

**HAMLET CITY COUNCIL
COUNCIL CHAMBERS ROOM
201 MAIN STREET, HAMLET, NC 28345
TUESDAY, APRIL 28, 2026
BUDGET RETREAT MINUTES**

Governing Body Present:

Mayor	Amy Guinn
Mayor Pro-Tem	Abbie Covington
Council Member	Eddie Martin
Council Member	Tony Clewis

Staff Present:

City Manager	John Terziu
Asst City Manager	Mackenzie Webb
Finance Director	Edna Miles
City Clerk	Heather Hawks

Staff Present:

Public Works Director	Robert Brown and Allen Cox
Bldgs. & Maint.	Doc Sylvain
Police Chief	James Carsto
Fire Chief	Trey Goodwin
P&R Director	Maurice McLaurin
Senior Center	Amanda Kempen
Comm. Eng. Director	Mechelle Preslar

1. **Call to Order.** Mayor Guinn called the meeting to order at 3:00 pm.
2. **Adoption of Agenda.** Council Member Clewis motioned to adopt the agenda. Mayor Pro-Tem Covington provided the second. The motion passed unanimously.
3. **Departmental Presentations**

Administration/HR/Finance

We must reduce expenditure, increase revenues, and invest in quality over quantity to protect Hamlet's financial future. Hamlet is making progress by advancing infrastructure, supporting economic development, and maintaining core services. But rising costs, uncertain funding, and growing demands require discipline. We cannot afford inefficiency or low-impact spending.

This retreat is about execution. Every decision made by council must operate with accountability:

- Justify every expense. If it does not support core services, public safety, or strategic growth, it should not be funded.
- Increase revenues. Maximize collections, pursue grants, leverage development, and ensure fees reflect true service costs.
- Prioritize quality over quantity. A small number of people, carefully selected, well trained, and well led, are preferable to larger numbers of employees, some of whom may not be up to the task.

Each department will clearly present:

- What was funded and delivered
- What was not completed—and why
- What is being requested—and its impact

My message to departments: If you're requesting funding, be prepared to defend it with outcomes, not intentions. This is how high-performing organizations operate. Councilmembers are here to make disciplined decisions and build a financially resilient Hamlet that still delivers results.

Year in Review

Hamlet delivered measurable results this year. We advanced a fully grant-funded Water Treatment Plant (no local tax burden), pushed the Wastewater Treatment Plant toward design and financing, and secured additional funding including PFAS settlement dollars. Economic development gained momentum with new businesses opening, construction activity increasing, and active negotiations on large-scale development bringing potential jobs and investment. We improved public safety visibility, upgraded equipment, and strengthened interagency partnerships. Internally, we tightened financial discipline, modernized operations, and prioritized infrastructure. Biggest gains: securing external funding, executing long-delayed infrastructure, and restoring forward momentum— proving Hamlet is no longer planning, but delivering.

Grant Funding

Water Treatment System Improvements: \$10,364,000

- NCDEQ Grant - Revenues Received: \$631,635
- Total Expenditures to Date: \$724,110

Stormwater System AIA: \$400,000

- NCDEQ Grant – Revenues Received: \$360,000
- Total Expenditures to Date: \$380,500

Wastewater Treatment Plant Expansion

- USDA Grant: \$ 6,000,000
- USDA Loan: \$11,569,000 – Payments projected to begin FY 2029
- Engineering Services paid to date: \$700,700

City Lake Trail: \$400,000 Grant Funding

- NC Dept of Commerce - Revenues Received: \$180,890.34
- Total Expenditures to Date: \$180,890.34

Water System AIA: \$150,000

- NCDEQ Grant – Revenues Received: \$0
- Total Expenditures to Date: \$0

Wastewater AIA: \$150,000

- NCDEQ Grant – Revenues Received: \$0
- Total Expenditures to Date: \$0

DEQ Appropriations Act: \$4,925,000

- Water Plant Rehab - \$3,818,751
 - WWTP Expansion - \$1,106,249
- AWS Fire Substation Grant: \$1,500,000

Administration

<u>Project List</u>	<u>FY25-26</u>	<u>FY26-27</u>	<u>FY27-28</u>	<u>FY28-29</u>	<u>FY29-30</u>	<u>FY30-31</u>
AIA Grant (Grant Fee)	\$4,500					
\$11,000,000 WWTP Loan (40 year pay off)					\$400,000	\$400,000
UDO (\$60,000 paid FY24/25)	\$30,000	\$30,000				
TOTALS	\$34,500	\$30,000	\$300,000	\$300,000	\$700,000	\$400,000

Mayor Pro-Tem Covington inquired about how the budget was balanced, specifically what additions and reductions were made.

