

**City of New Bern
Board of Aldermen Work Session
October 23, 2018 – 4:00 p.m.
City Hall Courtroom
300 Pollock Street**

Roll Call: Present: Mayor Dana Outlaw; Aldermen Sabrina Bengel, Jameesha Harris, Robert Aster, Barbara Best, Johnnie Ray Kinsey (arrived at 5:41 p.m.) and Jeffrey Odham. Absent: None. A quorum was present.

Also in Attendance: Mark Stephens, City Manager; Michael Scott Davis, City Attorney; and Brenda Blanco, City Clerk.

Mayor Outlaw opened the meeting with prayer. The pledge of allegiance was recited. Mr. Stephens announced FEMA had provided an American Sign Language Interpreter to assist with communication. Since there were no citizens in the audience who indicated a need for these services, the interpreter faced the camera for the benefit of the home audience.

Mayor Outlaw stated the Board called this work session as a means of continuing to communicate with the public about the hurricane and because of questions posed and things the Board is hearing. He then opened the floor to comments by members of the Governing Board. Alderman Bengel reiterated the Board's desire to work with the citizens, not against them. She thanked Nelson McDaniel for his leadership and reaching out to the Board with a list of questions. She then introduced Maria Figueroa, the Intergovernmental Affairs Specialist from FEMA. Ms. Figueroa explained her position is to provide information to government officials so they can relay that information to their constituents. The following FEMA subject-matter experts joined Ms. Figueroa:

Bryon Boka, Individual Assistance
Allin Bond, Mitigation
Mildred Hanks, National Flood Insurance Program
Karen Knapik, Small Business Administration
Angela Byrd, Media Relations Specialist
Abby Eichorn and Michael McCloskey, Public Assistance
Bronwen Lee and Joel Carter, Voluntary Agency Liaisons
Iselis Font and Laura Perry, Disaster Survivor Assistance Team

Alderman Aster introduced Mr. Simmons, the Incident Commander for Team Rubicon. Rubicon is still in town and has, as of today, over 126 work orders on the books. Alderman Best thanked the citizens who were in attendance. Before turning the meeting over to the City Manager, Mayor Outlaw announced the Board would have additional work sessions or press conferences, if needed.

1. Discussion of Hurricane Florence Concerns:

Mr. Stephens provided an update on where things stand post hurricane (see document entitled "Press Conference Update"). He sought the Board's input on the suggested date of November 5th as the final pass for picking up storm debris. Noting the normal procedure for picking up debris, Mayor Outlaw asked about FEMA reimbursement for debris pickup. Mr. Stephens replied FEMA would reimburse the City for pick-up and removal of storm-related debris. Alderwoman Harris expressed support for the November 5th date. Alderman Bengel encouraged citizens to call the City if they felt debris on their street or in their area had been missed. She also voiced a desire for the deadline to be communicated by social media to ensure citizens are notified. Mr. Stephens stated by announcing the date now, citizens will have two weeks' notice. The Board expressed concurrence with the November 5th date. Mr. Stephens stated the same deadline would be established for construction debris, although mutual aid will remain at least through November 16th to assist with the construction debris.

Mr. Stephens recognized New Bern's sister cities that have provided mutual aid, noting to date the City has received 7,140 hours of mutual aid labor. Mayor Outlaw noted the City is trying to ascertain the number of volunteer hours that have been contributed, as this will assist the City in obtaining grants. He asked for all volunteers, church groups, nonprofits, etc. who have volunteered time to call the City at 636-4000 to report that information.

After Mr. Stephens noted the City had damage to more than 20 buildings, Alderman Bengel asked whether crews would clean up the areas around the municipally-owned buildings. Mr. Stephens stated that is low on the priority list at the moment, but will be addressed. Mr. Stephens pointed out the debris contractor is required to pick up items that are 6" or greater in size. If citizens can assist with raking the smaller items, that assistance would be appreciated. Alderwoman Harris asked if a street sweeper would be utilized, and Mr. Stephens responded one has already been operating.

Alderman Bengel stated she was contacted by Nelson McDaniel regarding a group formed under the name of Citizens Advocating Recovery Education ("CARE"). She read an opening statement provided by the group and stated many work sessions may follow to address the citizens' concerns as well as relay information. She stated the Board will do its very best to discuss the group's questions as they all learn and work together through this process. Mr. Stephens then read the questions posed by the group and answered each one as best as he could. (A copy of the opening statement, list of questions, and responses are attached.) He stated the recovery process will be long term and noted the City still has items it is dealing with from Hurricanes Irene in 2011 and Matthew in 2016. Some issues will linger and take more time to address. With regards to resiliency planning, although it is a priority, it takes a long time and requires input from the public. Decisions about possible needed changes would not take place until after a great deal of study and planning.

