

Middlesex Governing Body Meeting Minutes
June 8, 2015

Mayor Lewis called the regularly scheduled meeting to order at 7:30 pm and gave the invocation. Members present were Commissioners Harold Meacombs, Danny Alford, Cherry Davis, Ann Lewis, and J.W. McClenny. Approximately fifteen guests attended.

Mayor Lewis opened the floor for a Public Hearing for comments/questions pertaining to the 2014-2015 proposed budget. Mayor Lewis presented an overview of the 2015-2016 Budget Ordinance totaling \$1,205,000 (which is \$92,395 less than the 2014-2015 Budget adopted). The General Fund represents \$720,605 and uses \$17,650 in fund balance appropriations. The Water Fund Budget totaling \$152,830 uses no fund balance, while the Sewer Fund Budget of \$331,565 needs \$24,965 in fund balance.

Mayor Lewis noted the General Fund requires less fund balance than any budget in the previous ten years since he has been involved with the budget and that this budget is "down to squeaky". The town received a letter Friday from the Local Government Commission, which was added to the agenda packet. The letter conveyed concerns regarding lower than average General Fund balance reserves. The town has forty five (45) days to respond to the letter explaining the town's plan of action. Mayor Lewis advised that he talked extensively today with John Anthony, the town's auditor, about the LGC letter, the proposed budget, the tax increase, expenditure cuts, and the \$50,000 the Sewer Fund paid back to the General Fund in May. Anthony feels these changes will work, and the town will review again next year for any needed action. These actions will be explained in the reply to the Local Government Commission.

Following is the Budget Ordinance summarizing all changes in rates, fees, plans, and salaries:

**TOWN OF MIDDLESEX BUDGET ORDINANCE
FISCAL YEAR 2015 – 2016**

Be it ordained by the Board of Commissioners of the Town of Middlesex, North Carolina, and meeting on June 08, 2015 that fund revenues; departmental expenditures; rate schedules; salary changes; and any other policy changes are hereby adopted for fiscal year 2015 - 2016 by department as follows:

SECTION I. GENERAL FUND (FUND 10) BUDGET

Total Revenues:	720,605
Expenditures by Department:	
Governing Body	7,115
Administration	140,210
Tax Collection	4,650
Legal	3,000
Economic/Phys Dev/Zoning	39,490
Public Buildings	16,950
Community Building	3,650
Police Department	250,940
Police Drug Fund	1,200
Streets & Sidewalks	52,095
Powell Bill Expenditures	78,535
Sanitation	69,630
Parks & Recreation	3,600
Swimming Pool	13,435
Cemetery	3,000
Non-Departmental	2,500
Library	30,605
Total Expenditures	720,605

SECTION II. WATER AND SEWER FUND (FUND 30) BUDGET

Water Revenues:	152,830
Water Expenditures:	152,830
Sewer Revenues:	331,565
Sewer Expenditures:	331,565
Total Water & Sewer Fund:	484,395
GRAND TOTAL BUDGET:	1,205,000

The General Fund budget requires \$17,650 in fund balance appropriations to meet expenditures. The Water Fund requires no fund balance to be appropriated, and the Sewer Fund budget requires \$24,965 from fund balance to meet expenditures. This budget was posted in the Clerk's office for public inspection on Friday, May 29, 2015.

SECTION III. Tax Rates:

The current 2014 ad valorem tax rate is \$.52 per \$100 valuation. The Board of Commissioners, by adoption of this budget ordinance, will increase the ad valorem tax rate by \$.05, bringing the ad valorem tax rate for the Town of Middlesex to \$.57 per 100 for the 2015 tax billing. Nash County bills and collects fire tax and remits directly to the Middlesex Volunteer Fire Department, which operates independently from the town.

Nash County bills and collects all town property taxes for a 2% collection fee, and 1½ % vehicle tax collection fee. The town continues to collect all unpaid taxes for year 2011 and prior. The real and personal property valuation estimates received from Nash County for the 2015 billing were \$43,900,000 (after exemptions). At the new rate of \$.57/100, this is equivalent to budgeted revenues of \$235,640. Budget estimates are based on the prior year collection rate of 94.17%. Estimated vehicle tax values are \$4,512,816 for 2015, so vehicle tax revenues estimated at the new tax rate total \$24,220. With NC DMV collecting vehicle taxes in 2015-2016, the collection rate of 94.02% should increase.