City Manager Terziu explained that the budget was balanced through the elimination of one position, which will be discussed during departmental presentations.

Mayor Pro-Tem Covington also asked whether the proposed budget included a Cost-of-Living Adjustment (COLA).

City Manager Terziu confirmed that the budget includes 2% COLA.

Mayor Pro-Tem Covington questioned the allocation of the \$471,000 in settlement funds for the current fiscal year.

City Manager Terziu responded that the \$471,000 in settlement funds were deposited into the General Fund as standard revenue.

Trey Goodwin Hamlet- Fire Department

We are a combination department consisting of 14 full-time fire personnel, an administrative assistant, and 20 volunteers. We currently have 1 vacancy. We are tasked with all emergencies inside and outside the City of Hamlet. We cover approximately 67 square miles of Richmond County. We respond to Fire, EMS, and Rescue calls in our district. We perform Fire Inspections inside the city limits on businesses, foster homes, rest homes, and schools. We perform fire prevention at the schools in our district once a year and fire safety talks at community events or whenever requested. We partner with the Red Cross and install smoke detectors.

Year in Review

- Fire calls: 657
- EMS calls: 3105
- Inspections: 136
- Fire Prevention: 4700 people reached face to face

Future Needs: (5-Year Capital Improvement)

<u>Project List</u>	<u>FY25-26</u>	<u>FY26-27</u>	<u>FY27-28</u>	<u>FY28-29</u>	<u>FY29-30</u>	<u>FY30-31</u>
New Flooring in Station	\$16,000	\$17,000				
6 SCBA Bottles	\$8,500		\$9,500	\$10,500	\$11,500	\$12,500
Station Truck Wrap	\$6,000					
First Due Fire Program		\$6,800				
Auto Floor Scrubber		\$9,200				
Replace Radios			\$20,000			
Replace Airpack's x 5				\$50,000		\$50,000
Fire Truck					\$650,000	
TOTALS	\$30,500	\$33,000	\$29,500	\$60,500	\$661,500	\$62,500

James Carsto- Hamlet Police Department

The Hamlet Police Department is a dedicated law enforcement agency consisting of 20 sworn officers and one civilian

staff member, all committed to serving our community with integrity, professionalism, and a strong focus on public safety. As we continue to grow and strengthen our team, we currently have three officers enrolled in Basic Law Enforcement Training (BLET), scheduled to graduate on June 16, 2026. We are also pleased to welcome Patrol Lieutenant Chris Bataille, joining us from Vermont, who will begin his service with the department on May 4, 2026. At present, the department is operating with five vacancies, three officer positions and two sergeant positions. To address these needs, we are actively screening applicants for the upcoming July BLET class, and we have at least three certified sworn officers who have expressed interest in joining our team. These efforts reflect our ongoing commitment to building a skilled, well trained, and community focused police force for the City of Hamlet.

Year in Review

<u>CRIME</u>	<u>2024</u>	<u>2025</u>
HOMICIDE	0	1
WEAPONS/FIREARMS	108	63
SUSPICIOUS/WANTED PERSONS	901	501
ASSAULTS	68	58
DOMESTICS	241	189
THEFT (LARCENY)	341	226
BURGLARY	92	61
FRAUD	72	45
TRAFFIC ACCIDENTS	168	274
DWI	30	16
MISSING PERSON/RUNAWAY	61	74

Future Needs: (5-Year Capital Improvement)

<u>Project List</u>	<u>FY25-26</u>	<u>FY26-27</u>	<u>FY27-28</u>	<u>FY28-29</u>	<u>FY29-30</u>	<u>FY30-31</u>
CCTV	\$24,000					
Patrol Vehicles	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
Computers	\$18,000					
Radios	\$12,000					
Tasers		\$29,000	\$29,000	\$29,000	\$29,000	\$29,000
Evidence Room Upgrades		\$50,000				
Range Septic Tank		\$9,200				
Range Targets		\$20,000				
Range Burn		\$20,000				
Range Tower			\$20,000			
TOTALS	\$54,000	\$150,200	\$71,000	\$51,000	\$51,000	\$51,000

Mayor Pro-Tem Covington inquired about the number of tasers included in the proposed purchase.

