

TOWN OF COATS
Board of Commissioners
Thursday, October 13, 2022
Official Minutes

The Town of Coats Board of Commissioners met in regular session on Thursday, October 13, 2022 at 7:00 p.m. in the Board of Commissioners' Meeting Room at Coats Town Hall.

Members Present:

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

Staff Present:

Nick Holcomb, Town Manager
Connie Lassiter, Finance Director/Town Clerk
Rodney Pleasant, Public Works Director
Mike Collins, Parks and Recreation Director

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 Allen Mosby, SECOND BY: Commissioner Shirley Allen
APPROVED: 5-0, unanimously approved

II. CONSENT AGENDA

- A. Approval of Minutes – September 8, 2022 Regular Meeting, September 15, 2022 Recessed Meeting
- B. Approval of Attorney Bill – Services Rendered September 1-30, 2022

RESOLVED, to approve Consent Agenda.

MOTION BY: Commissioner Marc Powell, SECOND BY: Commissioner Kelvin Gilbert
APPROVED: 5-0, unanimously approved

III. PRESENTATION – Fiscal Year 2021-2022 Annual Audit Report

Lee Grissom from the auditing firm of S. Preston Douglas and Associates, LLP presented the Fiscal Year 2021-2022 Annual Audit Report. Mr. Grissom informed the Board that a clean audit opinion was issued which is also referred to as an unmodified audit opinion. Mr. Grissom commended the Board on the hiring of Connie Lassiter as the Finance Director this year, and he stated she had done a terrific job and that it was a positive transition.

Mr. Grissom communicated that there were no difficulties encountered, no uncorrected misstatements and no disagreements with management. Mr. Grissom directed the Board's attention to graphs that indicated financial trends for the Town continued to be positive. Mr. Grissom explained that the American Rescue Plan monies received were currently listed as a liability under Unearned Grant Revenue and that over the next two years as the money is spent it will transfer over to the General Fund and be recognized as revenue.

Mr. Grissom pointed out the one internal control finding that continues year after year is segregation of duties due to limited size of the Town's staff and noted the potential risk. Mr. Grissom mentioned that the response to the finding was different than in previous years and asked Town Manager Nick Holcomb if he would like to comment. Town Manager Holcomb responded that the expected growth would likely add tax revenue that would allow for the hiring of an administration/finance employee over the next two to three years which would make it possible to better segregate duties. Mr. Grissom emphasized the additional work load with grant money and stated that he would always recommend more staff from an audit standpoint.

IV. PUBLIC HEARINGS

Nick Holcomb, Town Manager, introduced the two public hearing items as follows:

- Hawley Tract rezoning request for a 9.59 acre tract with the address of 378 E Stewart St with current zoning of General Commercial/SFR-3 requesting rezoning to Mixed Use-2 for entire tract
- Lauder Tract request for a 49.32 acre tract on NC Hwy 27 E that had no existing structure or property address now that is being bisected from a larger tract in far eastern part of the ETJ with current zoning of Agriculture requesting rezoning to SRF-3 with TNDO overly; also requiring a noncontiguous voluntary annexation as part of rezoning

A. Hawley Tract Rezoning

Mayor Chris Coats opened the Public Hearing.

Gale Spears of 120 Gale Spears Dr, Coats NC stated she strongly opposed rezoning of the property due to failure to be notified of the community meeting for the residents of Sunny Acres. Ms. Spears expounded that letters were only sent to residents on one side of McLean Street and if that street would be affected so would Gale Spears Drive. Ms. Spears urged the Board to look at the statute and wanted to make sure in the future they realize that Sunny Acres is a subdivision. Ms. Spears said she was not opposed to the project, but she was opposed to somebody directing water to her property and mentioned incident of water directed in her neighbor's property and then going to her property.

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

B. Lauder Tract Rezoning and Annexation

Mayor Chris Coats opened the Public Hearing.

Billy Hayes of 908 Ebenezer Church Rd, Coats NC expressed concern that his land that would be annexed as well if it is next to the Lauder property and that he did not want to be annexed.

Mike Roselli of Underfoot Engineering stated that he was the engineer and landscape architect for the project and would be available to answer any questions.

George Young of Mattamy Homes stated that a community meeting was held and the concern that Mr. Hayes had was addressed at that meeting. Mr. Young relayed that application for request was specific to the Lauder property and that he was happy to answer any questions.

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

V. NEW BUSINESS

A. Hawley Tract Rezoning

Walter Weeks, Planning Board Chairman, communicated that the drainage issue was addressed at the community meeting, concerns were relayed at the Planning Board meeting and that Town Manager Nick Holcomb assured that it would be looked after. Chairman Weeks stated that the Planning Board unanimously recommended the rezoning and that it was consistent with the land use plan and met the standards. Chairman Weeks encouraged all involved to make sure that nothing was done to further aggravate the drainage problem at Sunny Acres.

