



September 13, 2021

Memorandum

TO: Debbie Diaz, Town Manager
FROM: Charlene Allen, Assistant Town Manager
REF: State Employees' Credit Union ATM Lease

The State Employees' Credit Union CashPoints ATM at the Meekins Field site was removed in April, 2021 at the Town's request as a result of parking renovations at Meekins Field. The State Employees' Credit Union has requested when the new ATM is installed and lease renewed, if the lease costs could be modified \$0 per month or \$1 per term. Attached is a request from the State Employees' Credit Union for consideration for an adjusted rental amount to help offset some of the unexpected and significant costs incurred as a result of the unplanned removal of the ATM kiosk earlier this year.

I have researched a few other areas in the State that have accepted a reduced rental amount. Davidson County and Orange County have a rental agreement with the Credit Union for \$0/term. Durham County has a rental agreement for \$50/month. The Town of Apex has an agreement for \$12/year.

The CashPoints ATM has been at Meekins Field since 1997 at which the rent started at \$200 per month and many years later increased to \$250 per month. The request to reduce the rental fee from \$250/month to \$0/month would be a reduction in revenue annually by \$3,000 to the Town.

The ATM conducts thousands of transactions each month, most of which are free-of-charge, and serves this community at the location at Meekins Field. I am recommending the new rental be \$12 per year (\$1 per month), for a five-year term, because of the significant costs associated with removing and installing a new ATM.

Attachment

State Employees' Credit Union



Nags Head

August 3, 2021

Town of Kill Devil Hills
Attn: Charlene Allen, Assistant Town Manager

RE: Future Considerations for ATM Lease – Meekins Field

To Whom it May Concern:

State Employees' Credit Union has maintained a CashPoints ATM at Meekins Field in Kill Devil Hills since 1997, nearly 25 years. We truly appreciate our relationship with the Town of Kill Devil Hills and the opportunity to use this site. Meekins Field has proven to be a beneficial location for both local users and visitors. The ATM conducts thousands of transactions each month, most of which are free-of-charge, and we hope to be able to continue to serve this community at this site for years to come.

Earlier this year, our lease was terminated, and the CashPoints ATM at Meekins Field was removed following a request by the Town to relocate the ATM in order to accommodate a parking lot renovation. Costs to remove the ATM and reinstall at a later date – as opposed to relocating the ATM on-site as requested – were equally significant. Therefore, the decision was made to remove the ATM until construction was completed, primarily based on security concerns of keeping the kiosk on site without power or communications. Now that construction is drawing to an end, SECU would like to revisit the option of reinstalling a new ATM kiosk at Meekins Field. We are requesting consideration for an adjusted rental amount and installation costs to help offset some of the unexpected and significant costs incurred as a result of the unplanned removal of the kiosk earlier this year.

Site rent was \$250 per month prior to removal of the kiosk in April, 2021. We are requesting consideration of a rent-free (\$0 per month) lease agreement; or, \$1 per term if that amount better complies with the Town's policies. Additionally, we are hopeful that the Town can offer some reprieve from permitting and zoning costs associated with constructing the new kiosk. Lastly, the ideal length of term for a new lease would be an initial five-year term with the option to renew for five additional years at the same price. Similar rates and terms are common for CashPoints ATM sites locally and across the state, and we are hopeful the Town of Kill Devil Hills would consider doing the same. While these provisions would not allow SECU to recoup the total expense of relocating the ATM, it would help offset some of the costs incurred and provide justification for the local SECU branch's request to reinstall the ATM.

We are grateful for the many years the Town has allowed SECU to utilize the Meekins Field location and appreciate any consideration that can be given to the terms of a future lease at this site. Upon your review, I would appreciate the opportunity to discuss details further. Please feel free to contact me by phone at 252-441-0422.

Respectfully,



Chad Holloman
Senior Vice President
Nags Head