Chief Carsto reported that the purchase consists of 20 tasers at a total cost of \$145,000, financed at approximately \$29,000 annually over a five-year period, with a full warranty.

Council Member Clewis asked about the expected lifespan of the tasers.

Chief Carsto responded that the estimated lifespan is five years.

Council Member Clewis inquired what the interest rate was for financing the tasers over five years.

Chief Carsto responded he would confirm the interest rate and report back to Council. He also stated that he is requesting upgrades to the evidence room to ensure compliance with proper standards for the storage of seized firearms, narcotics, and money.

Council Member Clewis asked whether seized funds are subject to state regulations prohibiting the accrual of interest.

Chief Carsto confirmed that seized funds are not permitted to earn interest. He further stated that the range has been cleaned up and improved. He stated the buildings located on the property that were donated by the Richmond County School District currently do not have water or power. He stated that he consulted with Pee Dee Electric regarding the installation of power for restroom facilities and indicated plans to install a septic system and water service. He stated his long-term goal is to open the range for BLET training, which would generate general revenue for the City. He also expressed interest in constructing a range tower and potentially hosting events. Additionally, he plans to consult with Richmond Community College regarding grant opportunities to assist with rebuilding and improvements.

Council Member Clewis asked whether the Range would require state certification and inquired about height considerations due to the proximity of American Woodmark.

Chief Carsto responded that he is reviewing certification requirements and exploring safety measures, including the installation of stacked telephone pole barriers to prevent projectiles from leaving the property.

Council Member Clewis asked whether Chief Carsto is holding anyone's certificate currently. He also raised concerns regarding two vehicles parked for an extended period at the corner of Spring and Corning Streets and inquired about the speed limit on Hylan Street.

Carsto responded he is not currently holding anyone's certificate. He stated that the vehicle owners have been notified and that enforcement actions will begin April 30. He also confirmed that the speed limit on Hylan Street is 35 mph unless otherwise posted.

Doc Sylvain - Buildings & Maintenance

The Building Maintenance TEAM maintains 46 different structures; From City Hall to a three-story Depot Complex with playground equipment to City's Signage, City Parks, many smaller outbuildings like bathrooms, concession stands, picnic cover canopies, 42 HVAC Units, fire alarm and sprinkler systems, elevator, and a boiler that all requires inspections yearly.

Building Maintenance Department Has:

- 2 full time Maintenance Personnel
- 1 full time Custodian

Other Maintenance:

- 5 Playgrounds
- 5 Sports Parks
- 4 Parks
- 1 Pier

Maintenance Team completes:

- All setup & takedown for Special Events. Example: food trucks to the 4th plus Seaboard Festival and Christmas Parade
- All grounds maintenance and horticulture at facilities
- Assist Public Works on power from street outlets, local power company meter bases, streetlights issues and new installation, irrigation systems, etc.
- Assist police in surveillance camera installation, road closers with our team-built barricades etc.
- Assist Parks and Recreation with fix/move bleacher/sitting area, cleaning restrooms, post 49 repair and score boards etc.

Year in Review

- Repair Floor in Amtrak Sitting Area from Water Damage
- City Special Events
- Added new horticulture to my grounds team and oversaw all grounds maintenance City facilities

Future Needs: (5-Year Capital Improvement)

Project List	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Fire Dept Metal Roof		\$70,000				
Depot 2 nd Floor Hallways			\$20,000			
City Shop Upgrades		\$200,000				
Main Library Windowsills		\$50,000				
City Hall Sign		\$40,000				
City Hall Roof				\$80,000		
Opera House		\$160,000				
Auto Floor Scrubber		\$9,200				
John Deere Excavator		\$40,000				
TOTALS	\$0	\$569,200	\$20,000	\$80,000	\$0	\$0

Maintenance Director Sylvain stated the Fire Department Metal Roof needs to be repaired. He stated it would be a new rubber roof on top of the metal roof. He stated City Shop upgrades would be used for the bathrooms/pipes underground and for extra bays for the guys. He also stated the library windows need new seals in the windows due to age and deterioration.

Council Member Clewis inquired whether the City owns the library building or if it was owned by Sandhills system. He inquired whether Sandhills could assist with repair costs at the library.

City Manager Terziu clarified the county is responsible for the library building and indicated that securing financial assistance from the county may be challenging. He added that County Commissioners are working to address the fire tax issue, which may result in increased revenues for the City.

Mayor Pro-Tem Covington stated that Sandhills is a regional system not a county system.

Mayor Guinn asked whether the employees at the library are considered county employees.

