

The Smithfield Town Council met in regular session on Tuesday, June 6, 2006 at 7:30 p.m. in the Council Chambers of the Smithfield Town Hall. Mayor Norman Johnson presided.

Councilmen Present:

Charles Williams  
Vic Ogburn  
Daniel Evans  
Clayton Narron  
Andy Moore  
Tom Bell  
Sidney Broadwell

Councilmen Absent:

Staff Present:

Pete Connet, City Manager  
Debra Holmes, Town Clerk/Personnel  
Steve Gillikin, Police Chief  
Bobby Tripp, Public Utilities Director  
Mark Stephens, Finance Director  
Patrick Harris, Fire/EMS Director  
Paul Emblar, Planning Director

Also Present:

Bob Spence, Jr, Town Attorney

Staff Absent:

Tim Johnson, Parks/Rec Director

The invocation was given by Councilman Ogburn, followed by the Pledge of Allegiance.

**APPROVAL OF AGENDA**

City Manager Pete Connet requested that “a resolution authorizing the Mayor and Town Clerk to file the loan application document with the USDA and to execute the revised loan documents and financing agreements for the EMS Building Renovation Project” be added to the “Bid Award for EMS Garage” item for discussion.

Councilman Narron made a motion, seconded by Councilman Moore, to approve the agenda as amended. Unanimous.

**PUBLIC HEARING**

**Item 1: FY 2006-2007 Budget Ordinance# 428 and Departmental Fee Schedule**

Mayor Johnson opened the public hearing.

City Manager Pete Connet presented the balanced FY 2006-2007 Budget and Departmental Fee Schedule for adoption.

Mayor Johnson asked for comments from the Council.

Councilman Bell stated that he was disappointed that there was no tax rate decrease. He stated that there were eight new police cars proposed and the Town could purchase them on a rotating basis so as to free up some funds for a tax reduction. Further, he stated that one of the older police cars could be given to the Fire Department which would save the Town more money. He stated that he would like to see no insurance benefits for Council members elected in year 2005 and future years unless they purchase the insurance at the full premium. He expressed that his intention was for this to apply to those who were new or had a break in service. (Comments attached - ATTACHMENT I)

Mayor Johnson stated that the Fire Department needs a vehicle to carry the large amount of equipment required and that reducing the tax rate would put the Town in a backwards mode instead of moving forward.

Councilman Broadwell questioned whether the sales tax collection is tied to any other revenue. Mark Stephens, Finance Director, stated yes it is distributed back to ad valorem taxes. Further, Councilman

Broadwell questioned what was driving the expenditures up in addition to fuel costs. Mr. Connet stated insurance, supplies, asphalt, building materials and concrete to name a few.

Mayor Johnson asked for comments from the audience.

Donna Creech, Executive Director with the Council on Aging, addressed the Council on funding for the agency and thanked the Town for its contributions.

There being no further comments, Mayor Johnson declared the public hearing closed.

Councilman Bell made a motion, seconded by Councilman Broadwell, that non-returning / non-incumbent elected Council members and Mayors beginning with the year 2005 and in future years be ineligible for health and dental insurance benefits (only life insurance) unless they pay the entire premium. Councilmen Ogburn, Bell, Williams, Broadwell, and Narron voted yes. Mayor Pro-Tem Evans and Councilman Moore voted no. Motion passed 5-2.

Councilman Ogburn made a motion, seconded by Councilman Williams, to approve the FY 06-07 budget and departmental fee schedule. Councilmen Williams, Ogburn, Broadwell, Narron, and Mayor Pro-Tem Evans voted yes. Councilmen Moore and Bell voted no. Motion passed 5-2. (ATTACHMENT II)

## **CITIZEN COMMENTS**

- Dave Roberts with Life Directions, addressed the Council on the use of the Town Commons for a spiritual meeting on July 1, 2006 from 6:30 to 8 p.m. It was the general consensus of the Council to approve his request.

## **CONSENT AGENDA**

Councilman Broadwell made a motion, seconded by Councilman Ogburn, to approve the following item as listed on the Consent Agenda:

- Minutes of May 2, 15, 16, and 22, 2006
- Harold Mitchell to a first term on the Planning Board
- Approval of Personnel Regulations Amendments (Sec. 32, 36, 37 and 81) (ATTACHMENT III)
- Resolution # 403 requesting inclusion in HB 1989 and SB 1927 regarding exemption from the requirements of GS 160A-58.1(b)(5) that relate to Satellite Annexations (ATTACHMENT IV)
- Resolution #404 joining Wayne County and other local government units along the Neuse River Basin in requesting a lowering of the per pound cost found within the State Nitrogen Buy Down Rule (ATTACHMENT V)
- Declaration of generator, above ground tank and transfer switch as surplus and for sale to the Wilson's Mills Fire Department

Unanimous.

