

The Smithfield Town Council continued the recessed May 10, 2017 meeting on Wednesday, May 15, 2017 at 6:30 p.m. in the Council Chambers of the Smithfield Town Hall. Mayor M. Andy Moore presided.

Councilmen Present:

Emery D. Ashley, Mayor Pro-Tem
Marlon Lee, District 1
J. Perry Harris, District 2
Travis Scott, District 3
John A. Dunn, At-Large
Stephen Rabil, At-Large

Councilmen Absent

Roger A. Wood, District 4

Administrative Staff Present

Michael L. Scott, Town Manager
John Blanton, Fire Chief
Lenny Branch, Public Works Director
Ted Credle, Public Utilities Director
Paul Embler, Planning Director
Gary Johnson, Parks & Rec Director
Tim Kerigan, Human Resources/PIO
R. Keith Powell, Chief of Police
Greg Siler, Finance Director
Shannan Williams, Town Clerk

Mayor Moore reconvened the meeting at 6:30 pm.

1. DAV Chapter 44 Johnston County

Town Manager Michael Scott introduced Harry James of the Disabled American Veterans (DAV) Chapter 44, Johnston County. The Town Manager explained that the DAV currently leases from the Town the property located on Buffalo Road adjacent to Community Park. The Town Manager further explained that he and Mr. James have discussed extending the lease. The only changes to the lease would be to change the name of the organization to DAV Chapter 44, Johnston County and change the dates of the lease. They

Harry James explained the DAV Chapter 44; Johnston County serves disabled American Veterans in Johnston County. Currently there are 417 members with 99 lifetime members. The DAV provides free transportation to the Veteran's hospitals, free PTSD classes, assists veterans with obtaining compensation (benefits) and assists the families of veterans. The DAV Chapter 44 also visits nursing homes and hospitals and provides holiday meals and care packages. Last year, they serve 14,000 veterans, traveled 31,800 miles and logged 5,000 volunteer hours.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Harris, to approve the lease agreement with Disabled American Veterans Chapter 44, Johnston County. Unanimously approved.

2. Employee Health Insurance

Town Manager Michael Scott informed the Council that he and Mr. Kerigan did additional research on Cigna. They contacted several municipalities about second year rate increases, customer service and providers. They received no negative feedback about Cigna and were informed that rate increases were claim driven.

Human Resources Director Tim Kerigan informed the Council that Cigna was offering a high PPO plan. He and the Town Manager also investigated health care providers in the area that accepted Cigna. The Benefits Committee agreed that it was in the best interest of the Town and the employees to change insurance carriers from First Carolina Care to Cigna.

Councilman Scott stated that the Benefits Committee understood that if the Town chose to stay with First Carolina Care, it would cost an additional \$98,000.

Mr. Kerigan also stated that the Benefits Committee also recommended changing Dental Insurance providers from Guardian to Ameritas

Councilman Harris made a motion, seconded by Councilman Rabil, to change health insurance providers from First Carolina Care to Cigna and to change dental insurance providers from Guardian to Ameritas. Unanimously approved.

3. Budget Discussion

a. Police

Chief of Police Keith Powell highlighted some line items in the Police Department proposed FY 17-18 budget. They are as follows:

- 10-5100-1300 Utilities: This line increased due to the purchase of the Family Life Center.
- 10-5100-1800 Training and Education: This line item increased due to training associated with the CALEA reaccreditation.
- 10-5100-3000 Fuel: This line item increased due to the animal control function being transferred back to the Police Department.
- 10-5100- 7400 – Capital Outlay: Proposed are the replacement of 3 patrol cars, the replacement of the animal control truck, the replacement of 2 unmarked patrol cars, the replacement of 3 squad video cameras, the purchase of 10 XG 75 radios, and watch guard storage which allows the transfer of in car camera videos via Wi-Fi.

Mayor Moore questioned if the patrol vehicle replacements were in line with the capital improvement plan. Chief Powell responded in the affirmative. Mayor Moore also questioned the need to replace the animal control truck. Chief Powell responded that the truck has a lot of miles on it. Town Manager Michael Scott also responded that the animal control vehicle is a unique vehicle. If it is not operational, it causes the animal control function to cease until the vehicle can be repaired.

