

**City of New Bern
Board of Aldermen Meeting
May 25, 2021 – 6:00 P.M.
West New Bern Recreation Center
1225 Pinetree Drive**

- 1. Meeting opened by Mayor Dana Outlaw. Prayer by Alderman Odham. Pledge of Allegiance.**
- 2. Roll Call.**

Present: Mayor Dana Outlaw, Alderman Sabrina Bengel (arrived at 6:02 p.m.), Alderwoman Jameesha Harris, Alderman Robert Aster, Alderman Barbara Best, and Alderman Jeffrey Odham. Absent: Alderman Johnnie Ray Kinsey. A quorum was present.

Also Present: Foster Hughes, Interim City Manager; Michael Scott Davis, City Attorney; and Brenda Blanco, City Clerk.

Consent Agenda

- 3. Consider Adopting a Resolution to Close Streets for the Juneteenth Celebration.**

Organizers of the Juneteenth of New Bern Celebration requested to close the 1000-1200 blocks of Broad Street and 500-600 blocks of Roundtree Street from 10 a.m. until 8 p.m. on June 19, 2021. Several activities are scheduled, including a walking parade and entertainment.

- 4. Consider Adopting a Resolution to Close Streets for the Merci on Middle Event.**

Merci on Middle will hold its annual fundraising event on November 7, 2021. Organizers requested that the 200-300 blocks of Middle Street, 300-400 blocks of Pollock Street, and Bear Plaza be closed to vehicular traffic from 12 p.m. until 10:30 p.m.

- 5. Consider Adopting a Resolution to Call for a Public Hearing to Amend Article XXI – New Bern Historic District of the City Code of Ordinances.**

The Planning and Zoning Board unanimously approved changes to the Historic District Guidelines at their May 4, 2021 meeting. It was requested that a public hearing be held on June 8, 2021 to receive comments on the proposed changes and consider adopting an amendment to Article XXI of the Code of Ordinances to implement the changes.

6. Consider Adopting a Resolution to Call for a Public Hearing to Amend the Land Use Ordinance.

It was requested a public hearing be held on June 8, 2021 to receive comments on proposed changes to the Land Use Ordinance. The changes will update sections of the Planning and Zoning code to conform with NC General Statute Chapter 160D, as well as eliminate two extraterritorial jurisdiction seats. Additionally, the relevance and continued necessity of the Appearance Commission and the terms of the appointees to the Historic Preservation Commission will be addressed in the amendment.

7. Approve Minutes.

Draft minutes from the May 4, 2021 budget work session and May 11, 2021 regular meeting were provided for review and approval.

Alderman Odham made a motion to approve Items 3-7 of the Consent Agenda, seconded by Alderman Aster. The motion carried unanimously 5-0.

8. Conduct a Public Hearing and Consider Adopting an Ordinance Amending the Table of Permissible Uses Under Appendix A, Article X, Section 15-146 of the Land Use Ordinance.

The Board was asked to conduct a public hearing on an amendment to the Land Use Ordinance with respect to the C-3 Commercial Zoning District. The proposed amendment will allow elementary and secondary schools as a permissible use. Jeff Ruggieri, Director of Development Services, shared a brief PowerPoint presentation to review the proposed change. The Planning and Zoning Board recommended that the change be allowed through issuance of a special use permit. Tara Murphy, a special project manager with McKim and Creed, offered comment on behalf of Weyerhaeuser to explain the proposed use for schools.

Mayor Outlaw opened the public hearing. Travis Oakley, a member of the Planning and Zoning Board and resident of Ward 6, expressed curiosity as to the need for the change. Alderman Best made a motion to close the public hearing, seconded by Alderwoman Harris. The motion carried unanimously 6-0.

Alderman Bengel made a motion to adopt an ordinance amending the Table of Permissible Uses under Appendix A, Article X, Section 15-146 of the Land Use Ordinance to include a special use permit in a C-3 district, seconded by Alderman Odham. Upon a roll-call vote, the motion carried unanimously 6-0.