Nick Holcomb, Town Manager, expressed that rezoning would not change that much from existing zoning but would reduce intensity of commercial and add more flexibility to residential. Town Manager Holcomb indicated that the development agreement would preserve frontage for commercial use and restrict commercial in the rear with a minimum of 5% of the site dedicated for commercial; also, a cap that commercial not be located further than 500' from Hwy 27 to protect residents.

Town Manager Holcomb explained that although neighborhood meetings are not required by law or under the old ordinance of the Town, the new Town Ordinance requires that letters to be sent to owners of property abutting the property in question to notify them of the neighborhood meeting and public hearing. Mr. Holcomb stated that there was good participation at the neighborhood meeting and some of the topics of discussion and objectives from the meeting were as follows:

- Drainage – a lot of focus on drainage; developer explained new rooftops would not push more water, the site will be graded to a shallow V to channel to the street, retention pond in the rear to catch water; drainage will be priority
- Traffic – two entryways, road connections to E Stewart St and Robert Eason Dr; may be adjustment to Robert Eason Dr, but would remain open for through traffic

Commissioner Shirley Allen asked what the Town could do to solve the drainage problem. Town Manager Holcomb responded that there was no public right-of-way between the storm pond and the property; the Town can't go on private property to work, but the Town could enforce correction if there is evidence that something isn't installed properly as it was permitted by the State.

Commissioner Allen Mosby inquired about the applicant taking the drainage issue into consideration for future use of the property. Mark Norton of Norton Development replied that he

had not looked at the existing conditions, but the major source of the water came from the discharge of the retention pond at the storage facility. Mr. Norton noted that he had walked out on the property, and it looked like modifications could be made on the diversion of the water. Mr. Norton mentioned that the development and regrading that would be required on the Hawley Tract along with the contained storm drainage system that would be part of the development would take whatever diversion water to be captured at a retention pond including water currently coming from the storage facility.

RESOLVED, to approve the rezoning request of the Hawley Tract.

MOTION BY: Commissioner Shirley Allen, SECOND BY: Commissioner Allen Mosby
APPROVED: 5-0, unanimously approved

RESOLVED, to approve the Statement of Consistency.

MOTION BY: Commissioner Marc Powell, SECOND BY: Commissioner Kelvin Gilbert
APPROVED: 5-0, unanimously approved

B. Lauder Tract Rezoning and Annexation

Nick Holcomb, Town Manager introduced the request to rezone the Lauder Tract of 49.32 acres from the current zoning of Agriculture to SRF-3 with TNDO overlay; contingent on voluntary noncontiguous annexation request.

Walter Weeks, Planning Board Chairman, relayed to the Board that the Planning Board felt like this was a good opportunity for the Town; although the lots are somewhat small with that overlay, the actual land for use by each resident was good because the land that was left natural would be a good buffer. Chairman Weeks stated that the Planning Board approve of the project.

Town Manager Holcomb stated that it was a large site on Hwy 27 with a lot of road frontage; Harnett County has a 12" water line along the property; and closest sewer line located at the intersection of Honeycutt Rd was about 1,700 feet from property. Town Manager Holcomb announced that the annexation request signed by the current landowner had been verified, and the annexation decision would come if the rezoning was granted and would be contingent upon construction document approvals.

Town Manager Holcomb presented a slide of the master site plan and emphasized the following:

- Two entryways into the project, nice street grid, intersections to break up flow of traffic
- Cul-de-sacs limited under 250'
- Pedestrian cut-throughs to break up the blocks
- Public open spaces (16.67 acres)
- Lot sizes – minimum 6,000 SF inner lots, minimum 7,000 SF outer lots

Commissioner Kelvin Gilbert inquired about the average home price. George Young of Mattamy Homes responded that they were projecting the homes would be in the \$300,000 price range for 2,000-3,000 square foot homes.

RESOLVED, to approve rezoning of the Lauder Tract to SRF-3 with the TNDO overlay.

**MOTION BY: Commissioner Marc Powell, SECOND BY: Commissioner Shirley Allen
APPROVED: 5-0, unanimously approved**

RESOLVED, to approve non-contiguous annexation.

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

RESOLVED, to approve the Statement of Consistency.

**MOTION BY: Commissioner Kelvin Gilbert, SECOND BY: Commissioner Marc Powell
APPROVED: 5-0, unanimously approved**

C. Water CIP

Nick Holcomb, Town Manager, informed the Board that he had discovered LKC Engineering had done a CIP for the Town in 2013 that he had never seen and noted that Mr. Cole (former Town Manager) and Mr. Denton (former Public Works Director) had incorporated pieces of that plan into the budget in previous years. Town Manager Holcomb stated that LKC could take the projects that had already been completed and update the model to report findings of the hydraulic analysis to develop a new list of projects for a cost of \$12,000 and finish within 90 days.