The tax rate increase was held to \$.05/100 of valuation due to the repayment of \$50,000 on May 30, 2015 to the General Fund from the Sewer Fund for money transferred January 2009 for early payment to USDA on the Sewer Rehab Loan. Transfers in January and November 2009 used for early payoffs on water and sewer debt to USDA and NC DENR totaled \$127,377.80. The town saved approximately \$167,600 in interest. The remaining \$77,377.80 will be repaid as water and sewer funds become available.

SECTION IV. Workers Compensation and Property and Liability Insurance

The estimated 2015-2016 Property and Liability Premium totaling \$17,063, less the incentive credit of \$2160, leaves a net estimated premium of \$14,903. The estimated premium for Workers Compensation for 2015-2016 is \$8,612.70, which will be adjusted after a payroll audit in April 2015. In comparison, the 2014-2015 final premium was \$9,422.87.

SECTION V. Nash County Library Contribution

Nash County's contribution to the Middlesex Public Library remains at \$13,230 for 2015-2016 Budget. Braswell Library continues to provide computer support services at no cost to the town for labor.

SECTION VI. Powell Bill

The Powell Bill budget totals \$78,535, which includes \$75,000 for paving and \$1,535 for maintenance of the Manning Street railroad crossing. The fund balance appropriation needed is \$52,285. We have received no information regarding the installation of the Possum Road railroad crossing, so the \$20,000 for Middlesex's portion of the cost, which was approved a couple of years ago, is not included in this budget. If Carolina Railway decides to complete this project in 2015-2016, the budget must be amended at that time.

SECTION VII. Parks and Recreation

No money is appropriated for parks in this budget beyond the normal maintenance and utilities expenditures. An estimated premium of \$200 is budgeted for Middlesex's half of the cost of liability insurance for the Bailey-Middlesex Park.

SECTION VIII. Swimming Pool

The town will continue to open and support the pool for 2015-2016. A season pass is available for \$250 and a ten-visit pass is also available for \$40. Swimming pool expenditures are estimated at \$13,435, while forecasted revenues are \$6,000. Recent advertising of the pool will hopefully result in increased revenues.

SECTION IX. Public Buildings

Funds totaling \$12,000 were budgeted for any needed repairs or maintenance to town-owned buildings.

SECTION X. Community Building

No capital outlay is budgeted for 2015-2016 since remodeling and many improvements were completed in the current 2014-2015 year.

SECTION XI. Police Department

No capital expenditures are budgeted for 2015-2016.

SECTION XII. Sanitation Rates

The sanitation rates for residential monthly service will increase from \$16.75 per month to \$20 per month, and from \$24.50 to \$28.00 per month for business consumers. This amount includes the \$3.00 monthly recycle fee. The monthly fee includes household and bulk garbage, recycle, and yard waste programs. Recycling is mandatory according to state law. Hopefully, the town has a sufficient number of garbage and recycle carts for the upcoming fiscal year.

SECTION XIII. Other Capital Projects

At this time, we are waiting for an update from Hartigan Management on The East Coast Packaging Building Reuse and Restoration Grant Project. It appears this project will continue into the 2015-2016 fiscal year.

SECTION XIV. Water and Sewer Rates

The City of Raleigh proposed budget includes a 6% increase for Middlesex wastewater treatment flow for 2015- 2016. However, due to decreases in 2015-2016 in the cost per pound billed for biodegradables (BODs) and Total Suspended Solids (TSS), our total expenditures should not increase. The water and sewer rates remain unchanged from 2014-2015 as follows:

Water Accessibility Fee	\$8.00 per month
Water Usage Rate per 1,000 gallons	\$4.50
Sewer Accessibility Fee	\$15.00 per month
Sewer Usage Rate per 1,000 gallons	\$13.75

The Envirolink contract amount for water and sewer services will increase 2% for 2015-2016, increasing from \$2,735 to \$2,790 per month.

SECTION XV. Water & Sewer Acreage & Impact Fees & Nutrient Reduction Fees

Fees for water and sewer taps, water and sewer acreage, and impact fees remain unchanged.

