

Middlesex Governing Body Meeting Minutes
April 11, 2016

Mayor Lewis called the regular meeting to order at 7:30 p.m. and gave the invocation. Members present were Commissioners Harold Meacombs, Danny Alford, Cherrye Davis, Ann Lewis, and J.W. McClenny. Approximately seven guests attended.

The March 2016 minutes were approved unanimously in a motion by Commissioner Lewis, which was seconded by Commissioner Davis.

Mayor Lewis requested to add to the agenda a Closed Session as allowed by G.S.143-318.11(a)(6) for a personnel matter in the Police Department. The amended meeting agenda was unanimously approved in a motion by Commissioner McClenny and seconded by Commissioner Lewis.

Clerk Lambert presented the March 2016 financials and they were unanimously approved in a motion by Commissioner Meacombs and seconded by Commissioner McClenny.

Lambert also presented a letter from Melinda Canady, Assistant Director of Fiscal Management, Local Government Commission, NC State Treasurer's Office, advising of the results of the audit performed by Canady and Amy Szalaj on March 21, 2016. Ms. Canady stated the records, policies, and procedures that they reviewed revealed no issues or areas of concern. She also stated no future visits are needed unless a specific issue arises.

Police Chief Dennis Murray introduced Tristan Stallings to the Board. Tristan was hired as a Reserve Officer at the March 14, 2016 meeting, which will be effective when he receives clearance from Training & Standards and takes the oath of office. Chief Murray thanked the Nash County Sheriff's Office for the fine job assisting his department with the recent bank robbery and the quick apprehension of the suspect. He also thanked his team for a job well done.

The Utilities Department discovered a second infiltration problem at the corner S. Chestnut and W. Hanes Avenue, in addition to the one found on Schoolhouse Road last month. Supervisor James Liles noted his department continues to look for problem areas.

Mayor Lewis noted that the estimated property taxes for the 2016 scroll shows a 3.2% growth in the tax base. He noted that there are only four more lots left in Village Square Subdivision and it's very likely homes will be built on these remaining four lots within the next year. Also, three more permits have been written for South Winds Subdivision, which will increase the tax base, and one permit on Stokes Road in the ETJ. The growth is very positive.

Mayor Lewis advised the Board that the swimming pool needs a new skimmer door, new chlorinator, and new sand in the filter, which will cost between \$600-\$800. The town has lost \$13,500 since opening the pool in June 2013. Gary Lee, President at the Free Will Baptist Children's Home, advised he definitely wants to continue their summer program at the pool from June through August. He is very concerned whether the town will keep the pool open. He is willing to pay a higher rate than previous years in order to avoid relocating the summer program to a pool further away. Both Mayor Lewis and Commissioner McClenny commented several people had expressed they would like to see the pool remain open. Commissioner Meacombs recommended the Board consider changing the rate structure so in-town people pay less than out-of-town guests. Meacombs also noted that it would be expensive to decommission the pool if the town closed it. Mayor Lewis has spoken with the pool attendants that worked last year and they are all willing to work again this year. The pool normally opens the Saturday before Memorial Day, which will be May 28, 2016. It was unanimously agreed to keep the pool open another year after a motion by Commissioner Meacombs and a second by Commissioner McClenny. The Board will discuss and decide the rates at the May 9, 2016 meeting.

As an FYI, paving bids, a change order, and invoice were presented for paving N. Pine Street. PLT Construction submitted a bid totaling \$31,240. Williams Paving submitted a bid of \$27,150. The Williams Paving bid was accepted. There was a change order to take up a driveway tile, cut additional asphalt, and additional ditch for ductile iron pipe totaling \$500 extra. The final invoice total was \$27,650, and was approved and signed by all Board members. The paving has been finished and was paid for from Powell Bill funds.

Clerk Lambert presented a 2015-2016 budget amendment necessary for several repair bills for the garbage truck. The amendment requested follows:

<u>GENERAL FUND EXPENDITURES:</u>		<u>INCREASE</u>	<u>DECREASE</u>
<u>Economic/Phys Development/Zoning:</u>			
10-490-0200	Salaries		3,000.00
10-580-1700	Maintenance of Vehicles	3,000.00	

The budget amendment was unanimously approved in a motion by Commissioner Meacombs and seconded by Commissioner Lewis.

