

**HAMLET CITY COUNCIL REGULAR MONTHLY MEETING  
COUNCIL CHAMBERS ROOM  
201 MAIN STREET, HAMLET, NC 28345  
TUESDAY, AUGUST 9, 2022  
6:00 PM  
MINUTES**

**Governing Body Present:**

Mayor	Bill Bayless
Mayor Pro Tem	Jesse McQueen
Council Member	Abbie Covington (Remotely)
Council Member	Maurice Stuart
Council Member	Oscar Sellers

**Staff Present:**

City Attorney	Brady Herman
City Manager	Matthew Christian
City Clerk	Gail Strickland

**Others Present:** Jonathan Davis, Matt Harmony, Mickey Foster, Steve Gunsallus, Jason Jerry, Amy Graham, Nate Peterkin, Dan Blair, Tom Smart, Tommy Jarrell, Dale McInnis, Dave Pritchard, Tim Murchison, John May, Howard Wallace, Amy Guinn, Margaret Williams, Jo Wallace and Jeremy McKenzie

**1. Call to Order**

Mayor Bayless called the meeting to order at 6:05 pm. He announced Council Member Martin was not in attendance due to sickness and Council Member Covington was participating remotely.

**2. Invocation**

Reverend Dan Blair of Fellowship Methodist and First Methodist Churches offered the invocation.

**3. Adoption of Agenda**

Council Member Stuart motioned to adopt the Agenda with the addition of Item 7A – Consideration of FirstHealth Grant Award. Council Member Sellers provided the second. The vote was 4-0.

**4. Approval of Minutes**

Minutes from the July 12, 2022 Regular and Closed Session Meetings were approved by motions of Council Members Sellers and Stuart. The vote was 4-0.

**5. Comments from Attendees**

No one presented to address Council.

**New Business**

**6. Public Hearing – FirstHealth Text Amendment and Rezonings**

Mayor Bayless announced a public hearing for a text amendment and rezonings for FirstHealth of the Carolinas. The building, previously operated as Sandhills Regional Hospital and located at 1000 W Hamlet Avenue, is currently owned by FirstHealth of the Carolinas, Inc. The owners have buyers that are proposing to transition the facility to a Geriatric (55+) Behavioral Health Facility. The property consists of 3 parcels zoned residential and residential agriculture. The applicants are requesting updating the definition of hospital to include services for geriatric patients (individuals at least fifty-five (55) years of

age or older, with behavioral health issues) and rezoning of the 3 parcels to General Business (B-2). The Mayor opened the public hearing and asked for comments.

Mr. Mickey Foster, CEO of FirstHealth of the Carolinas, reported this is a unique opportunity to turn the building into a behavioral health facility for this community. He advised one of the concerns expressed at the Planning Board Meeting was the possible burden on the public safety; the Police Chief had also voiced concerns. Mr. Foster reported FirstHealth wants to make this successful for the City of Hamlet. If the deal goes through, FirstHealth will offer a \$500,000 grant to the City of Hamlet to go to public safety. They will also offer a \$100,000 grant to Nate Peterkin and his team to use outside consultants with the behavioral facilities to make them successful. Mr. Foster introduced the potential buyer, Nate Peterkin.

Mr. Peterkin read an opening statement explaining the use is for a proposed 84 bed, not for profit, geriatric, behavioral health hospital, in which he will serve as the hospital president. He gave the definition of geriatrics as medical care for persons, typically age 65 years and older. He thanked the Planning and Zoning Board for the unanimous vote of support to move the matter forward. He reviewed and highlighted the need for the geriatric hospital and the creation of 130 new jobs for the area. Mr. Peterkin explained geriatric patients are difficult to place after hospital discharge. The now vacant hospital can serve to meet the needs of the older population who suffer from mood disorders, Alzheimer's and dementia. It will be a specialty hospital and will not have an emergency room. They will admit patients from surrounding, local hospitals and help the hospitals decompress their emergency departments. He said it is important to understand the patients first need their medical review to ensure they are a candidate for the geriatric facility versus needing acute medical care. Mr. Peterkin provided data on 48 geriatric, in-patients programs. The timeline to open the facility is January 2024. He stated the security measures and resources at the facility will include license to care for the geriatric patients and the survey for compliance with regulatory standards that outline key safety features for the patient population. They will have continuous surveillance and observation of patients, restricted access as a locked facility and policies that outline how patients are safely cared for. To receive Medicare payment, they must meet the required, rigorous standards. The hospital will be staffed with security officers working on-site, 24 hours a day, 7 days a week, collaborating with staff to monitor, observe and report on any issues that relate to the safety of the hospital, patients, staff, and community. He provided a list of security features that will be in place. He said he looks forward to creating 130 jobs for the area and continuing the working relationship with Richmond Community College that is co-located in the facility used for their simulation lab and clinical rotations. Mr. Peterkin thanked key people with FirstHealth of the Carolinas for collaborating on the project.