9. Conduct a Public Hearing and Consider Adopting an Ordinance to Annex a Portion of Tax Parcel ID 8-209-13001.

Clifford Parson, on behalf of Weyerhaeuser NC Company, requested that a portion of Tax Parcel ID 8-209-13001 consisting of approximately 5.24 acres be annexed into the city limits. The parcel is situated off US 70 near the West New Bern development.

Mayor Outlaw opened the public hearing, but no one came forward to speak. Alderman Best made a motion to close the public hearing, seconded by Alderwoman Harris. The motion carried unanimously 6-0.

Alderman Odham questioned the annexation of a portion of the parcel, versus the entire parcel. Mr. Parson, attorney with Ward and Smith, said the smaller area is all that had been platted at this time. A previous agreement between the City and Weyerhaeuser requires that annexation be sought within 30 days of platting an area. The platted area is all that is needed to access the parcel, and the developer will have a little more flexibility with the remaining section of the parcel. The initial zoning will remain the same at C-3.

Alderman Best made a motion to adopt an ordinance to annex a portion of tax parcel ID 8-209-13001, seconded by Alderwoman Harris. Upon a roll-call vote, the motion carried unanimously 6-0.

10. Discussion of Juneteenth Celebration Request for Services.

As a follow-up to the requests presented at the Board's May 11, 2021 meeting, organizers of the Juneteenth Celebration subsequently sought the City's assistance with street closures, bus transportation, and public safety. The total cost of these services was estimated at \$2,960.40. However, the request for services was again culled down. Talina Massey, organizer, announced the event had raised funding and obtained sponsorship. As of today, bus transportation is no longer needed, which reduces the estimate of services to \$2,478. This request is reflective of just 10% of the initial request on May 11th. Ms. Massey asked that the City consider partnering with the organizers to assist with half of the cost of the fireworks. Alderman Bengel stated the Tourism Development Authority ("TDA") wanted to work with the organizers to help promote the event. She also suggested several photographs be taken and provided to the TDA.

Carol Williams, Administrator with the Greater Duffyfield Residents Council, was in attendance to express the Council's willingness to support and partner with the celebration.

Alderman Best made a motion to share in the cost of the fireworks by paying one-half of the expense, which would be \$2,500, for the Juneteenth celebration and services, seconded by Alderwoman Harris. Although she voiced support of the event, Alderman Bengel stated she was going to vote no. She had concern with paying for a portion of the fireworks, but was in favor of providing the in-kind

services. Alderwoman Harris clarified that the City would not write a check to Young Urban Professionals (“YUP”), but would pay the fireworks vendor directly with YUP writing a check to the City for its half of the expense. She reiterated the event had reduced its original request from \$22,000 to \$2,400. Alderman Best asked if she could use a portion of her special appropriations to help aid the citywide event. Mr. Davis responded yes if the expenditure is for a nonprofit. Alderman Bengel said she would also consider contributing her appropriation funds. Alderman Aster said he too would vote no because of his concerns about the City paying for the fireworks.

Alderman Best withdrew her motion and Alderwoman Harris withdrew her second. Alderman Best made a new motion to provide the street closures and public safety services at an estimated cost of \$2,478, seconded by Alderwoman Harris. Upon a roll-call vote, the motion carried unanimously 6-0.

11. Discussion of Elections.

Mr. Davis shared information regarding the 2021 elections and the impact of the Census data. As of 5:00 p.m. today, Senate Bill 722 is pending before the legislature. Various minor revisions are in the works, and it is optimistic that the bill will be adopted. The bill will give every city that votes by wards and believes it will have to redistrict to balance their wards an opportunity to have a public hearing to delay the election until March 2022 with a runoff, if needed, to be held in April or May. That is the only viable option at the moment. There is a possibility in a crisis moment that New Bern may be added on to other bills. After reflecting on the issue, Mr. Davis felt Senate Bill 722 was the solution that the entire state needed. He reiterated for the public that the issue is that one must reside in the ward for which they are running. New Bern knows that it will have to redraw its wards. Citizens will not know if they are qualified to run for office because they will not know in which ward they will be. Mr. Davis recommended that the Board start in June or early July reflecting on and thinking through how wards may look once they are redrawn. He suggested using “housing starts” as a good proxy for population. When numbers come out in late August, the lines can be adjusted.