Nutrient reduction fees, also referred to as nitrogen fees, are to be charged to each customer for all new sewer connections and remitted to the City of Raleigh per our contract. The 2014-2015 rate is \$647.00 per connection for up to a four-inch connection. The 2015-2016 rate is unknown at this time, but the town must adopt Raleigh's rate when it increases.

SECTION XVI. Debt Service

Sewer debt service due to NC DENR for 2015-2016, totaling \$103,786.55 for the sewer line to Zebulon, has been placed in reserves at Southern Bank. The sewer line to Zebulon is the only outstanding debt service the town has at this time and is due to be paid in full in fiscal year 2017-2018. Funds needed for sewer lift station overhauls/pump replacements will be borrowed from Southern and this budget will be amended when the final figures are known.

SECTION XVII. Other Miscellaneous Rates/Fees:

The fees for utility deposits, copies, faxes, dispensed water, community building rent and deposit, grave spaces, and grave opening fees will not change effective July 1, 2015. The community building rent and deposit was increased to \$175 on April 13, 2015. The Board of Commissioners adopted a new fee schedule for grave spaces and grave opening fees effective February 11, 2015.

SECTION XVIII. Salary/Personnel Changes:

Following are the pay increases adopted in this budget ordinance which are effective July 1, 2015 and incorporated in the 2015-2016 budget: Administrative Assistant Tammy Pittman \$1.00 per hour; Town Clerk/Finance Officer Jennifer Lambert \$1.00 per hour; Police Chief Dennis Murray \$.50 per hour; Police Officer Michael Marshall \$.50 per hour; Utility Supervisor James Liles \$1.50 per hour; Utility Worker Angelo Cameron \$.30 per hour, and Librarian Robert Stamper \$.50 per hour. Utility Worker Walt Manning will be promoted to full time effective July 1, 2015 with a \$. 50 per hour increase.

SECTION XIX. Group Insurance Changes:

The Employee Medical coverage plan will change July 1, 2015 from a Blue Cross/Blue Shield Health Savings Account (HSA) to a United Healthcare Plan at an annual estimated cost of \$53,560.32, which includes adding Walt Manning as a full time Utility Worker. The individual deductible for the plan is \$2,000, with a \$4,000 annual maximum out of pocket. The employees will no longer be reimbursed by the town for any medical expense. There will no longer be a Health Reimbursement Plan/Policy and the Town of Middlesex Health Reimbursement Arrangement Plan Document is hereby cancelled effective June 30, 2015.

The Municipal Insurance Trust (MIT) premium for vision, dental, life, and short term disability will increase from \$53.75 per person per month to \$54.00, (a \$.25 per month per employee increase for dental insurance) or \$5,832. The MIT premium paid in 2014-2015 totals \$5,837.45.

SECTION XI. Retirement Contribution Rates:

Retirement contribution rates received from the NC State Treasurer, Retirement Systems Division indicate a slight decrease from 2014-2015 and are as follows:

Local General Class:	6.83% (down from 7.07% in 2014-2015)
Law Enforcement Class:	7.15% (down from 7.41% in 2014-2015)

SECTION XXI. 401K Contribution Rates:

The town's 401k contribution rates remain unchanged for 2014-2015 as follows:

Local General Class: 3.5%
Law Enforcement Class: 5.0%

SECTION XXII. Adoption of Ordinance:

This Ordinance shall be effective July 1, 2015 and is duly adopted this, the 8th day of June, 2015.

Luther H. Lewis, Jr., Mayor

ATTEST: _____
Jennifer Lambert, Town Clerk

After Mayor Lewis reviewed the budget, citizens Brandy Holt, Robert Johnson, and Becky Strickland spoke in opposition to the \$.05/100 tax increase, salary increases, and the sanitation rate increase. The Public Hearing was closed at 8:00 pm.

Commissioner Alford moved to approve the May 11, 2015 meeting minutes (recessed and reconvened) as presented by Clerk Lambert. Commissioner Lewis seconded and the vote was unanimous.

Mayor Lewis requested to add to the agenda Item (g) under New Business "Widening N. Pine Street: to the agenda. The amended agenda was unanimously approved as requested in a motion by Commissioner Meacombs and seconded by Commissioner Davis.