Dr. Jason Jerry, Medical Director of the Department of Psychiatry, spoke to the Board, saying there is a mental health crisis in the country with the geriatric population caught in middle. He reported 63% of the geriatric population needing mental health treatment are not receiving any help at all. Dr. Jerry reported, at any given time, FirstHealth has approximately 8 patients sitting in the Emergency Room waiting transport to another specialized facility. On average, 2 of those are geriatric patients. FirstHealth does not have the resources to care for them. Their facility at Moore Regional is a crisis stabilization unit. It has 18 patient beds; it is not safe for geriatric patients. The closest facility for geriatrics is in Charlotte, 70 miles and Raleigh 90 miles away. The location makes it difficult for family to visit. Dr. Jerry stated they would like to see a resource here where they can safely send their geriatric patients for the much-needed specialized treatment.

Dr. Matthew Harmony addressed Council. He has been an ER physician in the area for 20 years. He has served as the EMS Medical Director for FirstHealth which includes the EMS portion of Hamlet Fire and Rescue, serving as the group's president the last few years. Dr. Harmony stated there is a tremendous

need in the community that is lacking. He reported the Emergency Departments now hold patients for lack of any local or statewide resources for days and weeks. These are individuals that are ill suited for that environment; they need a calming, reassuring environment for them to do well. The Doctor said this is a tremendous resource to the community; it will provide a resource close to home, will reduce family travel, and keep patients close to family. He asked for Council's support of the project.

Mayor Bayless inquired if the ownership of the hospital would change hands. Jonathan Davis, Chief Operating Officer, confirmed, saying the goal is the end of September or first of October 2022; it depends on the zoning. The Mayor asked Nate Peterkin if his company had other programs. Mr. Peterkin responded this will be the first one. Mr. Bayless questioned if Richmond Community College will continue with their programs in the facility. Mr. Peterkin stated they would.

Council Member Sellers, in reviewing the documents that were presented to Council in their packet, asked for the definition of an altered mental status. Mr. Peterkin explained it is a patient that is not functioning normally, not taking care of themselves or may be communicating improperly. Dr. Jerry added it could be anything out of the ordinary normal function or psychotic. Mr. Sellers inquired on the next steps after the patient stays the average of 10-14 days. Mr. Peterkin advised the patient can stay longer if treatment is needed.

Council Member McQueen asked why FirstHealth did not take on the project. Mr. Davis, responded by saying FirstHealth has lots on projects in motion that have come from the community assessment to provide care in some places that do not have care. They are focused on a very strategic plan on how they expand the services and grow. They saw it as a need based on a study a few years ago. It is an issue of the volume of work. They now have someone willing to take on the work and focus their time and effort on the project. FirstHealth has the opportunity to partner with them. Mr. McQueen asked Mr. Davis if he felt the business model would be successful. Mr. Davis responded there is a need across the state and every patient is a Medicare patient that will pay for the services. The workforce may be a challenge, but it is not a unique challenge. Staff will be paid well and will have the opportunity for advancement. Council Member McQueen stated his main concern was what Hamlet would encounter for its emergency services. He expressed his appreciation for the grant that was offered. He thanked everyone for coming together and working together and offered his support of the project.

Council Member Stuart inquired if there was anything else major standing in the way of the project moving forward. Mr. Davis answered there are a few steps required. There is licensing, a CMS survey to reach the deemed status, and Conditions of Participation to be able to bill for services. Mr. Stuart thanked Mr. Peterkin for his investment in the community. He stated education and RCC were very dear to him. He wanted to hold the buyers to continuing the clinicals for the college and hiring local people as much as possible. Mr. Stuart offered his full support of the project.