Alderman Bengel asked for confirmation that filing would open in July. Mr. Davis said it would, although there would not be an election in October. Alderman Bengel asked if the Board had an appetite to join Trent Woods or River Bend’s bills to move elections to an even year. At Alderman Best’s request, Mr. Davis confirmed that joining one of those bills would add a year onto the Board’s current terms, and the next Board would only serve a 3-year term. Alderman Aster asked if filing opens in July how long it would stay open. Mr. Davis explained if Senate Bill 722 were to pass, there would be no filing in July; filing would be in the fall.

Alderwoman Harris said she was in support of giving everyone the right to be in their proper ward and vote. She thought the next Governing Board should make the decision on how to proceed with elections going forward. She expressed hope that Senate Bill 722 would pass. Additional discussion on the topic ensued.

12. Consider Adopting a Resolution Approving the Classification Pay Plan for Fiscal Year 2021-22.

Annually, the Board adopts a Classification Pay Plan for the upcoming fiscal year. The Board is asked to consider a resolution approving the plan for FY22. Alderman Best questioned if the 1.4% cost-of-living adjustment would be across board. Mr. Hughes confirmed it would, except for those employees who were on probation.

Alderwoman Harris made a motion to adopt a resolution approving the Classification Pay Plan for Fiscal Year 2021-22, seconded by Alderman Bengel. Upon a roll-call vote, the motion carried unanimously 6-0.

13. Consider Adopting an Ordinance Amending the Schedule of Fees and Charges.

As part of the budget process, the Board annually adopts an Amended Schedule of Fees and Charges to, in part, identify in one place all the fees charged by the City. The fees identified in the schedule are included in the revenue projections for Fiscal Year 2021-22 and will be effective July 1, 2021. Proposed fee changes are data driven by what other cities charge. Jordan Hughes, City Engineer, noted the Water and Sewer fees did not change, but were simply relocated into one subsection.

Alderwoman Harris made a motion to adopt an ordinance amending the Schedule of Fees and Charges, seconded by Alderman Bengel. Upon a roll-call vote, the motion carried unanimously 6-0.

14. Consider Adopting the Budget Ordinance for Fiscal Year 2021-22.

The City Manager presented the proposed budget to the Board on April 27, 2021. A budget workshop was held on May 4, 2021, and a public hearing was conducted on May 11, 2021, although no comments were received. The budget ordinance for FY2021-22 reflects the changes approved by the Board at the workshop, which are the addition of two positions in the Fire Department: a Training/Accreditation Captain and an Office Assistant III. Fund balance will be appropriated to cover the cost of \$143,310 for the positions.

Alderman Bengel said she had spoken with Mary Hogan, Director of Finance about the above changes approved at the workshop. Pointing out the vacancies in the positions of Public Works Director and City Manager, she was curious why the budget was not massaged so that there was no need to tap into fund balance to cover the cost of the approved changes. Mrs. Hogan explained that she would not move funds from fund balance until needed, and savings should be identified that will eliminate the need to use fund balance. She confirmed the Interim City Manager's salary would be drawn from Administration instead of Parks and Recreation. Fund balance was predicted to be around 50% once FEMA funds are received. The state's requirement is that fund balance be at least 8%, although the City has a policy to maintain fund balance between 25-35%. At Alderman Odham's request, Mrs. Hogan explained how the auditors would capture the FEMA

expenditures and reimbursements. Alderman Odham asked Mrs. Hogan if she would consider financing Stanley White Recreation Center and using the FEMA funds to pay off other high-debt loans since the building could be financed much longer than items such as vehicles. Mrs. Hogan said that could be considered, especially since interest rates are low and it is a good time to borrow. However, FEMA may have some restrictions or requirements with respect to how the City uses its funding.