Mayor Lewis presented a Resolution to apply for an Asset Inventory Grant to inventory and map the town's water and sewer system. Envirolink approached Mayor Lewis regarding apply for the grant, which will be up to \$150,000 each for the water and the sewer system. The town is in a 10% match category. The 10% can be in the form of money or in-kind work. At the end of the grant, the town would have an updated maps of all lines and a Capital Improvement Plan (CIP) for the water and sewer system. Mayor Lewis noted the town has a CIP. The grant deadline has been extended to mid-

June. The updated CIP should assist the town when applying for future grants. The town has some water lines that need replacing, which is a major undertaking and very intense work. The town has lines that are over eighty years old and need replacing. The new CIP would help at the point in time when the town begins replacing water or sewer lines. Meacombs added that it would come down to how much the end project (CIP) will cost. He added that he will obtain more detailed information about the grant and, if necessary, call a special meeting to further discuss the grant and to vote on the resolution,. The matter was tabled for further review and discussion.

Melissa Schmidt-Rumaldo, owner of El Mostro Bakery, who leases the town's building at 10220 S. Nash Street, has presented a letter of termination of her lease effective April 30, 2016. Commissioner Meacombs moved to accept the request for termination of the lease agreement. Commissioner Alford seconded and the vote was unanimous.

Two interested parties have approached the town regarding the leasing of the building at 10220 S. Nash Street. The first, a couple requesting to lease the building to open a fitness center. They already own a fitness center in Spring Hope. They would be interested in beginning the lease in June. The second person was interested in opening a thrift shop. The current rent is \$250 per month. More information will be presented at May 9, 2016 meeting.

Mayor Lewis opened the floor for the public comment session. Citizens Robert Johnson, Becky Strickland, Brandi Holt, and Edna Mount addressed the board about various concerns.

Commissioner McClenny moved to go into Closed Session as allowed by G.S.143-318.11(a)(6) to discuss a personnel matter in the Police Department. Commissioner Davis seconded and the motion passed unanimously.

Back in Open Session, Commissioner McClenny moved to rehire Scott Pollard as a Reserve Officer effective immediately. The motion was seconded by Commissioner Alford and passed unanimously.

Mayor Lewis began reviewing Budget Workshop items. Following is an overview:

General Fund Revenues:

- Tax estimates indicate a 3.2% growth from 2015; current tax rate \$.57/100 value
- Property Tax revenue estimates total \$245,149 and vehicle estimate is \$24,811
- Privilege Licenses revenues – only beer & wine
- Library contribution currently \$13,500. County Manager has proposed \$15,000
- Powell Bill Allocation should remain close to \$26,500
- Garbage Truck continues to need repairs. Prices on used trucks running \$75,000 to \$85,000, or \$115,000 to \$145,000 for a new truck
- Cemetery Fees were reviewed and increased March 14, 2016

- Swimming pool rates will be decided at the May 9, 2016 meeting
- Zoning Permit fees, Community Building rental fees, and other miscellaneous fees will also be decided at the May meeting

General Fund Expenditures:

- No election costs for 2016-2017
- Ethics training costs \$125 for webinar and could be lower if coordinated with the Town of Bailey
- Logics Financial and Utilities Management Software at \$12,271.54 will not increase.
- No Property and Liability and Workers Compensation Insurance premiums available at this time
- No health insurance costs available. MIT, the carrier for the town's dental, vision, short term disability and basic life insurance will not increase
- Jennifer Lambert requested/noted the following for the Administration Department:
 1. HP4600 printer and the cash register receipt printer need repair and maintenance. CT Technology coming on site to assess and quote cost.
 2. Budget training for Tammy Pittman to attend the 2016 Institute and Workshop for New Clerks at the Institute of Government at Chapel Hill. Cost \$375, plus travel and overnight stay for 3 nights. Also, requests to budget for Tammy to attend "Introduction to Local Government Finance" if there is an offering. No offering at this time. Last year's course cost \$500.
 3. With Tammy training more on month end closing, reporting, balancing, debt service, and cash management, attending town meetings, and getting more exposure to the clerk's and finance officer's duties, Jennifer recommends a salary increase for Tammy.
 4. Request fire proof filing cabinet to replace one in hallway that is not fireproof and one three-door cabinet with broken drawers.
- Hole in town hall office bathroom (as a result of a leaking hot water heater under the vanity) needs repairing. Mayor Lewis added the town hall carpet needs replacing.
- Southern Software annual maintenance for police department software was \$4,388 last year. No information received for 2016-17 at this time
- Dennis Murray request the following for the Police Department:
 1. Dodge Charger and equipment \$30,000 with equipment
 2. Computer system for patrol office \$1,500; upgrade Chief's computer \$500
 3. Two new laptops for vehicles \$1,800
 4. Add full time position for \$25,000 plus benefits totaling \$32,500
 5. Increase the hourly pay rate for reserve officers from \$11 to \$11.75 per hour (due to no benefits)
 6. \$1.00 per hour raise for the current full time positions
- Decide Powell Bill Street Paving/Patching projects and estimated costs