Alderman Bengel asked about the possibility of a consultant being called in to assess what has happened, what is needed, and to develop a strategic plan. Mr. Stephens responded it is probably advisable at this point to have a consultant or group come in to look at these things for the purpose of a resiliency plan. Mr. Stephens pointed out he could not comment for the County and that all of his responses are on behalf of the City. He commented Hurricane Florence was the worst storm since 1955 and brought storm surges of 10.5 feet.

With the goal being to close the work session by 5:30 p.m., Mayor Outlaw said there were several experts in attendance who had information to share. He announced that he and Mr. Stephens would be going to Washington DC within the next week to discuss the impact of the storm, and that Mr. Stephens and Alderman Outlaw had met with officials in DC a few weeks back. Mr. Stephens noted all cases of damage are individual situations and are treated on a case-by-case basis. Generally speaking, those with damages should contact Development Services and work through the process, which includes inspection of the property.

One of the FEMA public assistance representatives approached the podium and described his duties. Mr. Stephens again pointed out that each claim would be reviewed on a case-by-case basis and that information would need to be provided as to whether the structure had previously flooded or been damaged. Alderman Aster asked if a decision had been made with respect to individual assistance (“IA”) for raising properties, what the rules were that determined which homes get raised, and how a citizen goes about requesting that assistance. Allin Bond, a FEMA mitigation representative, came forward and explained Hazard Mitigation Grant Program (“HMGP”) funding. She stated that after a disaster there is a pool of money that is paid out, which is determined based on the actual amount of loss during the disaster. That pool of money is available to the State, and it is the State that determines how that money is used. In the past, some areas have been bought out. That process involves property that is bought, structures are demolished, and the space becomes “free space forever and ever; nobody can ever build there again.” The property is then maintained by the County or local government. The State can also pursue something new that is known as demolition reconstruction. Under this method, a home is demolished and the State decides on a certain amount of funding to bring in or build a new home.

(Alderwoman Harris momentarily stepped out of the room at 4:50 p.m.)

The hazard mitigation process involves the municipality submitting a request to the County for the type of action it would like to see for specific property, and the County submits an application to the State. Properties that have been flooded repeatedly will probably be high on the list during the process. The only way a homeowner can actually be considered for hazard mitigation is to make their desire known to the City, and the City follow through by submitting the request to the County. Alderman Aster asked for confirmation that this process uses 404 mitigation funds, and the representative confirmed that was correct. Alderman Aster then pointed out 404 mitigation funds may not be released for 18 months or longer. He recalled it was

around 24 months when that funding was available after Hurricanes Irene and Matthew.

Bryon Boka, the FEMA representative who handles individual assistance, said mitigation funding is not typically used for elevation. However, other programs provide options for elevating a home, such as current flood insurance plans. Another option is having the cost of an elevation built into a Small Business Administration ("SBA") loan. These options are reliant upon eligibility, but the homeowners would not have to wait for funding. Alderman Best asked for additional information on buyouts. Ms. Bond reiterated that residents would need to make their desire for a buyout known to the City, and the City would need to relay that to the County. The County would then have to reach out to the State mitigation representative. Ms. Bond cautioned that an issue with buying out homes is it lowers the tax base and citizens move away. If, however, there is an area that repetitively floods and homes are damaged, it may be desirable to consider that area for buyout. Alderman Best asked about the market value given to a homeowner, and Ms. Bond responded an appraisal would be performed and the tax assessment considered.

Alderman Aster suggested having other meetings that involved the State IA mitigation expert and the FEMA experts in to answer questions. If a citizen desires to be on the list for a buyout, Alderman Bengel asked the City Manager whom they would need to contact at the City. Mr. Stephens said he would be happy to provide a contact, but there is obviously criteria that must be met. He expressed concern about being inundated with people who desire to be bought out when their damage would not qualify. Mr. Boka said part of the criteria is identifying a substantial damage estimate and whether damage is over 50% of the home, if there has been repetitive loss, etc. He stated it is important to understand that the process is one that is agreed upon at the municipal level.

(Alderwoman Harris returned to the room at 4:56 p.m.)