Clerk Lambert reviewed the May financial statements, which were unanimously approved in a motion by Commissioner McClenny and a second by Commissioner Lewis.

Police Chief Dennis Murray confirmed to Commissioner Alford that police officers leaving were taking positions elsewhere, and that their leaving had nothing to do with any problems within the department or administration, as was suggested by a citizen during Public Comment.

The generator at the White House Road lift station has an electrical problem, which will be resolved soon.

Mayor Lewis issued two new permits and two in the ETJ, so continues to be activity which will add to the tax base next year. Commissioner McClenny noted the house at the corner of N. Nash and Exum Street (the Old Holland house) has been sold and will be renovated, along with two other dwellings that have also been sold recently and are being renovated.

Commissioner Lewis moved to adopt Ordinance O2015-1141 closing the unopened right of way between N. Pine Street and Buck Deans Road on property owned by the Middlesex Volunteer Fire Department. The property is the site of the new fire station. Commissioner Meacombs seconded and the motion passed unanimously. The ordinance is attached as part of these minutes.

Mayor Lewis advised that the Three County Hazard Mitigation Plan (HMP) has been updated again and must be adopted by the participating municipalities and counties. This must be adopted in order to be eligible for state and federal assistance in case of a natural disaster. The regional plan has been submitted and accepted. The updated HMP was unanimously adopted in a motion by Commissioner Meacombs and Commissioner Alford and attached as part of these minutes

With no further discussion, the 2015-2016 Budget Ordinance was adopted unanimously after a motion by Commissioner Meacombs and a second by Commissioner Alford.

Several inquiries have been received regarding renting the pool after business hours. Regulations require the lighting to be improved for night operation, which Mayor Lewis advised would cost about \$100 to upgrade. The town's insurance company recommends having a pool attendant present also, which will cost the town about \$45-\$50. After a brief discussion regarding hours and cost, Commissioner Meacombs moved to let the pool be available for rental for \$175, with a pool attendant on site, and the hours allowed are 6:30pm to 10:30pm on Friday and Saturday night and from 6:00pm to 10:00pm on Sunday night. Commissioner Davis seconded and the vote was unanimous.

Commissioner Meacombs moved to accept the resignation of Police Officer Stanley Colt Robbins effective May 20, 2015. Commissioner Alford seconded, and the motion passed unanimously.

Police Officer Brian Taylor also submitted a resignation from full time, but requested to remain as a Reserve Officer. Taylor will be gone to Iraq for three months, will be back for thirty five (35) days, and will continue this schedule for one year. Taylor would be available to work during the 35-day cycle, and the department could use him because we are now short two full time officers. The situation could be revisited later. Commissioner Meacombs made a motion to move Brian Taylor from a Full Time to a

Paid Reserve Officer Position at the Reserve Officer Pay rate of \$11 per hour, effective May 26, 2015. Commissioner Alford seconded the motion and it passed unanimously.

A letter from the NC Retirement Systems Division was presented, which advised the 2015-2016 employer rates. The rates decreased slightly to 6.83% from the current 7.07% for General Employees, and to 7.15% from the current 7.41% for Law Enforcement.

Also presented was a letter from Envirolink, who is the town's ORC (operator in responsible charge) for the water system, advising of a 2% increase in our contract rates for 2015-2016. The total bill will increase from \$2,735 to \$2,790.

The following 2014-2015 budget amendment to repair the town's dump truck was unanimously approved in a motion by Commissioner Lewis and seconded by Commissioner McClenny:

<u>GENERAL FUND EXPENDITURES:</u>		<u>INCREASE</u>	<u>DECREASE</u>
<u>Sanitation Dept:</u>			
10-580-1700	Maint. Of Vehicles	7,100.00	
<u>Governing Body:</u>			
10-410-1500	Medical Reimbursement		600.00
<u>Administration:</u>			
10-420-7400	Capital Outlay		2,500.00
<u>Legal Dept:</u>			
10-470-3800	Legal Service		2,000.00
<u>Economic/Phys Dev/Zoning:</u>			
10-490-3800	Professional/Legal Service		1,000.00
<u>Parks & Recreation:</u>			
10-590-1500	Maint. Bldgs & Grounds		1,000.00

Commissioner McClenny moved to hold a Special Meeting on Monday, June 29, 2015 in the conference room at the town hall at 10:00am to approve any 2014-2015 budget amendments and any remaining 2014-2015 business. Commissioner Lewis seconded and the vote was unanimous.

