

TOWN OF COATS
Board of Commissioners
Thursday, February 8, 2024
Official Minutes

The Town of Coats Board of Commissioners met in regular session on Thursday, February 8, 2024 at 7:00 p.m. in the Board of Commissioners' Meeting Room at Coats Town Hall.

Members Present:

Mayor Chris Coats
Mayor Pro Tem Marc Powell
Commissioner Jerry Beasley
Commissioner Kelvin Gilbert
Commissioner Shirley Allen
Commissioner Allen Mosby

Others Present:

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

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.

Mayor Coats called for a motion to move Section III Consent Agenda before Section II Public Forum and to move Section IV, New Business Item A - Water Systems Improvement Project to follow the approval of Consent Agenda.

RESOLVED, to approve agenda as amended.

MOTION BY: Mayor Pro Tem Marc Powell, SECOND BY: Commissioner Kevin Gilbert

APPROVED: 5-0, unanimously approved

II. CONSENT AGENDA

- A. Approval of Minutes – January 11, 2024 & January 18, 2024
- B. Approval of Attorney Bill – Services Rendered January 1-31, 2024
- C. Review of Financial Statement

RESOLVED, to approve Consent Agenda.

MOTION BY: Commissioner Allen Mosby SECOND BY: Commissioner Jerry Beasley

APPROVED: 5-0, unanimously approved

III. NEW BUSINESS

- A. Water Systems Improvement Project – Recommendation of Award

Clark Maness, WithersRavenal Engineer, went over the history and purpose for the project, recent project updates and discussion of next steps to move forward as follows:

History and Purpose of Project

- Town of Coats received \$1,000,000 in grant funding through American Rescue Plan (ARP) direct earmark in 2022. Grant funding to be spent on needed water work.
- Town staff then worked with consultant to update their Water System Capital Improvements Plan (CIP) to identify the most needed projects that grant money should fund.
- Upsizing of existing 3-inch water main to 8-inch on Railroad Street (from Jackson Street to Pope Street) and 6-inch water main extension along Ida Street (between Jackson Street and Hamer Street) were identified as most needed projects.
- Both projects will provide better fire flow protection, and the replacement along Railroad Street will remove an aging AC water main that has exceeded its service life and is more susceptible to breaking.

| Project Milestone | Deadline |
|---|------------|
| Bid-and-Design Package Submittal (all permits obtained) | 9/11/2023 |
| Bid-and-Design Package Approval | 1/10/2024 |
| Advertise Project, Receive Bids, Submit Bid Information, and Receive Authority to Award from the Division | 4/10/2024 |
| Execute Construction Contract(s) | 5/10/2024 |
| Receive Last Reimbursement (Statutory, not extendable) | 12/31/2026 |

Project Updates

- Design and bid package was approved for bid by NCDWI (funding administrator) on 11/15/2023.
- Project was advertised on 12/13/2023 and the bid opening was 1/18/2024.
- A total of six bidders submitted bid packages before the deadline.
- The two lowest bidders on the project submitted incomplete bid packages and therefore cannot be awarded the project per NC General Statutes and NCDWI requirements.
 - Bidder 1 did not submit the required Non-Collusive Affidavit with their bid package.
 - Bidder 2 did not properly complete MWBE solicitation.

| Town of Coats | |
|---|----------------|
| Water System Improvements (SRP-D-ARP-0282) | |
| Bid Tabulation Summary for Bid Opening on 1/18/2024 | |
| Bidder | Base Bid Value |
| Bidder 1 (Ralph Hodge Construction Co.) | \$1,175,101.40 |
| Bidder 2 (JF Wilkerson Contracting Co.) | \$1,178,000.00 |
| Bidder 3 (TA Loving Co.) | \$1,275,500.00 |
| Bidder 4 (Moffat Pipe) | \$1,393,489.00 |
| Bidder 5 (S&L Contracting) | \$1,506,671.20 |
| Bidder 6 (Busco Contractors) | \$1,620,636.00 |

- WithersRavenel recommended considering value engineering options with lowest, responsive, responsible bidder (Bidder 3).
- Value engineering discussions showed that there are three options to move forward:
 - Option 1: Award the project to Bidder 3 for the full scope of work as designed and bid.
 - Option 2: Award the project to Bidder 3 with a reduced scope of work by completely removing the work on Ida Street from the schedule of values.
 - Option 3: Award the project to Bidder 3 with a reduced scope of work by selectively removing the installation of certain valves, hydrant assemblies, and asphalt re-surfacing from the schedule of values (Ida Street and Railroad Street would both be completed).