Mr. Boka noted the Board would have to vote on the areas to be considered for buyout and the public would have to agree by referendum. The request would ultimately be submitted to the State, and the State would make a concurrence with FEMA as to which properties would be bought out. It is not a quick process. If the City elects to start maintaining a list of those desiring a buyout, Mr. Boka suggested it first prepare by determining which areas have repetitive loss and the approximate number of homes to be considered. He noted many people wish to have a buyout, but it is not always a feasible process. Additionally, there is a cost share associated with the buyout. Alderman Bengel asked if the buyout process is the same for those who want to elevate their home. Ms. Bond said if the homeowner desires to use HMGP, it is basically the same criteria. Alderman Bengel reiterated if a homeowner lives in a home that is below the City's flood level, which varies on location, and has sustained more than 50% damage, then that homeowner could potentially be eligible to seek FEMA funds to raise their home to the flood level.

Alderman Odham asked whether FEMA has a guide with a flowchart or steps that show the criteria for buyouts and elevation. Ms. Bond stated HMGP personnel from

FEMA are working with the State HMGP personnel to put together a plan. They will hold public meetings to share information on what direction the State is leaning towards. At that time, they will bring information on the criteria. Alderman Odham said it sounds safe to say that no one should expect FEMA to buy his or her house within the next 30, 60, or 90 days. Ms. Bond confirmed that would not happen and that HMGP assistance is definitely a long-term plan. She stated that she is in essence a national flood insurance representative, and she wanted to make sure that people were aware every NFIP flood insurance policy has an increased cost of compliance clause. This provides an additional \$30,000 that may be used toward elevation or demolition for those with a home that is over 50% substantially damaged and located within a special flood hazard area. As a side note, she commented 58% of claims in Craven County have been completed.

Mayor Outlaw noted November 13th is the deadline to register with FEMA for individual assistance. Ms. Bond pointed out those with flood insurance have a year to file a claim on their insurance. For residents with substantial damage who had flood insurance, Alderman Aster asked about tapping into the \$30,000 from their insurance to bring the home into compliance and then applying for an SBA loan. He stated it was his understanding if someone received 51% damage to their home, the homeowner could apply through the SBA to refinance the home and include funds for repairs at a 2% interest rate. Karen Knapik with the SBA said there is mitigation money of an additional 20% of the disaster damage figure and there is a refinancing option. Alderman Aster said a homeowner with flood insurance who has applied for FEMA could collect from both of these sources, as FEMA is quick to issue funding to tear out sheetrock, etc. to stop the mold. The homeowner then could apply for a 2% interest loan through the SBA to make repairs or elevate the home, or they could refinance the home through the SBA for 30 years and there would be a year's time before one would have to begin paying the loan. Mr. Stephens noted not everyone would qualify for the SBA loan, but they would need to apply to find out if they do. Alderman Aster stated the SBA is quick to respond, but one has to file through FEMA before they can go through the SBA.

Alderman Best announced many of her constituents want to be included in a buyout. She asked Ms. Bond when a timeframe might be available to the citizens. Ms. Bond suggested contact be made with the State mitigation representative and the County. Acknowledging that is a huge concern for citizens, Mr. Boka clarified those with flood insurance should tap into their flood insurance. This insurance is there to help repair the home, and the increased cost of compliance can pay to elevate the home. Thus, there is no reason for those citizens to wait for additional funding. Those without insurance could be eligible for FEMA assistance, which is not designed for elevation of homes. In looking at buyouts, it is important to understand the constituents who wish for their home to be purchased must go to City with that request. The City then must submit it up. Money that is used for buyouts comes from the State, which is granted through FEMA; FEMA does not issue checks to homeowners. The State then issues funds to the County and local government to make decisions about the buyouts. Local government must come to a vote about the areas that should be bought out. Those decisions are then submitted up and made at the State level with

FEMA. From there, funding is sent back down to the local level. The process can take some time.

Alderwoman Harris said a lot of the information is confusing. She suggested this information should be documented and distributed to citizens via social media, etc. Mr. Boka agreed a separate meeting is a good idea to explain the whole process. Alderman Bengel said this brings her back to the idea of potentially bringing in a consultant to do an assessment, and from that assessment have public meetings to obtain public input and then define a strategic plan or process for immediate steps and future steps to protect the community from this happening again.

Alderman Aster pointed out once the mitigation money is open, it is available to everyone in the State, even areas not affected by Hurricane Florence. Don Baumgardner, Director of Planning and Inspections for Craven County, said out of 100 homes that were being considered for buyout as a result of Hurricane Irene, six of those homes were actually bought out. No homes have yet to be raised from Hurricane Irene. Alderman Aster stated this is an example of how slow the process is. He suggested citizens attempt to fix their homes before thinking about a buyout.