Alderman Aster announced a FEMA meeting took place earlier in the day, and the City would be applying for \$4 million. Mrs. Hogan expected to have about \$2 million of that in hand by June 30th, and the other \$2 million should be submitted to FEMA and reflected as an accounts receivable. Alderwoman Harris noted the Governor was supposed to be setting money aside in preparation of hurricane season. Alderman Aster said the problem has not been getting money from the State of North Carolina; the issue has been getting the funds from FEMA.

Alderman Aster made a motion to adopt the budget ordinance for Fiscal Year 2021-22, seconded by Alderwoman Harris. Upon a roll-call vote, the motion carried unanimously 6-0.

15. Consider Adopting a Resolution Approving a Consulting Agreement with Old North Strategies.

A motion was passed at the May 11, 2021 meeting directing the Interim City Manager to negotiate a contract with Old North Strategies. As a result, an agreement for consulting and legislative advocacy services is proposed at a cost of \$12,500 per month for the period of May 25, 2021 through December 31, 2021.

Alderman Odham made a motion to adopt a resolution approving a consulting agreement with Old North Strategies, seconded by Alderman Aster. Upon a roll-call vote, the motion carried unanimously 6-0.

16. Consider Adopting an Ordinance Amendment for Chapter 54 - Personnel.

An amendment to Chapter 54 of the Code of Ordinances was proposed with respect to employees serving in an interim basis. The revision will prevent any supervisory authority or influence over an immediate family member who is an employee.

Alderman Aster made a motion to adopt an ordinance amending Chapter 54 - Personnel, seconded by Alderman Best. Upon a roll-call vote, the motion carried unanimously 6-0.

17. Consider Adopting a Resolution Approving a Change in the Police Department's Standard Operating Procedures.

The Police Department sought a change in its standard operating procedures to permit officers to display tattoos while in uniform. Chief Gallagher explained the current policy prohibits tattoos. Although a policy change is desired, the policy will

still prohibit offensive tattoos or the location of tattoos on the hand, neck, or head. Some of the benefits associated with this change include mitigating the effects of long sleeves in the summer heat and the ability to recruit, retain and boost morale. Chief Gallagher felt a change was in the best interest of the officers and the community. The proposed policy is like that of other agencies and the US Marine Corps.

Alderman Odham asked about the policy regarding beards and why facial hair is not allowed. Chief Gallagher said he was not in support of facial hair because it does not allow officers to wear necessary breathing apparatuses. Additionally, it would be more difficult to regulate since not all facial hair is the same. With many so variations, it would be difficult to have a uniform policy. Alderman Aster pointed out there are OSHA issues with facial hair and respirators.

Alderman Aster made a motion to adopt a resolution approving a change in the Police Department's standard operating procedures, seconded by Alderman Bengel. Upon a roll-call vote, the motion carried unanimously 6-0.

18. Consider Adopting an Ordinance to Establish the Other Post-Employment Benefits Fund.

The State Treasurer's Office requires that each municipality attempt to fund their Other Post-Employment Benefits liability. In the future, the State will consider the efforts of each municipality in this regard when they are approving applications for debt. It was recommended that \$100,000 be used to establish the fund and that effort be made to add additional funding each year. Mrs. Hogan stated the City's current exposure as of today is over \$30 million. That is based on calculations that every current employee will stay employed with the City and work for a full 30 years. There will be no restrictions on the fund established.

Alderman Odham asked if the company that performs the City's salary study could also review the City's current exposure as part of their scope of work. Mrs. Hogan stated the company was already involved in analyzing the liability, and she thought they were the ones to provide the \$30 million estimate. She also noted that eventually, a trust account should be created for this fund, and at that time the funds would be restricted.

Alderman Bengel made a motion to adopt an ordinance to establish the Other Post-Employment Benefits Fund, seconded by Alderman Aster. Upon a roll-call vote, the motion carried unanimously 6-0.

Note: Items 19 and 20 were voted on collaboratively as noted under Item 20.

19. Consider Adopting a Resolution Accepting the American Rescue Plan Funding.

The City will receive approximately \$6,704,351 from the American Rescue Act. It is necessary to adopt a resolution to accept the funds.