- Recommendation is that the Town proceed with either Option 1 or Option 2 as the Town budget allows.
- Option 3 is possible, however, it is not recommended to reduce the number of valves and hydrants available for Town use in the future, as it will make future work on the water system more difficult and expensive.
- With Option 1, all proposed project work would be completed but Town staff estimate that approximately \$133,000 from the Water Fund would be required for the meter project.
- With Option 2, the project would not require money from the Water Fund, but Ida Street extension would not be completed.

| Description | Option 1 | Option 2 | Option 3 |
|--|-------------|-------------|-------------|
| Estimated Final Cost of Construction = | \$1,213,223 | \$1,057,841 | \$1,152,770 |
| Engineering Fee = | \$163,250 | \$163,250 | \$163,250 |
| Estimated Total = | \$1,376,473 | \$1,221,091 | \$1,316,020 |
| Total Grant Budget = | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| Estimated Over Grant Budget | (\$376,473) | (\$221,091) | (\$316,020) |
| Transferred from ARPA Grant Project to Water Fund Balance on 5/11/2023 | \$665,513 | \$665,513 | \$665,513 |
| 5/11/23 Transfer Still Available for AMI Meters | \$289,040 | \$444,422 | \$349,493 |

Next Steps

1. Select Option and resolve to tentatively award project to Bidder 3 under Option 1, or resolve to formally complete value engineering with Bidder 3 under Option 2.
2. Submit bid review package to NCDWI for review to receive Authority to Award (ATA).
3. Approve ATA and award to bidder at March Council Meeting.
4. Submit Notice of Award to bidder and execute contract documents.
5. Schedule Pre-Construction Meeting and set Notice to Proceed (NTP) date with Contractor.

| Project Milestone | Estimated Schedule |
|---|--------------------|
| Select Value Engineering Option and Complete Resolution | 2/8/2024 |
| Receive ATA from NCDWI | 3/8/2024 |
| Approve ATA and Complete Resolution to Award Project | 3/12/2024 |
| Submit Notice of Award and Execute Construction Contracts | 4/12/2024 |
| Complete Pre-Construction Meeting | 4/26/2024 |
| Notice to Proceed | 7/12/2024 |
| Construction Substantial Completion | 2/7/2025 |
| Construction Final Completion | 3/9/2025 |
| Grant Closeout | 4/8/2025 |

Commissioner Jerry Beasley asked if there should be concern with pressure increasing on the existing lines coming off the new lines. Mr. Maness explained that the pressure was controlled by the elevation of the water level in tanks and that increasing the size of the line within Railroad St or extending the waterline on either street would just be improving the flow in those areas not pressure.

Mayor Pro Tem Marc Powell inquired about the amount of subcontracting involved. Mr. Maness replied that it depended on contractors' capabilities and that most of the contractors supplied their own crews that laid pipe and dug trenches. The majority of subcontract work typically seen would just be asphalt removal.

Town Manager Nick Holcomb emphasized that there would be an overage that would have to come from the water fund balance no matter which option was selected.

Mayor Chris Coats conveyed that option 1 would not be cheaper in the future.

RESOLVED, to go with Option 1 and select TA Loving for the resolution of tentative award.
MOTION BY: Commissioner Allen Mosby SECOND BY: Commissioner Shirley Allen
APPROVED: 5-0, unanimously approved

III. PUBLIC FORUM

Mayor Chris Coats opened the Public Forum.

Thomas Poole of 41 Rock Ridge Place spoke in support of the Chamber for a social district with alcohol sales at events to raise money for the Chamber.

Joe Wilkins of 450 NC 55 and owner of Stouts & Ale also addressed the Board in favor of a social district. He explained that a social district was simply an area designed to be a diverse, equitable, inclusive area to gather, socialize and take part in activities such as shopping and an ordinance for a social district would allow the town to create such an area where citizens and visitors could sip and stroll in the designated downtown area while shopping but not in convenience stores. He noted that you would not be able to bring your own beverage and that you would have to purchase from an ABC location or purchased from event. He emphasized that it boosted events and brought people in and noted Raleigh with the following example. In the downtown Raleigh, there are 64 locations that sell alcohol where you can walk out the front door. There are 27 businesses that have stickers that say, please come in with your alcohol; and out of the entire downtown area, there are only 13 locations that have a sign that says they don't allow alcohol inside and cited that most likely those businesses were tattoo parlors and others like that where they legally can't have it in there. Mr. Wilkins offered to help work with the Board to provide information on state law, ordinance options, pamphlets and map ideas.

Lynn Plessinger of 202 Remington Drive and owner of Gardening at the Water's Edge. Ms. Plessinger informed the Board that she was a vendor at the Coats Farmers Market at the Farmer Square during the summer and it was a great opportunity for the community as it brought in vendors and shoppers from the town as well as outside of the area. She noted that she also setup at McKinley Point with good results and added that the area did need to be dressed up a little more and requested signage for scheduled events with times.

Heather Adams of 1329 Delma Grimes Road spoke of behalf of the Chamber of Commerce about the Coats Farmers Market. She stated that she believed the Farmers Market and events that the Chamber host are vital in the community for growth and outreach and noted that within the last two years since she began participating she had gained business opportunities as well as friendships. She mentioned that such events also provide opportunities for locals to volunteer and attend which helped to increase a sense of ownership and fellowship in the community.

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

IV. NEW BUSINESS continued

B. Chamber Event and Street Closure Request

Town Manager Nick Holcomb informed the Board that he had cross-checked the Chamber's list of events and street closure requests with the Town's meetings and events to avoid conflicts.

