

TOWN OF COATS
Board of Commissioners
Thursday, January 12, 2023
Official Minutes

The Town of Coats Board of Commissioners met in regular session on Thursday, January 12, 2023 at 7:00 p.m. in the Board of Commissioners' Meeting Room at Coats Town Hall.

Members Present:

Mayor Chris Coats
Commissioner Marc Powell
Commissioner Kelvin Gilbert
Commissioner Shirley Allen
Commissioner Allen Mosby

Staff Present:

Nick Holcomb, Town Manager
Connie Lassiter, Finance Director/Town Clerk
Al Bain, Town Attorney
Ken Storicks, Police Chief
Rodney Pleasant, Public Works Director

Members Absent:

Mayor Pro-Tem Jerry Beasley

I. CALL TO ORDER

A quorum being present, Mayor Chris Coats called the meeting to order at 7:00 p.m.

Mayor Coats delivered the invocation and led those in attendance in the Pledge of Allegiance.

RESOLVED, to approve Agenda.

MOTION BY: Commissioner Marc Powell, SECOND BY: Commissioner Shirley Allen
APPROVED: 4-0, unanimously approved

II. CONSENT AGENDA

- A. Approval of Minutes – December 8, 2022
- B. Approval of Attorney Bill – Services Rendered December 1-31, 2022

RESOLVED, to approve Consent Agenda.

MOTION BY: Commissioner Kelvin Gilbert, SECOND BY: Commissioner Allen Mosby
APPROVED: 4-0, unanimously approved

III. PUBLIC FORUM

Mayor Chris Coats opened the Public Forum.

Brian Turlington of 1117 S Lincoln St, Coats NC expressed his appreciation to the Town Commissioners and Town Manager for the recent purchase of land and stated that it was needed and hoped for more parks and recreation uses and something for the kids. Mr. Turlington informed the Board that there was a

problem with speeding vehicles on Lincoln St which made it dangerous for farm equipment and horse trailers to pull out in his area. Mr. Turlington asked that blue lights be put on to help slow them down.

Mayor Chris Coats closed the Public Forum after hearing no one else.

IV. PRESENTATION

A. Water System Capital Improvement Plan

Nick Holcomb, Town Manager, introduced the topic of doing a capital improvement update on the water system with extra emphasis that we put the one million dollar (\$1,000,000) grant to the best use possible. Mr. Holcomb noted that there were more needs than grant money, so three options were created for the Board to consider that come close to the grant amount. Mr. Holcomb invited Mark Lacy of LKC Engineering to expound on the options. **(Reference 1)**

Mark Lacy, Engineer of LKC Engineering, stated that he had looked at the water system using the hydraulic model which was a replication of the whole system in a computer model. The model included information from old studies that had several good recommendations along with the recommendations from a model his company did for the Town in 2013 put together to simulate what kind of benefits and impact it would have as a whole on the system and what would be best to strengthen the system. Mr. Lacy noted that the Town was surrounded by the County water system so there was no need for large expansions outside of the current city limits; and he found no glaring needs related to safety issues or compliance with regulatory issues, so the focus was put on making what the Town had better by replacing some of the smaller diameter lines, closing loops, and infield type extensions in town. Mr. Lacy summarized the following options:

- Option 1 - focus on distribution, replacing some of the older, smaller diameter lines with larger lines to create better flow and pressure
- Option 2 - focus on some distribution and include the AMI meter replacement
- Option 3 - focus on distribution improvements with added focus on projects with potential to promote infield type development

Mr. Lacy commented that all three were good options, but from the prospective of funding the simplest, most straight forward approach would be Option 1. He noted there would be hurdles with requirements and making sure the process the County used to select the meter system and contractors fit in with the funding agency's requirements with Option 2, and conveyed that Option 3 didn't hit the core of system improvements but had some advantages.

Nick Holcomb, Town Manager, added that with Option 3 an advantage might be incentivizing some development with the water line but lacking sewer so not getting the full benefit.

Commissioner Shirley Allen inquired if one option was more necessary than another. Mr. Lacy responded that there were advantages to all of them noting that the first option strengthens the system; and the option with AMI frees up staff from reading meters and leaks can be identified more quickly, but you lose some of the benefit of improving the system and replacing the lines that are old and will need to be replaced at some point. Mr. Lacy voiced from his prospective either Option 1 or Option 2 would rise to the top.