20. Consider Adopting an Ordinance to Establish the American Rescue Plan Fund.

As indicated in the previous item, the City will receive \$6,704,531 from the American Rescue Act over a 12-month period beginning May 2021. There are very specific requirements and guidelines for how the funds can be used, and all expenditures must occur by December 31, 2024. This ordinance will create the American Rescue Plan (“ARP”) Fund to account for the revenues received from the federal government and associated expenditures.

Alderwoman Harris made a motion to adopt a resolution accepting the American Rescue Plan Funding and an ordinance to establish the American Rescue Plan Fund, seconded by Alderman Best. Upon a roll-call vote, the motion carried unanimously 6-0.

Note: Items 21 and 22 were voted on collaboratively as noted under Item 22.

21. Consider Adopting an Ordinance to Establish the 2021 Electric System Capacity Improvement Project Fund.

The City’s electric system is at full capacity during peak loading conditions. Staff has studied the matter in great depth with the help of outside consultants and has developed a plan to increase the system capacity. The plan is expected to cover a 20-year growth forecast and will cost an estimated \$10 million. While the project will be financed, preliminary expenses such as engineering, design, land acquisition, etc. are estimated at \$500,000. Thus, it was requested a project fund be created.

22. Consider Adopting a Resolution Approving a Declaration of Intent to Reimburse for the 2021 Electric System Capacity Improvement Project.

In conjunction with the previous item, the Board was asked to adopt a resolution approving a Declaration of Intent to Reimburse the costs associated with the electric system capacity improvement project. IRS regulations require that a declaration be adopted prior to or within 60 days of payment of expenditures that are to be reimbursed.

Alderman Harris made a motion to adopt an ordinance to establish the 2021 Electric System Capacity Improvement Project Fund and a resolution approving a declaration of intent to reimburse for the 2021 Electric System Capacity Improvement Project, seconded by Alderman Best. Upon a roll-call vote, the motion carried unanimously 6-0.

23. Appointment(s).

Alderman Bengel made a motion to reappoint Corinne Corr to the Community Development Advisory Committee, seconded by Alderwoman Harris. The motion carried unanimously 6-0. Mrs. Corr will serve a three-year term to expire on June 30, 2024.

Alderwoman Harris made a motion to reappoint Carol Williams to the Community Development Advisory Committee, seconded by Alderman Odham. The motion carried unanimously 6-0. Ms. Williams will serve a three-year term to expire on June 30, 2024.

Alderman Aster made a motion to reappoint Marshall Williams to the Community Development Advisory Committee, seconded by Alderwoman Harris. The motion carried unanimously 6-0. Mr. Williams will serve a three-year term to expire on June 30, 2024.

Alderman Odham made a motion to reappoint Lindsay Best to the Community Development Advisory Committee, seconded by Alderman Bengel. The motion carried unanimously 6-0. Ms. Best will serve a three-year term to expire on June 30, 2024.

24. Attorney's Report.

The City Attorney had nothing to report.

25. City Manager's Report.

- The renovations at City Hall are progressing. However, the facility may not be ready for the June 8, 2021 Board meeting. Mr. Hughes asked the Board to consider a motion to change the location of that meeting to West New Bern Recreation Center. Alderwoman Harris suggested that all meetings in June be moved. Alderman Bengel conveyed that the carpet was being installed in the courtroom, but furniture would need to be put back in place and the Mayor would like to have the quality of air addressed. Alderwoman Harris made a motion to hold all the Board's June meetings at West New Bern Recreation Center, seconded by Alderman Bengel. The motion carried unanimously 6-0.
- Mr. Hughes asked if there was any interest in rescheduling the work session to discuss bond financing of capital improvement projects and to discuss the ARP funding and how it could be spent. Alderwoman Harris made a motion to hold a work session on June 15, 2021 at 6 p.m. at West New Bern Recreation Center to discuss the ARP funding and bond financing, seconded by Alderman Best. The motion carried unanimously 6-0.