Tricia Bristow, Chamber Director, asked the Board if they had any questions about the information on chamber events and street closures that had been included in the agenda packet. Ms. Bristow explained that the calendar was pretty much the same as last year with the exception of no Farm to Table event planned this year and noted that there would be changes with the BBQ Cook-off and Plate Sale that involves McKinley Point but no street closures. She expressed concern over the dying Christmas tree and the need for a new plan for that so there was a tentative date planned for the annual tree lighting and toy drive.

Commissioner Jerry Beasley asked if the Chamber carried a liability policy for the events. Ms. Bristow replied that the Chamber had to get extra insurance.

Commissioner Kelvin Gilbert asked Ms. Bristow to share her vision for a new Christmas tree whether it be artificial or live. She shared that a live tree would make the town feel like a Hallmark movie, but the reality was in that location it would take a special tree to be able to grow and do well there. Commissioner Jerry Beasley suggested planting the Christmas tree at the Community Building. Ms. Bristow explained that there was not really a place to plant a tree there and that you would lose the visibility that having it at McKinley Point offered in welcoming people to Coats during the season.

RESOLVED, to approve the street closures that had been presented.

MOTION BY: Commissioner Allen Mosby SECOND BY: Mayor Pro Tem Marc Powell

APPROVED: 5-0, unanimously approved

C. FY2024-2025 Budget Calendar

Town Manager Nick Holcomb presented the proposed Budget Calendar for FY2024-2025 and noted that he had not included a Saturday morning for capital projects as in past years because there were several capital projects in motion that were outside of the operating budget. The budget workshop for operations including department requests would be Thursday, March 21 at 6:00pm and the regularly scheduled May and June meetings would be utilized for the introduction, public hearing and approval. Thursday, May 16 would be the date for additional work session if necessary.

Board discussion ensued regarding conflicts with the time of the March 21st meeting and settled on a change to 6:30 p.m.

RESOLVED, to approve the budget calendar with the amendment of 6:30 p.m. start time for the March 21st meeting.

MOTION BY: Mayor Pro Tem Marc Powell SECOND BY: Commissioner Shirley Allen

APPROVED: 5-0, unanimously approved

D. Council Requested Salary Information

Nick Holcomb, Town Manager, reviewed the requested police salary and benefit information that had been requested at the previous meeting. He noted that the total increase would be just under \$78,000.

Mayor Chris Coats commented that this would be a good tool to use during budget conversations. Commissioner Jerry Beasley stressed the need to put time in reviewing the situation and that all Town employees needed to be considered so that the best could be done for all departments.

V. MANAGER & COMMITTEE REPORT

A. Setting Public Hearing for Requested Zoning

Town Manager Holcomb stated that the Town received an application for rezoning and annexation for 80 acres located at 1380 Abattoir Road that was presented to the Planning Board on February 1 and added that a neighborhood meeting was scheduled for February 13. Six people spoke against the rezoning at the Planning Board meeting, and there were many more in the audience that represented interest against the rezoning and potential residential development. The Planning Board voted to recommend not to approve the rezoning; however, the application had been submitted and paid for and the developer wanted to proceed with the rezoning process.

Mr. Holcomb relayed that the developer requested the public hearing be set for the April board meeting to allow him time to address any concerns voiced at the neighborhood meeting.

RESOLVED, to set public hearing for the requested rezoning to April 11.

MOTION BY: Mayor Pro Tem Marc Powell SECOND BY: Commissioner Kelvin Gilbert

APPROVED: 5-0, unanimously approved

B. 2nd Harnett County Pass-through Grant

Town Manager Nick Holcomb announced that the Town had been awarded a 2nd Harnett County pass-through grant in the amount of \$50,000 to be used for anything meeting “public purpose”. Mr. Holcomb explained that the money would not impact the operating budget, but if spent wisely could be helpful in relieving stress on the operating budget.

C. Downtown Revitalization Grant

Town Manager Nick Holcomb reminded the board that the \$500,000 grant was awarded from the existing downtown plan that the Mayor shopped to elected officials but that it could be used for any related downtown revitalization.

Town Manager Nick Holcomb apprised the Board of the letter from the Chamber of Commerce included in the agenda packet that expressed the enthusiasm and support for the creation of an alcohol social district which was also echoed during the Public Comments earlier. Mr. Holcomb offered that Tricia was available to further explain if the board had interest or questions.

D. Department Head Updates

Mike Collins, Parks & Recreation Director, updated the board on the following:

- Successful basketball season
- Men's softball season starting March 4th
- Youth baseball/softball registration underway
- Easter Egg Hunt on March 23
- Painting on courts should be completed in April

Commissioner Kelvin Gilbert inquired about the possibility of an adult basketball league. Mr. Collins responded that we would need to switch gyms because the type of finish on the floor posed a danger for adult use.

VI. ADJOURN

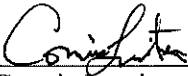
Mayor Chris Coats called for a motion to adjourn.

RESOLVED, to adjourn.


**MOTION BY: Commissioner Allen Mosby, SECOND BY: Commissioner Kelvin Gilbert
APPROVED: 5-0, unanimously approved**

Meeting adjourned at 8:07 p.m.

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



Connie Lassiter, Town Clerk



Chris Coats, Mayor