said that is our share.

Councilman Smith asked if we have the original agreement when we joined the 911 system.

City Manager Scherer stated yes.

Councilman Smith stated he remembers when this started that it was going to cost around $100,000 and the agreement was that we would let them have the telephone surcharge and the cost would remain the same.

City Manager Scherer stated all of that changed two years ago when we signed a new agreement.

Councilwoman Scarbrough stated she thought we were looking at having our own system.

City Manager Scherer stated we are still looking into that.

Councilman Smith stated if they did away with the original agreement, it is no longer binding and we can keep the surcharge.

City Manager Scherer explained that the only change to the agreement was the formula by taking away the population credit. He stated one thing that concerns him about operating our own system is that some of the funds that go to the County, we may not be able to get. He stated that is what the State 911 Board has said.

Councilman Smith asked what we would run on the system.

City Manager Scherer stated just Police & Fire.

Mayor Doughtie stated if we would only run Police & Fire, it would cut down on the number of calls.

In response to a question about the 911 cost for next year, City Manager Scherer stated about $383,000 which includes the additional $100,000.

Mayor Doughtie asked what would happen if we did not pay.

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City Manager Scherer stated he does not know.

Mayor Doughtie stated he does not feel this is fair. He asked if this is something you could take to court.

Councilman Smith pointed out that with the new formula, the County’s fee decreased.

Mayor Doughtie stated the County Commissioners need to realize how important the City is to the County. He stated we are the largest municipality.

City Manager Scherer stated he does not see any attempt by them to reduce the cost. He stated their training budget is outrageous.

Councilwoman Scarbrough stated it looks like our four representatives on the Board would do something about this.

City Manager Scherer pointed out that we have to give the County a year’s notice if we decide to pull out.

Councilwoman Cowen stated she thinks they would miss us more than we would miss them.

City Manager Scherer stated his concern with operating our own system would be if we cannot get the phone tax funds he thinks we should.

City Manager Scherer stated he needs some guidance on his list for the major expense/capital funding. He stated from the discussions, it looks like he needs to find monies to fund the SUV for the Planning & Development Department and approximately $120,000 for three men for the Public Works Department. He stated it is also his understanding that he needs to amend his list by:

* Removing the K-9
* Funding half of the guns
* Cut the funding in half for the HVAC for Parks & Recreation

Councilman Bobbitt stated he feels we need to fund the four police vehicles.

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Mayor Doughtie suggested funding three police vehicles and if we can get a reduction in the health insurance cost, we will fund the one remaining vehicle.

City Manager Scherer stated he does not believe we will get a $40,000 reduction in the health insurance cost.

Councilman Smith stated he hopes the employees do not have to eat this increase.

City Manager Scherer stated that is why we are getting another proposal.

Councilman Bobbitt stated we should have changed insurance companies. He stated some cities are self-funded.

Councilman Smith stated he does not have a problem with changing insurance companies.

Finance Director Etheridge stated we do not have the funds to self-fund.

Mayor Doughtie asked about cutting the COLA to 1.5%.

It was the consensus of Council to keep the COLA at 2%.

Mayor Doughtie asked about a tax increase and it was agreed by most that next year it will probably be inevitable.

Councilman Smith stated two of us need to go and talk with Vernon about the sales tax.

Mayor Doughtie stated it would be nice to get something started on this.

Councilwoman Scarbrough asked City Manager Scherer if he would look into the County sharing their drug dog with us.

City Manager Scherer stated he is sure it is part of the City-County Drug Task Force.

Councilman Smith suggested we borrow the money for the SUV for the Planning & Development Department. He also suggested asking Public

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Works Director Chalker what he would rather have—the employees or something else.

City Manager Scherer stated he will ask but he is sure he would rather have the employees.

Councilman Bobbitt stated again that he is not in agreement with things that are unnecessary or things that are only used seasonally.

Councilman Smith suggested adding the SUV to the proposed loan total of $556,000.

Finance Director Etheridge stated we do have $77,000 already freed up on the Crown Victoria police vehicles.

Councilman Smith asked about other debts that will be paid off in the next few years.

City Manager Scherer stated we will pay off the rear loading trash truck in November of this year and more vehicles in August of 2017.

Finance Director Etheridge stated these payoffs would help us going into the next fiscal year and the following year’s budget planning sessions.

There being no further discussion, the meeting adjourned.



**Lisa B. Vincent, MMC, NCCMC, City Clerk**

**Approved by Council Action on: 6/14/2016**