- Waste Industries currently \$58.52 per ton at transfer station. Most likely will increase January 1, 2017 as it has in the past
- James Liles has requested the following for Public Works/Utilities and is in the process of obtaining estimates:
 1. Service truck needs replacing
 2. Trailer to haul both zero-turn lawn mowers
 3. Tank to clean out manholes
 4. Lawn mower
 5. Tools
 6. Trash Truck-requiring a lot of repairs
- \$100 property insurance for Bailey Middlesex Park
- Library needs awning over back door

General Fund Capital Projects:

- East Coast Packaging Reuse & Restoration Grant: This grant project for \$95,000 has been extended to 10-31-2016. Total expended to date \$70,250.52, leaving \$24,749.48 unencumbered at this time. Therefore, this project will continue into the 2016-2017 year.

Water and Sewer Revenues:

- Current water access fee is \$8.00/mo. and \$4.50 per 1,000 gallons.
- Current sewer access fee is \$15 per mo. and \$13.75 per 1,000 gallons.
Have emailed Raleigh regarding wastewater treatment rates

Water and Sewer Expenditures:

- The current water tower maintenance contract with Southern Corrosion currently costs \$8,360 and per the contract, the price will increase according to the CPI for this year.
- Envirolink contract price-Normally increases 2%-not to exceed 4%. Water portion of contract \$2,232 per month or \$26,784 annually. The sewer portion is \$558 per month or \$6,696 annually.
- No information from Carolina Meter for annual maintenance for the Meter Reading ReadCenter Software and Trimble Handheld Device. 2015-2016 amount was \$1,176, which is divided equally between water & sewer.
- Debt Service for next year:
 1. One DENR debt remains-the Zebulon Sewer Line Project- total amount due in 2016-2017 is \$103,786.55 and all but \$16,000 is already in CD reserves at Southern Bank.
 2. Note that we owe \$103,786.55 for 2017-2018, which is the FINAL payment. See amortization schedule
 3. The town has a new \$150,000 installment loan with Southern Bank for the Sewer Lift Station Overhaul and Inflow Project with annual

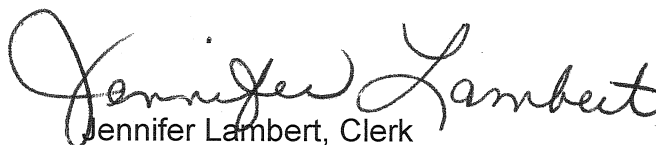
payments of \$12,000 plus interest for the first two years, the \$63,000 plus interest for the last two years. Payment due 03-14-2017 \$14,760
Total sewer project expenses paid to date - \$122,892.39, leaving \$27,107.61 in the escrow account.

A copy of all rate charts, a current list of CD's in reserves, and the current salary spreadsheet were included in the budget workshop materials.

Mayor Lewis encouraged all Board members to review the budget information and contact the department heads, or him, with any questions before the next meeting. Mayor Lewis and Clerk Lambert will prepare a draft budget to submit at the May 9, 2016 meeting which will include all the available data.

Commissioner Lewis moved to hold a budget workshop on May 9, 2016 after the regular town meeting. Commissioner McClenny seconded and the vote was unanimous.

With no further business, Commissioner McClenny moved to adjourn. Commissioner Alford seconded and the motion passed unanimously.



Jennifer Lambert, Clerk

Mayor Luther H. Lewis, Jr.
Commissioners
Harold Meacombs
Danny Alford
Cherrye Davis
Ann Lewis
J.W. McClenny