Family Life Center

Councilman Harris questioned if the Police Department had a plan for the Family Life Center and questioned why the funds were being allocated from the Police Department and not Parks and Recreation. Town Manager Michael Scott responded that funds were allocated in this budget for the purchase and repairs of the building out of the Police Department because there would be a community policing officer stationed in the building. The Town Manger further explained the intent was having recreational and educational type programs aimed at lower income families. Volunteers would be utilized for such programs. All funds not spent in this fiscal year would be encumbered and spent in next fiscal year or additional repairs and maintenance.

Take Home Car Program

Councilman Scott questioned the \$472,645 that was removed from the Police Department's proposed budget for a take home vehicle program. Chief Powell responded the amount proposed would be for the purchase of 12 new vehicles and the fuel cost associated with that program. Chief Powell further responded that a take home car program would be an added benefit for the officers.

Councilman Dunn stated if a take home program was in effect, it would essentially slow down the rate in which vehicles would need to be replaced because officers would not have to share one car. He questioned the allowable distance from the Town limits that an officer would be able to take a patrol car to his/her home. Chief Powell responded that the typical distance is 15 to 17 miles outside the Town limit.

Councilman Harris stated the first step should be to create a policy for review if the Council was serious about implementing a program.

Mayor Pro-Tem Ashley stated that this is something that should be planned 6 to 9 months prior to the adoption of the budget. Town Manager Michael Scott responded there are no funds in the proposed budget for a take home care program. All of the cars would need to be financed.

Councilman Harris expressed the need to further investigate this program and directed staff to bring a policy for the Council to review at the October regular meeting. It was indicated that this would help moral and be good for the Town

Finance Director Greg Siler requested that the Council delay any decision until mid-year. By mid-year, the audit would be complete and staff would know if any fund balance could be used towards the purchase of the vehicles.

Mayor Moore reminded the Council that there are pros and cons to a take home car program.

Traffic Grant

Councilman Scott questioned when the Police Department should receive notification of award for the Governor Highway Safety Program. Chief Powell responded they should receive notification in October. Town Manager Michael Scott stated this was a good program and would benefit the Town if awarded.

b. Fire

Fire Chief John Blanton highlighted some line items in the Fire Department's proposed FY 17-18 budget. They are as follows:

- 10-5300- XXXX: This line item was added to account for the new positions funded by the SAFER Grant in the event it is awarded to the Town.
- 10-5300-0210 Salaries/ PT: This line item increased due to an additional fire inspector position.
- 10-5300-0250 Overtime: This line item increased due to Fire Station 2 staffing.
- 10-5300-1100 Telephone: This line item increased to add telephone services for Fire Station 2
- 10-5300-1300 Utilities: This line item increased for utilities at Fire Station 2
- 10-5300-7400 Capital Outlay- Proposed is the FEMA AFG Grant for SCBA's and air compressor and additional suppression equipment.

FEMA Grant

Councilman Dunn questioned the total amount of the FEMA grant. Chief Blanton responded the total for the grant is almost \$450,000 with the Town's responsibility being \$20,997. Town Manager Michael Scott informed the Council that in the event the FEMA grant is not awarded to the Town, there is a \$450,000 expenditure that will need to be discussed. Chief Blanton stated that the SCBA's are good for 20 years and the air bottles are good for 15 years. These will have to be replaced in two years. If the Town is not award the grant this year, Chief Blanton stated that he would apply for it again.

Councilman Harris questioned if fire inspection fees are in line with other municipalities. Chief Blanton responded that the fees are competitive with surrounding municipalities.

ISO Inspection

Chief Blanton informed the Council that the ISO inspection is now scheduled for November 20, 2017. Currently, staff is working diligently to have everything updated. The goal would be to be operating in Station 2 prior to the inspection. It has been the trend that every Fire Department in the surrounding area's rating is decreasing.