RESOLVED, to approve the expenditure for LKC proposal.

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

VI. PUBLIC FORUM

Mayor Chris Coats opened the Public Forum.

Gale Spears of 120 Gale Spears Dr, Coats NC expressed concerns with water drainage and that she was not satisfied with the rezoning and that there needed to be a plan that could be seen. Ms. Spears urged the Board to go around town and look at the problem and add staff to do work.

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

VII. MANAGER & DEPARTMENT UPDATES

Nick Holcomb, Town Manager, notified the Board that the Ida St washout that was discussed at the last meeting as being the number one priority had been filled with rip rap to stabilize it and that it had held up well during the recent rainstorms.

Town Manager Holcomb reported that he had asked for three quotes for paving the three streets that had been identified as the most in need of paving and noted that Johnson Brothers paving was the only one quote received. Town Manager Holcomb asked for input from the Board on proceeding with picking one or two of the streets on the quote to pave that would keep in budget which would allow for finishing

before winter thus getting ahead of the rush in the spring, get more quotes, or get quotes on different streets.

Mayor Pro-Tem Jerry Beasley emphasized that the money was available in the Powell Bill Fund to complete all three streets. The general consensus of the Board was to proceed with paving all three streets as quoted by Johnson Brothers.

Commissioner Allen Mosby inquired about the fixing the entrance to the park to which Town Manager Holcomb responded that Johnson Brothers had not looked at the park entrance, but it could be put out to bid.

Town Manager Holcomb informed the Board that the County Animal Control Agreement would be ready for the next meeting.

Town Manager Holcomb mentioned that he had received several compliments on the old Public Works Shop and that the exterior work was done.

Mayor Pro-Tem Jerry Beasley inquired about the two CDs renewing in November. Connie Lassiter, Finance Director/Town Clerk, responded that the CDs would possibly be moved to the NCCMT as rates continued rise, but she was looking at other banks as well as the current holder for best rates.

Commissioner Allen Mosby addressed Rodney Pleasant, Public Works Director, about the complaints that keep coming to the Board with driveway drainage issues noting that it would be nice to know how much time it would take to clean out drains all over town versus cost of contracting out so water would flow. Public Works Director Rodney Pleasant replied that his department was understaffed and couldn't do the work. Commissioner Mosby suggested that Mr. Pleasant meet with the Town Manager to find a direction to go in solving the problem to help the Board to help the citizens. Mr. Pleasant noted that it would not do any good to clean ditches out if there was nowhere for the water to run to. Town Manager Holcomb acknowledged that he and Mr. Pleasant knew it was a top priority.

VIII. CLOSED SESSION

Mayor Chris Coats called for a motion to enter closed session pursuant to NCGS 143-318.11.a(5) "To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease."

RESOLVED, to go into closed session pursuant to the aforementioned statute.

MOTION BY: Commissioner Allen Mosby, SECOND BY: Commissioner Marc Powell
APPROVED: 5-0, unanimously approved

Board of Commissioners entered closed session at 8:42 p.m.

RESOLVED, to reconvene in open session.

MOTION BY: Mayor Pro-Tem Jerry Beasley, SECOND BY: Commissioner Marc Powell
APPROVED: 5-0, unanimously approved

Board of Commissioners reconvened in open session at 9:31 p.m.

Mayor Chris Coats called for a motion to adjourn. Mayor Pro-Tem Jerry Beasley interjected that a motion was needed regarding the closed session.

Town Manager Nick Holcomb suggested that the motion could be something like, allow the Town Manager to proceed with advertising notice of Board's intention to authorize the exchange of Town-owned property.

RESOLVED, to allow Town Manager to negotiate.

**MOTION BY: Mayor Pro-Tem Jerry Beasley, SECOND BY: Commissioner Shirley Allen
APPROVED: Ayes (4) Commissioner Allen Mosby, Commissioner Kelvin Gilbert, Commissioner Shirley Allen and Commissioner Marc Powell; Noes (1) Mayor Pro-Tem Jerry Beasley**

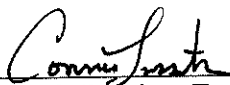
IX. ADJOURN

Mayor Chris Coats called for a motion to adjourn.

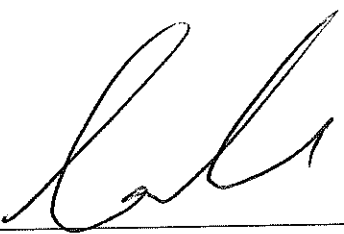
RESOLVED, to adjourn.

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

Meeting adjourned at 9:34 p.m.



Connie Lassiter, Town Clerk



Chris Coats, Mayor