North Pine Street is very narrow is only fourteen (14) feet wide in the curve. Mayor Lewis presented two quotes received late Friday afternoon and this item was

added to the agenda for discussion. One quote, from PLT Construction, was \$18,775 and the second from Finch Construction for \$19,150. PLT is already on site at the construction of the new fire station between N. Pine Street and Buck Deans on Finch Avenue. Finch Construction's schedule to widen the street is two weeks out. The quotes are for widening only, no paving. Trees in the right of way must be moved and ditches cleared. Commissioner Meacombs moved to accept the PLT Construction bid of \$18,775 to widen N. Pine Street. Commissioner Davis seconded and the motion passed by a unanimous vote. The project will be paid from Powell Bill funds and will be paved at a later date.

Mayor Lewis opened the floor for the public comment session. Becky Strickland, Becky Lewis, Robert Johnson, and Marcie Holland Stallings addressed the Board about various topics. Commissioners Harold Meacombs and J.W. McClenny also commented. The public comment session was closed at 9:40pm.

Being no further business, Commissioner Lewis moved to adjourn. Commissioner McClenny seconded and the vote was unanimous.



Jennifer Lambert, Clerk

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

O2015-1141

**AN ORDINANCE CLOSING AN UNOPENED RIGHT OF WAY ON THE
PROPERTY OF
THE MIDDLESEX VOLUNTEER FIRE DEPARTMENT**

WHEREAS, on the 11th day of May, 2015, the Board of Commissioners of the Town of Middlesex directed the Town Clerk to publish the Resolution of Intent of the Board of Commissioners to consider closing an unopened right of way extending in a westerly direction from N. Pine Street at or near its intersection with W. Stewart Street across the property of the Middlesex Volunteer Fire Department, and designated as "unopened right-of-way" on survey and map entitled "Recombination Plat for Middlesex Volunteer Fire Dept" by Civiltek East, Surveyors, dated July 3, 2014, recorded in Map Book 39, Page 2, Nash Registry, in a newspaper with general circulation once each week for four consecutive weeks, such resolution advising the public that a public hearing would be held in the Conference Room of the Town Hall on June 8, 2015 at 7:30pm; and

WHEREAS, this Resolution was published in the Spring Hope Enterprise on May 14, May 21, May 28, and June 4, 2015; and

WHEREAS, this Resolution was sent by certified mail to all owners of property adjoining said unopened right-of-way; and

WHEREAS, the Town Clerk has advised the Board of Commissioners that adequate notices were posted on the applicable unopened right-of-way as required by G.S. 160A-299; and

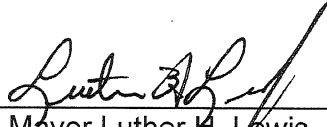
WHEREAS, after full and complete consideration of the matter and after having granted full and complete opportunity for all interested persons to appear and register any objections that they might have with respect to the closing of said unopened right-of-way in the public hearing held on June 8, 2015; and

WHEREAS, it now appears to the satisfaction of the Board of Commissioners that the closing of said right-of-way is not contrary to the public interest, and that no individual owning property in the vicinity of said unopened right of way will thereby be deprived of reasonable means of ingress and egress to their property.

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Middlesex that the unopened right-of-way extending in a westerly direction from N. Pine St at or near its intersection with W. Stewart Street across the property of the Middlesex Volunteer Fire Department to Buck Deans Road and designated "unopened right-of-way" on survey and map entitled "Recombination Plat for Middlesex Volunteer Fire Dept" by Civiltek East, Surveyors, dated July 3, 2014, recorded in Map Book 39, Page 2, Nash Registry, be closed as of the date hereof upon a motion duly made by Commissioner Ann Lewis and duly seconded by Commissioner Harold Meacombs, this ordinance is duly adopted by a unanimous vote by the Board of Commissioners on this day, the 8th of June, 2015.

