



MINUTES

Tuesday, April 22, 2025: 3:00 PM

Town Council Work Session

**C. Michael Haney Community Room: Southern Pines Police Department
450 W. Pennsylvania Ave**

1. CALL TO ORDER

Mayor Clement called the meeting to order. The following members of Town Council were present: Mayor Taylor Clement; Ann Petersen and Debra Gray.
Absent : Bill Pate and Brandon Goodman

2. PLEDGE OF ALLEGIANCE

3. TOWN MANAGER'S COMMENTS

Town Manager Reagan Parsons reviewed the agenda.

Town Manager Reagan Parsons requested to add an additional Action item regarding a Parks and Recreation Trust Fund grant application for the Whitehall perimeter trail. He explained that the application was due May 1st and required council approval. The grant would be \$500,000 with a matching commitment from the town within 3 years if awarded.
Discussion ensued and the Council agreed to add the item as 4b.

4. ACTION ITEMS

a. Authorize Town Manager to Execute Agreement with Weymouth Center for the Arts & Humanities for an Outgoing Loan of Artwork

The Weymouth Center will be hosting various events as part of America 250 NC, commemorating 250 years of our nation's history. They have requested that the Town loan three paintings by N.C. Wyeth that were created for the 1928 edition of *Drums* by James Boyd.

Town Manager Reagan Parsons explained that this item involved a lease agreement for three Wyeth paintings owned by the town to be loaned to the Weymouth Center from June 2025 through January 2027. The paintings would be part of revolutionary events taking place across North Carolina and the country. Mr. Parsons noted that the lease agreement contained details on required security and handling of the paintings. It was built off a template from the Smithsonian. However, the actual lease document was not included in the council packet due to some sensitive information on valuations.

Councilmember Ann Petersen requested to delay voting on this until the May Business Meeting so she could review the lease document. The council agreed to postpone this item.

4b. Approve Application for Parks and Recreation Trust Fund Grant

Recreation Director Greg Thompson explained that this grant application was for \$500,000 to help fund the perimeter trail at Whitehall, which would be an ADA-accessible trail. The town would need to commit to providing \$500,000 in matching funds within 3 years if awarded the grant.

Councilmember Petersen moved to support the submission of the grant application to the Parks and Recreation Trust Fund for the Whitehall perimeter trail project, seconded by Councilmember Gray; the vote was unanimous.

5. COUNCIL UPDATES AND DISCUSSION

a. Arts Council Lease

Continuation of discussion surrounding a long-term lease of the Campbell House to the Moore County Arts Council

Town Manager Parsons introduced this item, noting it had been before the council last year but was delayed due to various factors. He explained that the Arts Council was seeking a long-term lease to provide assurance as they fundraise for a significant addition to the Campbell House. The addition would provide elevator access, ADA accessibility to the second floor, and additional gallery and event space. Town Manager Parsons noted that the current lease expired in 2021 and the \$100 cap on repairs was outdated. He invited Chris Dunn and Ray Dunn from the Arts Council to provide updates.

Executive Director Chris Dunn reported that since February, they had raised over \$900,000 of their \$3.5 million goal. They had completed phase 1 of the landscape management plan and received town approval for the architectural compliance permit. Their next steps were to submit site and building plans for approval by July 1st and invite contractor bids. Their goal was to raise \$1 million in construction funds by the end of the year.

Development Director Ray Dunn added that they were designing a small historical gallery in the addition that could potentially house the Wyeth paintings and other historically significant art pieces.

The council discussed options for the lease terms, including:

- Lease length: 25 years was proposed as a compromise between 20 and 30 years
- Repair cost responsibility: A graduated deductible was suggested, starting at \$500 and increasing to \$750 and \$1000 over time
- First right of refusal if the town decides to sell the property
- Allowing the Arts Council use of the second floor if town offices vacated

The council directed staff to draft a new lease incorporating these points for further review. They also emphasized the importance of a long-term lease to assist with the Arts Council's fundraising efforts.

b. Updates Regarding FY26 Budget

Town Manager Parsons provided several updates on the FY26 budget since the previous retreat:

- April sales tax receipts slightly increased revenue projections
- Salary line items were adjusted to 2.5% COLA and 4% merit pool
- Major medical contracts were finalized, reducing the expected increase from 15% to 12%
- A high-deductible health plan option with HSA was added for employees
- County property valuation figures matched previous estimates
- A \$3,200 hand-washing station was ordered for Martin Park
- Staff was developing options for the downtown parking lot redesign

Town Manager Parsons noted that after changes, the available fund balance above 25% was about \$804,000. He requested any final thoughts or additions from the council before preparing the initial draft for public notice.

Councilmember Petersen asked for clarification on the impact of the high-deductible health plan option for employees.

- Town Manager Parsons explained that the town would fund \$2,000 into employees' HSAs over 12 months to help with the \$4,000 deductible. This option could potentially save employees money, especially those covering families.

Councilmember Brandon Goodman requested staff review the feasibility of managing municipal waste and yard waste as an enterprise fund, though not for immediate implementation.

The council agreed to set aside \$125,000 for the downtown parking lot redesign in the budget.

c. Library Discussion

Discussion item requested by Mayor Clement

Library Director Amanda Brown provided an overview of the library's fee structure and outstanding balances:

- The library no longer charges overdue fines, but does charge fees for lost or damaged items
- There is currently \$57,249 in outstanding fees dating back to 1995
- On average, there has been \$5,000 per year in unpaid fees since 2010-2011
- The current processing fee of \$5 for replacing items has not been updated in many years

The council discussed options for addressing old outstanding fees, including:

- Automatically deleting fees older than a certain date (e.g. 20-30 years)
- Allowing forgiveness of fees by request, based on age and amount
- Reviewing the actual costs of processing replacement items to potentially update the \$5 fee

The council directed the issue to the Library Advisory Board for review and recommendations. They also requested that the statute of limitations on debt be researched to inform the discussion.

6. COUNCIL ROUNDTABLE

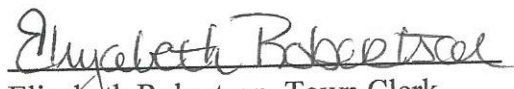
Councilmember Gray commended the police department for assisting an elderly resident who had locked herself out of her home. She also praised the planning department for addressing a resident's property line concerns.

Planning Director BJ Grieve was recognized for assisting the police department by flying a drone during a significant incident when the regular public safety pilot was unavailable.

7. ADJOURNMENT

Upon motion by Councilmember Petersen, seconded by Councilmember Gray and carried unanimously, Council adjourned at 4:19 pm.

Respectfully submitted:


Elizabeth Robertson, Town Clerk