Mayor Chris Coats asked how long any of the projects would take to complete. Mr. Lacy replied that total project time would likely be eighteen months or so with lead times on equipment and material being long for a lot of things and construction time had been stretching out more than it used to. Mr. Lacy recognized that there were time constraints with the grant.

Commissioner Shirley Allen questioned if the grant money had been received, and Town Manager Holcomb informed the Board the grant money had not been received yet.

Town Manager Holcomb expressed that the time constraint was at the top of his mind because although we have until December 2024 to get it under contract, he would like to have it complete before that time. Mr. Holcomb relayed that a rush decision was not needed tonight, but he suggested that the Board not go past next month or March at the latest to make decision.

Commissioner Kelvin Gilbert asked what kind of pressure would be put on other lines when strengthening some of the lines like in Option 1. Mr. Lacy responded as far as normal pressures you would not see an increase in pressure across the board with normal conditions because that's driven by the height of water towers; but if you get in situations where you need a lot of flow for fire protection the system will provide that easier and not have as much of a negative impact on the extremities of the system and people having low pressure.

Commissioner Gilbert inquired if roads would have to be cut and were the cuts figured in the cost of the options. Mr. Lacy acknowledged that some lines were beside roads and some go through roads, but for the most part the lines can run on the shoulder and not have long runs cutting roads. Mr. Lacy confirmed that open cut and patch type of repair cost were included, but if any kind of overlay was done it would affect cost.

Commissioner Gilbert questioned the longevity of the PVC pipe. Mr. Lacy replied that it would depend on how much pressure fluctuates, operating pressure, and soil conditions it can be 50-100 year range.

B. Overview of Next Steps

Town Manager Nick Holcomb asked Mr. Lacy how to move forward when the Board had reached a consensus on the project in terms of getting it done. Mr. Lacy replied that once there is a clear direction on project an application would need to be submitted even if it's an earmark which is purely a formality; then, more paperwork including resolutions would need to be passed and a funding offer and acceptance. As far as reimbursement, a request could be made to be reimbursed on the front end for soft costs such administrative costs. Mr. Lacy added that once that was done the next steps would be going through the design process, permitting and selecting contractor.

Mr. Holcomb asked the amount of time to complete those steps to which Mr. Lacy responded that it would take eight to twelve months.

Commissioner Marc Powell asked Public Works Director Rodney Pleasant how many man hours it took to read meters each month. Mr. Pleasant answered that depending on the weather it took eight to ten hours with four employees.

Commissioner Shirley Allen stated that Option 2 made the most sense to her because it was some of both. Town Manager Holcomb explained that Option 2 was the meter option, and we would

need to figure out how it would be viewed through the grant prospective since it was an item that had not been competitively bid even though there was a good reason.

Mayor Chris Coats reminded the Board that this was not the only way to get the AMI meter project done. Town Manager Holcomb added that the AMI project could be done later with the Town's money, other grants or a loan because we are going to be forced to do it whether it's two or four years from now because at some point the handhelds will die.

Commissioner Allen mentioned the increase in cost for meters. Town Manager Holcomb stated that the price of the meters remained the same, but the install cost had increased in the past eighteen months.

Commissioner Kelvin Gilbert suggested that a work session would be good because it was a lot to think about to make a decision tonight with all the options sounding possible to do.

Town Manager Holcomb recommended to table until the February meeting and proposed having a short work session just prior to the meeting. Mr. Holcomb mentioned that he would follow up on some of items such as how the water meter part would be viewed; Public Works would continue to investigate South Street; he and the attorney would continue to follow up on the contract and what that price might actually be because it had been discovered that the \$400,000 might be closer to \$475,000 based off the number of meters and how we've grown plus larger meters than thought and irrigation meters that had not been counted.

RESOLVED, to table until 6:00pm on February 9.

**MOTION BY: Commissioner Shirley Allen, SECOND BY: Commissioner Kelvin Gilbert
APPROVED: 4-0, unanimously approved**

V. NEW BUSINESS

A. Budget Amendment – N McKinley Land Purchase

Nick Holcomb, Town Manager, informed the Board that with fees, deed recordings and closing costs the amount came to \$111,842 and the simplest way was to pull from fund balance.