The Town Clerk is hereby ordered and directed to file in the office of the Register of Deeds of Nash County a certified copy of this ordinance ordering the closing of said right-of-way.





Mayor Luther H. Lewis, Jr.

ATTEST:



Jennifer Lambert, Town Clerk

NORTH CAROLINA

NASH COUNTY

I hereby certify that the foregoing is a true and accurate copy of a resolution duly adopted by the Board of Commissioners of the Town of Middlesex, North Carolina at a meeting held June 8, 2015, at 7:30 p.m. at the Town Hall in the town of Middlesex.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the official corporate seal of said Town to be affixed, this the 8th day of June, 2015.





Town Clerk

RESOLUTION OF ADOPTION

NASH-EDGECOMBE-WILSON

HAZARD MITIGATION PLAN

WHEREAS, the citizens and property within the Town of Middlesex are subject to the effects of natural hazards that pose threats to lives and cause damage to property, and with the knowledge and experience that certain areas of the county are particularly vulnerable to hurricanes, flooding, high winds, and other natural hazards; and

WHEREAS, the Town desires to seek ways to mitigate the impact of identified hazard risks; and

WHEREAS, the Legislature of the State of North Carolina has in Part 6, Article 21 of Chapter 143; Parts 3, 5, and 8 of Article 19 of Chapter 160A; and Article 8 of Chapter 160A of the North Carolina General Statutes, delegated to local governmental units the responsibility to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry; and

WHEREAS, the Legislature of the State of North Carolina has in Section 1 Part 166A of the North Carolina General Statutes (adopted in Session Law 2001-214 --- Senate Bill 300 effective July 1, 2001), states therein in Item (a) (2) "For a state of disaster proclaimed pursuant to G.S. 166A-6(a) after August 1, 2002, the eligible entity shall have a hazard mitigation plan approved pursuant to the Stafford Act"; and

WHEREAS, Section 322 of the Federal Disaster Mitigation Act of 2000 states that local governments must develop an All-Hazards Mitigation Plan in order to be eligible to receive future Hazard Mitigation Grant Program Funds and other disaster-related assistance funding and that said Plan must be updated and adopted within a five year cycle; and

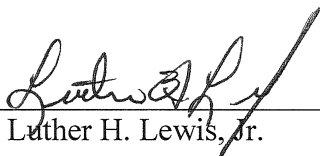
WHEREAS, the Town of Middlesex has performed a comprehensive review and evaluation of each section of the previously approved Hazard Mitigation Plan and has updated the said plan as required under regulations at 44 CFR Part 201 and according to guidance issued by the Federal Emergency Management Agency and the North Carolina Division of Emergency Management.

WHEREAS, it is the intent of the Board of Commissioners of the Town of Middlesex to fulfill this obligation in order that the Town will be eligible for federal and state assistance in the event that a state of disaster is declared for a hazard event affecting the County;

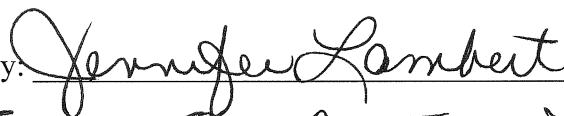
NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Town of Middlesex hereby:

1. Adopts the Nash-Edgecombe-Wilson Regional Hazard Mitigation Plan; and
2. Vests the Office of the Mayor with the responsibility, authority, and the means to:
 - (a) Inform all concerned parties of this action.
 - (b) Cooperate with Federal, State and local agencies and private firms which undertake to study, survey, map and identify floodplain areas, and cooperate with neighboring communities with respect to management of adjoining floodplain areas in order to prevent exacerbation of existing hazard impacts.
3. Appoints the Office of the Mayor to assure that the Hazard Mitigation Plan is reviewed annually and every five years as specified in the Plan to assure that the Plan is in compliance with all State and Federal regulations and that any needed revisions or amendments to the Plan are developed and presented to the Town Board of Commissioners for consideration.
4. Agrees to take such other official action as may be reasonably necessary to carry out the objectives of the Hazard Mitigation Plan.

Adopted on this day, June 8, 2015

By: , Luther H. Lewis, Jr.
Luther H. Lewis, Jr. Mayor



Certified by:  SEAL : _____
Date: June 8, 2015  Town Clerk