Council Member Covington stated she has had an opportunity to ask a lot of questions and has received totally satisfactory answers. She said First Health and Mr. Peterkin have been forthcoming in addressing the concerns of the City. She offered her appreciation for all the effort that had been put into the project by all the players and feels it will be a win for the patients and community. Mrs. Covington said she supports the project entirely.

With no further comments or questions, the Mayor closed the Public Hearing.

## **7. Consistency Statement and Decision – FirstHealth Text Amendment and Rezonings**

Council Member McQueen motioned the text amendment and rezonings were consistent with the Zoning Ordinance. Council Member Covington provided the second. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

Council Member Covington provided the motion to approve the text amendment and rezonings. Council Member Stuart offered the second. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

**7A. Consideration of FirstHealth Grant Award**

Mr. Mickey Foster announced FirstHealth was offering a \$500,000.00 public safety grant to the City of Hamlet for any additional cost the City may experience with the Geriatric Behavioral Facility. He advised the City's Attorney and FirstHealth's Attorneys have reviewed the document. He added that FirstHealth is also awarding a \$100,000.00 grant to the potential buyers to assist with consultation. Mayor Bayless noted the effective date of the Award will be January 2024, when the hospital opens. Council Member McQueen motioned to accept the Grant Award. Council Member Covington provided the second. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

**8. Consideration of Resolution 2022-08 Updated Fee Schedule**

Matt Christian explained when the most recent Fee Schedule was adopted, there was an unintentional error for baseball and tackle football fees. The proposed schedule changes the 2 fees back to \$35.00 and increases the notary fee per signature to \$10 which was just approved by State Statute.

Council Member Sellers inquired on offering discounts for sports registration for siblings. The City Manager and Gail Strickland explained the challenge of verifying the children are siblings.

Mayor Bayless asked the Manager if residents were being informed about trash that is left out for the City to pick up that does not meet the policy requirements. Mr. Christian replied the City is making contact with property owners. Council Member McQueen inquired when the policy would be fully enforced. The Manager answered Staff is enforcing what was discussed last time as far as building materials. Mr. McQueen asked what items would not be picked up. Mr. Christian responded he did not have the list with him, but answered building materials, tires, and batteries. Council Member McQueen asked to have the list emailed to Council. The Manager advised when the tax bills are mailed this year, the mailing will include the City's policies on garbage pick-up and eligible items. He stated the Public Works Department is making every effort to enforce the policy and asked the public to report issues and the City will do what it can to help. Council Member Sellers discussed the issue of grass and bush cuttings being placed in the streets.

Council Member McQueen motioned to adopt the Fee Schedule. The second was given by Council Member Sellers. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

**9. Consideration of RFQ for Planning Services**

The City Manager advised the City solicited Requests for Qualifications from professional firms that can assist with a wide range of planning and developmental services. The purpose was to identify the firms to work with and then negotiate the terms. The contracts will come back to Council. Mr. Christian

advised the City received 5 responses. He recommended Council select 2: CodeWright from Durham and WithersRavenel, a company that has assisted the City in the past. By selecting 2, the City can negotiate the costs for any needed projects, based on the company's strengths and weaknesses. Council Member Stuart motioned to approve CodeWright and WithersRavenel. Council Member Sellers provided the second. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

**10. Consideration of Contract for GIS Services**

The City Manager advised the Attorney has prepared a contract for Chris McDonald for some basic GIS needs to help with updating zoning maps and preparing maps for other projects. Mr. Christian expects the services to be no more than 1-2 hours at a time on an infrequent basis. Council Member Sellers inquired on the number of times each month and the length of the contract. The Manager answered the services would be infrequent, once a month or less, and either party can terminate the contract. The contract can be terminated for any reason or none at all with 30 days written notice. Council Member McQueen asked Attorney Herman if any contract between 2 people in North Carolina could be ended in 30 days. Mr. Herman responded it is not common law but usually accepted. With this contract, you could impose the 5 days. Council Member Sellers motioned to approve the contract. The second was offered by Council Member Covington. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