26. **New Business.**

Alderman Harris

The Greater Duffyfield Residents Council was recognized and thanked for their recent clean-up projects. The Council sent a letter to the Governing Board asking that a room at the Stanley White Recreation Center ("SWRC") be named in their honor and dedicated for their meetings. Alderman Harris expressed a desire to discuss this at the appropriate time. Alderman Bengel suggested the SWRC Advisory committee make a recommendation to the Board with respect to the request.

With the assistance of the Public Information Officer, an interview was filmed today for a segment of "This Week from City Hall" to highlight the upcoming Juneteenth event.

Alderman Bengel

An update on the elevator project was requested. George Chiles, Interim Director of Public Works, stated MBF Architects were working on schematic drawings and going through the Historic Preservation Commission's review process. Within the next nine months, contractors should be selected. Mr. Chiles stated he would forward an updated schedule to the Board.

Alderman Bengel expressed concern about liability at the Days Hotel property and suggested the Board address the topic. She proposed the front of the property be roped off to keep people out and possibly lease the back area for parking. In the short term, Alderman Odham felt the City should address the issues, but he also voiced the need for the City to look at long-term plans for the property. He asked Mr. Ruggieri if the property was being marketed. Mr. Ruggieri said the Redevelopment Commission had been tasked with vetting the development of the property, but not marketing it. The Commission has had multiple meetings with two developers. Alderman Harris suggested a waiver be created for people to sign when using the property. She noted the site was the perfect spot for some of the community events, such as Juneteenth. Alderman Aster said the property needed to be marketed and sold as soon as possible because it had been sitting vacant long enough.

At the next meeting, Alderman Bengel requested an agenda item to talk about the property that is going to be moved (i.e., "Gaston House"). She expressed a desire to give the house to the Redevelopment Commission and let them move it. A discussion is also needed about the movement of the Black Swan House and Pete and Nikki's building. Alderman Odham noted the City had received an offer for the restaurant. Mr. Davis clarified that the offer was to buy the personal property, which is the building only. Such a sale would have to be through a sealed bid auction. Or, City staff could prepare a scope of work to demolish or remove the structure from the property, and the best offer will be considered. Mr. Davis stated he would work with the Interim City Manager and staff to produce recommended options for all three properties. Noting the structures were situated on land that was purchased for the relocation of SWRC, Alderman Harris asked if the proceeds from the sales would go toward SWRC. Alderman Odham and Mr. Davis expected the removal of the structures to be an expense, not a profit situation. Alderman Aster announced SWRC would come out of the Office of Chief Counsel's office on June

7, 2021, and then go to public comment for 30 days. Thus, there is a need to move quickly.

Alderman Odham

Hatteras Yachts was acquired by the company that owns Bass Pro Shop. There are a lot of rumors of a Bass Pro Shop coming to New Bern, which are not true. Incremental jobs will be added at Hatteras. Alderman Bengel thanked Johnnie Morris, owner of Bass Pro Shops, for investing in Hatteras and the community.

27. Closed Session.

A closed session was not needed.

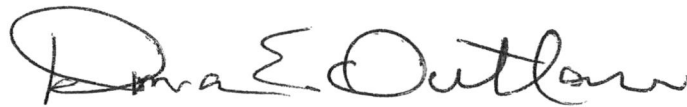
28. Adjourn.

Alderman Aster made a motion to adjourn, seconded by Alderwoman Harris. The motion carried unanimously 6-0, time being 7:41 p.m.

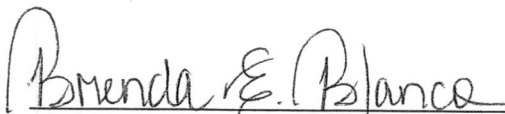
The attached documents are incorporated herewith and are hereby made a part of these minutes.

NOTE: For additional details and information on the Board of Aldermen meetings, please visit the City of New Bern's website at www.newbernnc.gov. Video and audio recordings of the meeting have been archived.

Minutes approved: June 08, 2021



Dana E. Outlaw, Mayor



Brenda E. Blanco, City Clerk