Mr. Holcomb mentioned a fee schedule would need to be set for rental use and that he would create one for the Board to approve at the next meeting. He urged the Board to let him know of any ideas they had for use of property in addition to the ideas he had already mentioned. Plans now are working with Town staff to get grass established so it looks nice when spring comes around so people will see a landscaped area.

Commissioners' discussion included setting fee for advertising signs on the property and getting input from citizens on uses by publicizing on Facebook and having a meeting for citizens' ideas like we had for the Downtown Streetscape.

RESOLVED, to approve the budget amendment as presented.

**MOTION BY: Commissioner Allen Mosby, SECOND BY: Commissioner Marc Powell
APPROVED: 4-0, unanimously approved**

B. Closeout Capital Project – Old Shop Building Renovation

Nick Holcomb, Town Manager, informed the Board that all work had been completed and expenses paid.

RESOLVED, to closeout capital project for the old shop building renovation.

MOTION BY: Commissioner Marc Powell, SECOND BY: Commissioner Shirley Allen
APPROVED: 4-0, unanimously approved

C. 2023 Calendar of Events

Nick Holcomb, Town Manager, reminded the Board of the Chamber Calendar of Events and Street Closure Request that was included in the agenda packet and stated that they could approve not just the street closures but also approve the events for the year so they wouldn't have to be voted on individually. He mentioned that it would also be helpful with the new UDO because these events had food trucks and vendors that wasn't discussed under the old UDO. Mr. Holcomb mentioned that the only other non-Town and non-Chamber event using public facilities that he had been approached with was the Harnett County Run Club License to Fly 10K on Saturday, May 13 and that event did not require street closures. (Reference 2)

Tricia Bristow, Coats Chamber of Commerce Director, expressed her appreciation to Board on the purchase of the N McKinley property. Ms. Bristow informed the Board that the Farm to Table event had been listed on the calendar of events with two different dates but the date for the event was now confirmed to be held on October 24.

Ms. Bristow noted that the Christmas events had been moved to a Tuesday to prevent conflict that happened this past year. Ms. Bristow stated excitement was growing about Heritage Day which would be a great joint effort between the Town, Chamber and Musuem; and she mentioned that she was working to move the awards banquet from outside to Triton.

Commissioner Shirley Allen expressed that she hoped the Christmas tree lights would stay on for the whole season next year. Ms. Bristow announced that there were families that had shown interest in providing a new tree topper and purchasing commercial grade lights as well as talks about putting ornaments on the tree.

Commissioner Allen Mosby asked Police Chief Ken Storicks if he had any concerns. Chief Storicks voiced that the 7 a.m. parking lot closure was excessive for the Crank Up Coats events and suggested closing around lunch time and putting a cone up with a sign announcing time of closing.

Commissioner Marc Powell asked about rain dates. Ms. Bristow said typically events are rain or shine events because the way the calendar falls it doesn't always allow to reschedule events. Town Manager Holcomb suggested that since the Board would have already approved the event to let him work out the closures with Ms. Bristow and Chief Storicks if event was rescheduled.

Commissioner Allen Mosby suggested closing the parking lot for the Crank Up Coats events at noon. Ms. Bristow stated that she would be fine with closing the parking lot as late as 1 p.m.

RESOLVED, to approve the calendar of events as presented with the change of closing the parking lot for Crank Up Coats events from 7 a.m. to 1 p.m.

MOTION BY: Commissioner Allen Mosby, SECOND BY: Commissioner Kelvin Gilbert
APPROVED: 4-0, unanimously approved

D. Ferguson AMI Water Meter Contract

Nick Holcomb, Town Manager, informed the Board that the contract was for informational purposes only, but the contract would be required if the Board chose Option 2 of the proposed Water System CIP. Town Manager Holcomb recounted that the project had been discussed since March 2021 when Harnett Regional Water began to implement AMI and offered Coats the ability to piggyback off of their software, towers and billing effectively cutting in half an 800 to million dollar project which made it attractive; and he commented that really the only reason it was not already in place is due to supply chain issues that had pushed Harnett County back on completion as they were currently only about 75 percent complete.