City Manager Terziu clarified that Sandhills is a nonprofit organization supported by the county.

Maintenance Director Sylvain stated he would like to upgrade the City of Hamlet sign to a digital sign to improve communication of upcoming events. He also stated the Opera House remains an ongoing project and requested consideration for the purchase of a mini-John Deere Excavator to assist with various City projects.

Robert Brown – Public Works

Public works consists of Streets (Leaf & Limbs), Powell Bill, Water Distribution, Wastewater Collections, Water Plant, Wastewater Plant.

- Streets (Leaf & Limbs) - 7 full-time positions
- Powell Bill – 3 full-time positions (1 vacancy)
- Water Distribution – 7 full-time positions
- Waste Collections - 4 full-time positions and 1 part-time (1 vacancy)
- Water Plant – 5 full-time positions and 1 part-time
- Wastewater Plant – 4 full-time positions

Future Needs: (5-Year Capital Improvement)

Project List	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Lane Hammerhead Brush Cutter			\$13,000			

F-550		\$90,000				
F-250		\$67,000				
Water Line at City Lake		\$104,000		\$770,000		
Sludge Truck		\$200,000				
Forestry Head for Excavator		\$35,000				
Sewer Line for Hamlet Ave		\$50,000		\$500,000		
Sewer Line for Rollins Ave		\$50,000		\$200,000		
	Enterprise Fund	\$596,000				
Stump Grinder	\$10,000					
Lawnmower	\$12,000					
Trailer for Large Equipment	\$50,000					
Waterline City Lake	\$30,000					
Diagnostic Laptop	\$13,000					
Clarifier Vari-mot Drive	\$5,000					
Vacuum Pump for High Service Pumps	\$6,000					
Generator Battery Pack with Charger	\$6,000					
Bleach System	\$40,000					
TOTALS		\$172,000	\$609,000	\$1,470,000	\$0	\$0 \$0

Public Works Director Brown stated that the water line at City Lake requires repair due to long-term damage caused by tree root intrusion.

City Manager Terziu recommended pursuing grant funding opportunities to address infrastructure needs, including Hamlet Avenue, Rollins Avenue, and the City Lake water line. He noted that engineering costs for these projects have been included in the upcoming fiscal year budget.

Maurice McLaurin Parks and Recreation Department

Parks and Recreation Department currently consists of two (2) positions (Director and Recreation Assistant). We also have seasonal workers who provide help to us in our concession stands during soccer, football and baseball seasons. During basketball they provide help with both the scoreboard and scorebook. Our mission is to actively encourage, provide, and promote leisure, recreation, facilities and environments that are essential to enhancing the lives of our citizens. Our Parks Recreational Department offers structured seasonal sports programs where people of all ages and interests are certain to find enjoyable pursuits. Facilities include lighted tennis/pickleball courts, soccer, football, baseball fields, gymnasium, and playgrounds.

In 2024-2025 we had 728 kids in our program.
 In 2025-2026 we had 897 kids in our program.

Future Needs: (5-Year Capital Improvement)

Project List	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
2 x Zero Turn Lawnmowers		\$22,000				
6x4 Gator		\$11,500				
Playground Structures			\$60,000			
Splashpad				\$300,000		
Community Rec Center					\$2,500,000	
Resurface Tennis Courts						\$13,000
TOTALS	\$0	\$33,500	\$60,000	\$300,000	\$2,500,000	\$13,000

New Multi-Purpose Community Center

- Walking Track

- Picnic Shelter
- Fields for our Sports
- Tennis/Pickleball Courts
- Recreation Center with Meeting Rooms
- Auditorium
- Gymnasium

Splashpad (water park)

- A place where children can soak, splash, laugh, and enjoy the day in mist/sprays.

Mechelle Preslar Hamlet Museums & Depot

The staff includes Mechelle Preslar, Director of the Hamlet Depot & Museums and Community Engagement, and Toni Kubiak, Administrative Assistant.

Tasks encompass but are not limited to:

- Providing customer service to visitors at the museum and serving as an information hub for events and activities in the City of Hamlet.
- Assisting the Buildings & Grounds department with the maintenance of the facilities and grounds to ensure a safe and attractive environment.
- Planning and coordinating events, including the July 4th Celebration, Parade of Lights, Seaboard 5K, Halloween Boo Bash, TGIFood Trucks on Main, Yoga by the Tracks, Hamlet Boxcar Concert Series, Movie Nights in Main Street Park, and Hamlet City Lake Pop-Up Markets, among others.
- Creating, publishing, and managing marketing materials for events and activities in each city department of Hamlet.