Ladder Truck

Chief Blanton stated that in FY 2015-16, it was approved to purchase a fire truck and ladder truck. During the transition of the former Fire Chief and the former Manager, this was inadvertently left out of the budget. Town Manager Michael Scott informed the Council that he removed it from the budget because it would have to be financed. He stated that he spoke with the Town Manager of Selma because they have a similar ladder truck and have recently discussed purchasing a new one. They discussed possibly joining resources in order to obtain a discount for both agencies. There were no guarantees that this would even be possible because both trucks would have to be identical. The Town Manager stated that if a ladder truck was ordered in fiscal year 2018-2019, the first loan payment would not have to be made until fiscal year 2019-2020 since it takes 400 days to build the truck.

Mayor Moore stated the Council has delayed purchasing a ladder truck and at some point it will have to be purchased. It was discussed that the ladder truck should be financed while interest rates are low.

Mayor Moore suggested that staff investigate the cost of the truck and financing options further and put it on the agenda at a later date for discussion.

Councilman Scot suggested the Council consider obtaining a loan to reimburse the fund balance for the purchase of Fire Station 2. Town Manager Michael Scott reminded the Council that a resolution was adopted in the event the Council chose to go back and take a loan for the building. Mayor Moore stated that event with the purchase of the building the fund balance remains healthy and if the Town had the funds to purchase the building then there is no need to incur any additional costs associated with loan proceeds and interest.

Councilman Scott further stated that there will be costs associated with Fire Station 2. Mayor Moore replied that the Council approved \$85,000 for Fire Station 2 repairs and renovations. Town Manager Michael Scott responded staff estimated \$85,000 - \$100,000 for renovations, but it was never accounted for. He explained that staff brought a budget amended with an option to increase a loan amount for a capital project, but it was removed from the agenda.

c. Dog Park

Mayor Moore informed the Council that he asked the Manager to find funding for a dog park. It was estimated that \$5,000 - \$6,000 would be needed as seed money to begin this project. Mayor Moore stated that this would be a public private partnership whereby donations would be solicited. The proposed location would be the fenced in area at Civitan Field. Since this is not a Town owned property, the owner was consulted and supports the dog park concept.

Councilman Scott made a motion, seconded by Councilman Rabil, to allocate \$6,000 for a dog park. Councilman Scott, Councilman Rabil, Mayor Pro-Tem Ashley, Councilman Dunn, Councilman Harris voted in favor of the motion. Councilman Lee voted against the motion. Motion carried 5 to 1.

d. Public Works

i. General Services

Public Works Director Lenny Branch highlighted some line items in the General Services Department's proposed FY 17-18 budget. They are as follows:

- 10-5500-0200 Salaries: This line item decreased due to employees being promoted and newly hired employees being hired at a lower starting salary.
- 10-5500-3100 Vehicle Supplies and Maintenance: This line item increased because new tires are needed for the General Services truck.
- 10-5500-3300 Supplies and Operations: This line item increased due to the need for a mosquito control program.
- 10-5500-3501 Contracted Services: This line item increased due to maintenance of the Highway 70 West flower beds.
- 10-5500-7400 Capital Outlay: Proposed are the construction of showers for the Public Works Department, Entranceways to Town Hall and vehicle locator and monitoring.

Showers

Town Manager Michael Scott informed the Council that Public Works is the only department that does not have showers for its employees. Public Works Lenny Branch stated showers are needed to allow his employees to clean up before leaving for the day. The shower facility will be unisex allowing total privacy for any female employee who wishes to use the facility.

Mosquito Program

Public Works Director Lenny Branch informed the Council that he contacted Home Masters in West Smithfield to determine if it was economical to contract out a mosquito program. Mr. Branch determined it was more cost effective to contract those services instead of doing it in house. Home Masters will spray each district every other week. Town staff does treat catch basins and any standing water. Town Manager Michael Scott informed the Council that this item will be moved to line item 10-5500-3501 Service Contracts.

Entranceways to Town Hall

Councilman Harris asked for additional details about the Town Hall Entranceway. Public Works Director Lenny Branch responded that the awnings at Town Hall are showing signs of wear and they need to be repainted and repaired.