**11. Discussion of Purchasing Policy**

The City Manager reported the City has not made any capital purchases in the last 2 years. Now that purchases have been approved, he has reviewed the purchasing policy and found the City's policy has additional requirements beyond the required General Statutes for formal and informal bidding. He recommended Council update the purchasing categories to: purchases of apparatus, supplies, material or equipment \$90,000 or above and construction and repair contracts \$500,000 or above use the formal bidding process (G.S. 143-129); purchases of apparatus, supplies, material, or equipment \$30,000 to less than \$90,000 and construction and repair contracts \$30,000 to less than \$500,000 use the informal bidding process (G.S. 143-131); and for purchases of apparatus, supplies, materials, or equipment less than \$30,000 and construction and repair contracts less than \$30,000, competitive bidding not be required. He added the City Manager and Finance Director will use the statutes and reasonable judgement to guide Department Heads on how to navigate formal or informal bidding requirements. Council Member Sellers provided the motion to approve the Purchasing Policy. The second was given by Council Member Stuart. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

**12. Approval of Tax Releases**

Council Member Covington motioned to approve the Tax Releases. The second was provided by Council Member McQueen. The vote was 4-0.

**13. Approval of Annual Tax Settlement**

Council Member Sellers motioned to approve the Tax Settlement. Council Member Covington gave the second. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye

**14. Order of Collection for Tax Collector**

Mayor Bayless stated NCGS §105-321(b) requires the municipal governing board to adopt and enter in the minutes an order directing the tax collector to collect the taxes charged in the tax records and receipts. Council Member Stuart motioned to approve the Order of Collection. The second was offered by Council Member Sellers. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye. Council Member McQueen requested the tax collection rate. The City Manager reported for 2021 the rate is 94.74 %. He advised the City will get new data at the conclusion of the audit.

**15. Mayoral Proclamation – Capital Highway and Monroe Avenue High Schools Biennial Reunion**

Mayor Bayless read the Proclamation.

**16. Re-appointment to Hamlet Planning and Zoning Board**

Council Member McQueen motioned to re-appoint Mr. Tony Clewis to the Planning and Zoning Board. Council Member Sellers provided the second. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

**17. Mayoral Appointment to Hamlet Housing Authority**

Mayor Bayless reappointed Mr. Oz Queen to the Hamlet Housing Authority.

**Other Business**

**18. City Manager's Reports**

City Manager Matthew Christian announced Food Trucks will be at the Hamlet Depot August 12<sup>th</sup> and August 26<sup>th</sup>, the Seaboard Festival Committee is accepting craft vendors but no more food vendors, the Boxcars Series in the Depot Park will be September 25<sup>th</sup> and October 23<sup>rd</sup> and Yoga in the Park is the 3<sup>rd</sup> Thursday of the month. Also announced was City offices will be closed on Labor Day, September 5<sup>th</sup>. The Manager recognized and thanked employee Vic Robinson for his 40 years of employment with the City of Hamlet, saying his dedication is second to none.

**19. Comments of Council**

Council Member Covington thanked Council for allowing her to meet remotely.

Council Member Stuart thanked employee Vic Robinson for his 40 years with the City and thanked the attendees for coming to the meeting. He asked that Staff update the Council Meeting time listed under the Minutes on the City's website.

Council Member Sellers thanked the City employees that helped with the FirstHealth zoning issues. He also thanked the attendees for coming. Mr. Sellers suggested changing the parking spaces on Main St., near Champlain St. to parallel parking to help with visibility at the intersection.

Council Member McQueen offered congratulations to Vic Robinson. He asked the City Manager to have the employees focus more on the City's right-of-ways, parks, and entrance signs. He thanked the persons that attended the meeting.

**20. Mayor's Comments**

Mayor Bayless wished everyone a Happy Labor Day and stated the City employees are doing a great job.

**21. Motion to Adjourn**

At 7:15 pm, Council Members Sellers and Stuart provided the motion and second to adjourn the meeting. The vote was by roll call: Council Member Covington voting aye, Council Member Stuart voting aye, Council Member Sellers voting aye and Council Member McQueen voting aye.

Respectfully submitted,

*Gail M. Strickland*  
Gail M. Strickland, City Clerk