Year in Review

Community Event Planning:

Hamlet City Lake Pop-up Market:

- Held on the 1st Saturday of each month from April through November, with a special Holiday Market on the last Saturday of November
- Features vendors selling hand-crafted items and draws visitors from both the local community and surrounding areas

TGIFriday Food Trucks (6th Season):

- Held every 2nd and 4th Friday from April to November
- The 2nd Friday includes a Cruise-In on Main, and the 4th Friday features the Boxcar Concert Series

Seasonal & Special Events:

- Independence Day Celebration, Halloween Boo Bash, Christmas Tree Lighting with the Polar Express Experience, Main Street Movie Nights, Seaboard Festival, Mary Love Cemetery Walk, and Parade of Lights

Walk N Wag (5th Annual):

- Proceeds benefit Richmond County Operation Fix and the Richmond County Animal Shelter

Richmond County Crime Stoppers’ Kick-off to Summer Fundraiser (5th Annual):

- Held in conjunction with the 2nd Friday TGIFriday Food Trucks event; proceeds benefit RC Crime Stoppers.

Future Needs: (5-Year Capital Improvement)

Project List	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Access Control Panel - Complex		\$13,000				
Video Intercoms - Complex			\$8,000			
Main Street Park Bridge Remodel				\$40,000		

Paint for Visitor Center Bathrooms	\$3,000
Paint for Fence and Shed in Main Street Park	\$35,000

Senior Center Retainer

Wall Engineering	\$20,000	\$250,000				
TOTALS	\$20,000	\$263,000	\$8,000	\$40,000	\$38,000	\$0

Community Engagement Director Preslar reported that most City events are conducted at no cost to the City, funded through TDA grants and sponsorships. She stated that \$550 was raised during the Annual Walk and Wag event, with proceeds benefiting Operation Fix.

City Manager Terziu reported that the retaining wall at the Senior Center is compromised, and approximately \$20,000 was budgeted in the current fiscal year for engineering to address the issue. He also stated that a quote was received to remove two sweetgum trees contributing to the problem.

John Terziu -City Manager

- Create a phased approach to increase enterprise revenue
- Increase economic development
- Decrease general capital projects

Year End June 30, 2025

General Fund \$2,834,084 (37 .6%)

Enterprise Fund \$1,849,077

5-Year Capital Totals

<u>Department</u>	<u>General Fund</u>
Fire and Rescue	\$33,000
Police	\$150,200
Building and Grounds	\$569,200
Public Works	\$13,000
Parks and Rec	\$33,500
Museum and Sr Center	\$263,000
TOTALS	\$1,061,900

<u>Department</u>	<u>Enterprise Fund</u>
Public Works	\$596,000
TOTALS	\$596,000

City Manager Terziu stated the City received \$471,000 in settlement funds for this year. He stated his recommendation is to execute the following projects in the current FY:

We received \$471,000 in settlement funds this year. Recommend executing the projects listed below:

<u>Department</u>	<u>Project</u>	<u>Notes</u>	<u>Cost</u>
Police Department	22x Glockes and 12x AR15	Single year cost	\$39,000
Police Department	Tasers	5x year commitment	\$29,000
Fire Department	Auto Floor Scrubber	Single year cost	\$9,200
Fire Department	John Deer Excavator	Single year cost	\$40,000
Buildings and Grounds	Brush Cutter	Single year cost	\$13,000
Public Works	2x Zero Turn Lawnmowers	Single year cost	\$22,000
Parks and Rec	6x4 Gator	Single year cost	\$11,500

Total Budget Amendment **\$163,000**

Recommend executing the General Fund projects FY26/27:

Department	Project	Notes	Cost
Police Department	Evidence Room	Single year cost	\$50,000
Fire Department	First Due Fire Program	Yearly commitment	\$6,800
Fire Department	Flooring	Single year cost	\$17,000
Buildings and Grounds	Fire Dept Roof	Single year cost	\$70,000
Museum	Access Control	Single year cost	\$13,000
Museum	Senior Center Retaining Wall	Single year cost	\$250,000
Total Capital Budget			\$406,800
Plus, Debt Service Obligations			\$506,500

Recommend executing the Enterprise Fund projects FY26/27:

Department	Project	Notes	Cost
Public Works	Waterline at City Lake	Engineering	\$104,000
Public Works	Forestry Head	One time cost	\$35,000
Public Works	Sewer Line Hamlet Ave	Engineering	\$50,000
Public Works	Sewer Line Rollins Ave	Engineering	\$50,000
Total Enterprise Capital Budget			\$239,000

Council Member Clewis inquired about the source of the \$471,000 in settlement funds.