Vehicle locators

Town Manager Michael Scott informed the Council that these devices are offered by US Cellular and they simply plug into the vehicle's OBD. It will transport data via cell to the supervisor's iPad or tablet. It will allow the supervisor to properly dispatch crews to areas in need as service calls are received.

10-5500-0700 – Mayor Pro-Tem Ashley questioned the increase in retirement. Town Manager Michael Scott responded that he would check this figure.

ii. Streets

Public Works Director Lenny Branch highlighted some line items in the Street Department's proposed FY 17-18 budget. They are as follows:

- 10-5600-0200 Salaries: This line item was decreased due to the animal control officer being transferred to the Police Department

- 10-5600-3500 Drainage: This line item contains an error. Beaver control is being allocated in the Powell Bill Fund thus reducing the budget for this line item to \$ 24,000
- 10-5600-7400 Capital Outlay: This line item is increased for a pavement condition study.
- 10-5600-9110 Transfer to General Fund Capital Reserve: \$50,000 should be added in for the cat backhoe

Town Manager Michael Scott informed the Council that there are two employees that manage storm water in the Town. Public Works Director Lenny Branch does allocate additional Sanitation staff on Wednesdays to assist these two employees.

iii. Garage

Public Works Director Lenny Branch informed the Council that the Garage Budget is essentially status quo. Town Manager Michael informed the Council that the garage is a one man operation.

iv. Powell Bill

Public Works Director Lenny Branch informed the Council that Finance Director Greg Siler created the Powell Bill lines items for easier accounting. These are essentially funds received and funds spent on streets as mandated by the State.

v. Sanitation

Public Works Director Lenny Branch highlighted some line items in the Sanitation Department's proposed FY 17-18 budget. They are as follows:

- 10-5800-3100 Vehicle Supplies/Maintenance: There is an increase in this line item due to additional maintenance needed on vehicles.
- 10-5800-3300 Supplies and Operations: There is an increase in this line item because there were a tremendous amount of trash cans that were damaged in the hurricane.
- 10-5800-9110 Transfer to GF Capital Reserve: \$125,000 was inadvertently left out of this line, but staff plans to seek a loan for the purchase of a street sweeper.

Councilman Harris stated that the purchase of an additional Hook Leaf truck with Leaf Box was removed from the budget. Public Works Director Lenny Branch responded that the truck helps with yard debris, catch basins, and curb and gutter. This type of truck can be operated with one employee instead of two.

e. SRAC

Parks and Recreation Director Gary Johnson informed the Council that the SRAC budget is essentially status quo.

- 10-6220-0300 Temporary Labor: This line item has increased due to cleaning services needed on the weekend. The County is responsible for janitorial services Monday – Friday.

Town Manager Michael Scott informed the Council that there is no capital outlay proposed for the SRAC. Next year the equipment lease will be up and staff will proposed to renew that lease. The Town will own the equipment at that time.

Other Matters

Town Manager Michael Scott informed the Council that in a previous meeting he explained that if the legislature passes a bill, the Town of Smithfield could lose \$104,000 from sales tax revenue. This figure was acquired from the State's projections. The Town Manager did additional research and determined that the potential loss is \$83,000 due to the State's projection of \$2,500,000 in sales tax revenues and the Town's projected revenue of \$2,075,000. The Town Manager feels confident that the \$2,075,000 in line item 10-3280-0000 Local Option Sales Tax is a safe projected number.

Town Manager Michael Scott informed the Council that in a precious meeting, Councilman Scott made a motion to rework our electric rates. He explained that staff has submitted the information, but results from that study will likely not be submitted to the Town until after July 1st. The funds have been allocated in the contingency line until the Council wishes to make a decision.

Recess

There being no further business, Councilman Scott made a motion, seconded by Councilman Rabil, to recess the meeting until Monday, May 22, 2016 at 6:30 pm. Unanimously approved.

M. Andy Moore, Mayor

ATTEST:

Shannan L. Williams, Town Clerk