Hearing that this will be a long process, Alderman Best asked about the citizens who cannot live in their homes and in what timeframe FEMA will be providing temporary housing. The first gentleman from FEMA who spoke earlier in the meeting stated one aspect that has been overlooked is the need for engineering services. He stated it is not just a choice as to whether someone wants to continue to live in the same place or sell his or her home. Whenever HMGP is involved, engineers look at the City as a whole and the neighborhood flood zones. As an architect himself, he stated life safety of the community is foremost. In response to Alderman Best's question, Mr. Boka said the first step is to have individuals register with FEMA at 1-800-621-3362 or by going to FEMA.gov to register, even if they have insurance. Transitional sheltering assistance ("TSA") has been provided for Craven County, which allows individuals to stay in a hotel until they can return to their homes. Rental assistance is being provided and typically comes in the format of fair-market value for the first two months' rent. It is given in a lump sum and will cover a deposit and first month's rent. If there is a continued need, citizens can apply for continued rental assistance after the first month. They will have to identify their pre-disaster and post-disaster costs. Direct housing consists of manufactured housing units ("MHU") and travel trailers ("RV"). An individual's level of damage and other FEMA criteria will determine what assistance someone can receive. FEMA will reach out to individuals to determine their status and whether they are eligible to occupy one of the direct-housing units. Teams have already been out in the field to determine the viability of private sites and parks. Private sites that cannot facilitate a MHU or RV will be referred to a private park. Alderman Bengel said the thought is Craven County will not be receiving any of these units because television showed the units located in Kinston. She clarified the units are in Kinston because they are being housed at the Global TransPark, which is the staging area for FEMA. FEMA, not the City or County, will determine who receives a temporary home.

Mayor Outlaw called Nelson McDaniel to the podium. Mr. McDaniel stated this work session has been very helpful, and he agreed this should be the first of many meetings. He said the concern is to make sure as frustration continues, the community does not become divided and that recovery is handled in a coordinated and well-guided fashion. From his point of view, there was still one question that continued to be important and which had not been answered. He said it was his assumption the City and County governments were operating at full capacity prior to the disaster. From what he heard today, there will be a tremendous amount of additional burden put on staff. So that lends to the question of whether additional staff should be hired to address questions and issues, or whether current staff has the capacity to do that. He asked who would be the go-to person. Mayor Outlaw said generally speaking when procedurally running the City, the Manager will approach the Board with recommended staff changes. From there, the Board makes policy and the City Manager executes it. Mayor Outlaw stated the Board understands that 18 months down the road is too late for the Board to expedite things for the public. The public needs things done now, and the Board knows that. Alderman Bengel said she wanted there to be someone who could direct citizens to the right place when they call and assist them with finding answers. This person would be in addition to a consultant who would assess the situation, determine what direction is needed, and then a formal strategic plan put in place. The strategic plan would need to include input from citizens.

While the resources were present, Alderwoman Harris suggested the creation of a standard operating procedure with an identified chain of command and a list of questions. She questioned whether it was advisable to spend money on a person to field calls when current staff may be able to do that. She suggested the money may be better spent on a consultant who would assist with claims. Alderman Best agreed the citizens needed a contact person, but knowing it will be a lengthy process, her main concern was the need to provide temporary homes for those who do not have a home to go back to and cannot afford to repair their homes. Alderman Aster said after the last two hurricanes, all of the Department Heads were busy doing project worksheets. Now that the City has hired a consultant to take on that workload, Department Heads should be available to handle the citizens' requests. One of the most important things anyone can do when a citizen calls is to treat them as a customer and return their phone calls when they leave a message. Alderman Aster asked Mr. Stephens whether Department Heads were overwhelmed and if an additional staff person was needed. Alderman Bengel stated that before the City Manager answered that question, she wanted to clarify she was suggesting one person that citizens could call and that person be able to direct them based on their needs. Alderwoman Harris suggested constituents call their elected official, who can reach out to the City Manager regarding their needs. Alderman Bengel stated she was not trying to spend money, but wanted to provide service. Alderwoman Harris stated she did not feel there was a need for a call center. Alderman Best pointed out the City already has a switchboard operator who can direct the calls, and Alderwoman Harris and Alderman Aster agreed. Alderman Aster stated if the switchboard did not know how to refer a call, the operator could refer the call to the City Clerk, who would certainly know.