Town Manager Holcomb conveyed that now that the Board had heard from the engineer and seen the Capital Improvement update it was necessary to weigh if the AMI was the best project compared to some of the other projects as to how soon we proceed. Mr. Holcomb expressed that it was a complicated project with a lot of things that would have to come together such as getting a more exact number of meters and sizes needed to Ferguson for install and Sensus for meters and coordinating with Harnett County on technology.

Mr. Holcomb mentioned that Attorney Al Bain had reviewed the contract and had minor concerns and some substantial concerns related to the terms of sale which had been relayed and noted that he received word today they are willing to make changes to resolve most of the minor concerns putting the contract to being closer to ready to ask the Board to approve.

Mr. Holcomb noted that Ferguson had not raised meter prices, but there was a price increase of about \$12,000 from August 2021 to December 2022 on labor and install.

Mr. Holcomb emphasized that this was the project that we would do no matter what CIP option was chosen because it would have to be done; the handheld days are numbered and we are dependent on Harnett County for reading and billing and being so interconnected with them it makes sense to do it as well as being a more inexpensive project than doing it ourselves. Mr. Holcomb went on to say that he believed the LGC would allow a one-time transfer from General Fund to Water Fund so that the ARP funds for salaries in the General Fund could be used to pay for it.

Commissioner Kelvin Gilbert expressed concern with additional cost if project is delayed. Commissioner Allen Mosby added the project was a top priority because the cost savings was a big factor and getting online would save man hours. Commissioner Marc Powell inquired as to whether or not waiting another month would make a difference and if the Board needed to make a decision tonight. Town Manager Nick Holcomb responded that he felt it was important for the Board to hear the timeline that was presented on the options; but even if they voted tonight, it would very likely be a year before a contractor digs dirt. Mr. Holcomb stated that there were still questions about everything needed to get the contract in a position for the Board to vote on and there was still work to do to refine the price for what we need from an inventory standpoint.

Commissioner Allen Mosby asked how much more time was needed on the contract. Attorney Al Bain mentioned an issue with the contract's term of sale and pointed out that if we had a dispute, we would have to sue in Delaware and things like that he felt were objectionable. Mr. Holcomb said it was possible to have by February 9 meeting.

Town Manager Holcomb communicated that he sensed the Board wanted the AMI and leaned toward doing the project as part of the grant. Commissioner Mosby stated and Commissioner Kelvin Gilbert agreed that if putting it as part of the grant was going to delay it, then no; if it helped, then yes. Mayor Chris Coats reminded the Board that there were other ways of funding the project and that Options 1-3 presented tonight were not the only options; there could be an Option 4 created. Commissioners agreed that it could be discussed further on February 9.

VI. MANAGER and DEPARTMENT UPDATES

Nick Holcomb, Town Manager, updated the Board on the following:

- Employee Evaluations needed to be completed and returned at the February 9 closed session meeting.
- Preliminary drainage assessment that had been requested at the last meeting was enclosed in the agenda packet and showed the cost of studying the area to come up with cost of what it would take to fix. **(Reference 3)**
- \$50K Grant from County would be signed tomorrow and should have money within a week; we're steered toward Park Improvement, need to decide exactly what to do at the park; Parks Director has come up with a few ideas and started to get rough quotes; Board will need to decide exactly what to do so work can be put out for bid

Commissioner Kelvin Gilbert asked Police Chief Ken Storicks if there had been anymore issues in the area he recently had to go into. Chief Storicks reported the subjects are no longer living in the house, the house was condemned, and now there was a couple fixing up the house to live in. Chief Storicks added that since then along with the hit at the house around the corner in November that area was pretty much fine for now.

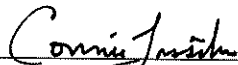
VII. ADJOURN

Mayor Chris Coats called for a motion to adjourn.


RESOLVED, to adjourn.

**MOTION BY: Commissioner Kelvin Gilbert, SECOND BY: Commissioner Marc Powell
APPROVED: 4-0, unanimously approved**

Meeting adjourned at 8:22 p.m.



Connie Lassiter, Town Clerk



Chris Coats, Mayor