City Manager Terziu explained that the funds are from PFAS settlement, with distributions beginning within the past year. He noted that approximately \$471,000 has been received in the current year and if council approves the recommended projects, we will still have \$308,000 left over.

Council Member Clewis asked how the budget would appear without the inclusion of these settlement funds.

City Manager Terziu stated the City would be near a break-even position but may need to utilize Fund balance to cover some expenditures.

Mayor Pro-Tem Covington asked whether any Fund balance would be transferred for the upcoming fiscal year.

City Manager Terziu responded \$506,000 is appropriated in the current budget, but with the settlement funds we are not likely to expend any of that. He stated that revenues exceed our operational costs by approximately \$5,000.

Finance Director Miles stated that the City anticipates additional future revenues through economic growth and emphasized that the budget is developed using a conservative approach.

Council Member Clewis asked what impact a two-cent reduction in the tax rate would have.

City Manager Terziu responded that a 2-cent reduction would total ~\$66,000.

Council Member Clewis expressed concern regarding recent increases in water, sewer, and sanitation costs, and suggested consideration of a tax reduction.

Mayor Pro-Tem Covington inquired about the cost of a 2% Cost of Living Adjustment (COLA).

Finance Director Miles stated 2% COLA would be \$105,000 split between three funds: \$72,000 from General Fund, \$2500 to Powell Bill, and \$30,000 from Enterprise Fund.

Mayor Pro-Tem Covington stated that a one-cent tax reduction would reduce City revenues by approximately \$30,000 and expressed support for a reduction to provide relief to citizens.

City Manager Terziu asked for Council's consideration of implementing a one-cent reduction this year, with the possibility of an additional two-to three-cent reduction in the following year.

Council Member Clewis agreed with the approach of reducing taxes stating that even a small decrease shows citizens that Council cares. He indicated support for at least a one-cent reduction, with a preference for a two-cent reduction.

Council Member Martin stated his support for a two-cent tax reduction.

City Manager Terziu responded that a two-cent reduction would equate to approximately \$66,000, compared to a \$33,000 for a one-cent reduction, that this difference is roughly equivalent to the cost of maintaining one position over the course of a year.

Mayor Pro-Tem Covington stated she agreed with Council Member Martin in support of a two-cent reduction.

City Manager Terziu clarified that Council was not taking final action on the budget at this meeting but was instead being asked to consider approval of capital expenditures. He stated that a budget amendment will be presented at the May meeting, with final budget approval will be at the June meeting.

Council Member Clewis moved to approve and execute the current year's capital projects, direct the City Manager to prepare necessary budget amendments, and reduce the property tax rate by \$0.02 for the upcoming fiscal year. Council Member Martin provided the second. The motion passed unanimously.

Council Member Clewis inquired whether the City has previously used Powell Bill funds for sidewalk improvements.

Public Works Director Brown confirmed that Powell Bill funds have been used for sidewalks, curbing, and asphalt work.

Council Member Clewis suggested that the sidewalk in front of the Seaboard may be able to be ground down rather than replaced.

City Manager Terziu expressed concern that initiating such work could create an expectation to continue similar repairs across the City.

Mayor Pro-Tem Covington stated that the City had consistently performed sidewalk repairs.

Public Works Director Brown expressed concern regarding the recently adopted System Development Fees, stating that a sewer tap fee could cost approximately \$15,000 for a citizen.

City Manager Terziu responded that this amount is relatively low compared to the overall impact on the City's water and sewer system.

Council Member Clewis asked whether the fees apply to new construction or existing homes reconnecting to service.

City Manager Terziu clarified that the fees apply to new construction. He stated that the City hired a consultant to establish the fee structure in accordance with state requirements, emphasizing growth should pay for growth.

Council Member Clewis asked if this was a statewide average for the System Development Fees.

City Manager Terziu stated that fees are determined based on local conditions following a consultant's evaluation.

City Manager Terziu also stated that a septic system would cost more than our fees. Current rate payers should not have to pay for the impact of growth. Growth should pay for the impact on the systems we provide.

4. **End of Meeting.** At 5:22 pm, a motion was made by Council Member Clewis with the second offered by Mayor Pro-Tem Covington to adjourn. The motion passed unanimously.