In response to the question about the Department Heads workload, Mr. Stephens stated he would first like to talk to his staff. It appears most have returned to normal operating duties, but there are some who may be burdened more than others may. Mr. Stephens further stated if a decision is made to establish one contact person, then he suggested a specific phone number be established for disaster recovery. It was his feeling that it would be impossible to have one person who could address all of the questions and concerns that are presented, and he noted how many FEMA personnel were in attendance to address the different scenarios presented this evening. The situation is robust and cumbersome and must be addressed on a case-by-case basis. He again stressed the importance of citizens first contacting FEMA. The City can only address what it has internal control over, and its first response to any citizen will be to ask if they have contacted FEMA. There are so many variables, and to have one person answer all questions is impossible. The City can have a number set up or utilize the number that it has now to take calls and answer questions or direct citizens to the appropriate resource.

Mr. McDaniel stated the FEMA experts talked about county and city responses, and he wondered if there were people in place who could expeditiously follow the process of getting the needed help. He cited concern of possibly missing a window of opportunity and being in line behind other cities or counties. He stated the question is not only about providing customer service, but whether the capacity is available to assist with the recovery stage, which is different from the relief stage. He asked if the City has the ability to be at the door of all state and federal agencies as quickly as possible with all information needed to expedite the process. When the window of opportunity opens, he expressed a desire for New Bern to be the first one at the window or near the front of the line. Alderman Aster responded the City has successfully completed that task on several prior hurricanes. He explained the State notifies the county when mitigation funds are available. The County's Director of Planning and Inspections then usually notifies the City's Director of Development Services, Jeff Ruggieri. By that time, the City will be aware of the properties that have received the heaviest damage. The City then passes that information (names and addresses) to the County for submission to the State. In the past, the City has been successful in getting its share of mitigation funds. This past week, Mr. McDaniel stated his committee was told by a top official in GOAD that after Hurricane Matthew there were approximately 600 applications; after this storm, to date there are over 9,000 applications. In his judgment, Mr. McDaniel said this storm surge was much worse than that experienced during Hurricane Ion. He suggested the City is at a completely different level of need due to this being a much larger event. He still questioned whether staff that are already performing a fulltime job have the time and ability to take on this issue and get all of the needed answers.

Mayor Outlaw asked Mr. Nelson and the group to write down questions not yet addressed, stating maybe those questions could be addressed in the regular meeting at 6 p.m. under new business. He also asked for an ad hoc group of three to four people who could be kept in the loop as far as the City's information from FEMA and who may be available to go to Development Services for updates. The Mayor said the City will continue to keep the door of communication open and will try to improve upon the process.

Alderman Odham noted the Governing Board just today received the questions from the CARE group, and the City Manager did a good job of trying to provide answers. Alderman Odham recommended Mr. Stephens share his answers with the group, let them digest the information and then come back with any other questions. It is also important to delineate the responsibilities of the City and the County versus the federal organizations. He expanded to say there is misconception that the City is supposed to be taking on certain tasks that are not its responsibility. He thought it would be ideal to provide information on the process and what responsibility each entity holds.

(Alderman Kinsey arrived at 5:41 p.m.)

Mr. McDaniel said the CARE group wants to go on record to say they would support in every way possible those who are trying to address the problems. Mr. McDaniel said the group did not want frustration to turn to anger. After the disaster of the Great Fire, decisions were made at City Hall that exacerbated racial tensions that the City still suffers from today. Mr. McDaniel expressed a desire to be part of decisions that pull people together and build bridges.

(Alderwoman Harris left the meeting at 5:42 p.m.)

It is in that spirit the group is trying to work, not a spirit of dividing. CARE's meetings are open to the public. Alderman Bengel voiced thanks to the citizens for their involvement.

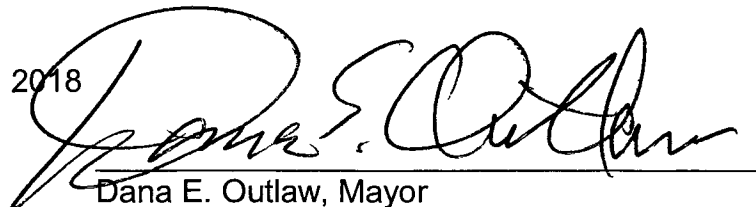
2. Adjourn.

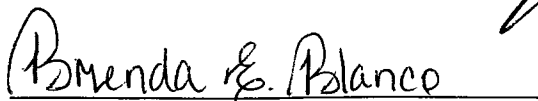
Alderman Odham made a motion to adjourn, seconded by Alderman Kinsey. The motion carried, time being 5:43 p.m.

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: November 13, 2018


Dana E. Outlaw, Mayor


Brenda E. Blanco, City Clerk