## **NEW BUSINESS**

1. Budget Amendment 2-4 (2005-2006)

Finance Director Mark Stephens stated that Budget Amendment #5 is at the request of the Town's auditors to budget for tax commission paid by the County. In the 05/06 budget, this amount was budgeted in the tax revenue line.

		Increase (Decrease)
Revenue		
Current Year Taxes	10-3010-000 .....	\$95,000
Expenditure		
Tax Commission	10-4110-5500 .....	\$95,000

Budget Amendment #6 is to record receipt of the County's recreation grant.

Revenue		
Recreation Grant County	46-3900-1100 .....	\$25,000
Expenditure		
Community Park	46-6200-7401 .....	\$25,000

Budget Amendment #7 is to budget for the increase in electricity purchased that became effective January 1, 2006 and also to increase electric sales.

Revenue		
Electric Sales	31-3550-0000 .....	\$600,000
Expenditure		
Electricity Purchased	31-7230-4800 .....	\$600,000

Mayor Pro-Tem Evans made a motion, seconded by Councilman Moore, to approve the budget amendments. Unanimous.

2. Authorization for City Manager to send a letter to Time Warner Cable to implement the PEG Capital Charge for the purpose of providing funds to purchase capital equipment that is used in PEG Telecasts

Councilman Broadwell made a motion, seconded by Councilman Ogburn, to approve the request. Unanimous.

3. Approval of the Residential Development Participation Policy for the Town

Mayor Pro-Tem Evans made a motion, seconded by Councilman Narron, to approve the residential development participation policy. ATTACHMENT VI

4. Bid Award for the Substation Power Transformer

Councilman Broadwell made a motion, seconded by Councilman Williams, to award the bid for the Brogden Road Substation Power Transformer to Utility Services in the amount of \$1,007,000 based on the following bids received:

Utility Services	\$1,007,000
PEPCO	\$1,179,375
Hughes Supply	\$1,341,836
Waukesha	\$1,345,929

Unanimous.

5. Bid Award and Resolution #405 authorizing the filing of a loan application with the USDA and to execute the revised for EMS Building Renovation Project, said loan not to exceed \$450,000

Emergency Services Director Patrick Harris addressed the Council on bids that were received and were over the originally planned amount of \$300,000. He stated that Bradley Corporation's bid was the lowest at \$465,000. The USDA Rural Development Center has secured additional loan authority for the additional \$150,000 for a maximum loan of \$450,000 with a maximum 30 year term.

Councilman Broadwell questioned the interest rate and amounts for a 20 and 15 year loan. Further, he questioned how the cost was miscalculated by 50-55%. Mr. Harris stated that the increase was due to the cost of construction.

Councilman Bell made a motion, seconded by Councilman Williams, to adopt the resolution authorizing staff to proceed with the project and award the low bid for construction to Bradley Corporation. Unanimous.

Councilman Bell made a motion, seconded by Councilman Ogburn, to approve the \$150,000 increase needed to complete the project. Unanimous. (ATTACHMENT VII)

6. Approval of Health, dental, life and AD&D plan and rates for FY 06-07

Councilman Bell made a motion, seconded by Mayor Pro-Tem Evans, to adopt the health, life, dental, and AD&D plans and rates for FY 06-07. Unanimous.

There being no further business, the meeting was adjourned.

---

Norman R. Johnson, Mayor

ATTEST:

---

Debra W. Holmes, Town Clerk

## Personnel Regulations Handbook Changes

**Section 32. Certification Pay** - (This policy was approved by the City Manager 10-28-2005 and is being incorporated into the regulations handbook)

From time to time, employees will attend classes to obtain certification to enhance their job skills. Certification Pay, in an amount up to 5% of the annual salary, shall be awarded to employees who obtain certification which includes class work and examinations, and upon recommendation by the Department Head and approval by the Personnel Director and City Manager. Certification Pay shall be based upon available funds. No increase will be given for re-examination to continue certifications.

If the request for Certification Pay is denied based on a lack of available funding, re-application may be submitted during that fiscal year. Requests for Certification Pay may only be requested during the fiscal year that the certification is received. Certification Pay increases, approved after the first working day of the pay period, shall become effective at the beginning of the next pay period.

The Department Head must submit documentation showing that the employee has completed the requirements for Certification Pay to the City Manager and Personnel Director for approval.

### 2% Certification Pay

Employees will receive a 2% increase in hourly rate of pay for certifications that are job related and improve the basic skills of the employee provided that the training is above the requirements of the job currently being performed. Further, the certification must be beneficial to the department.

### 3% Certification Pay

Employees will receive a 3% increase in hourly rate of pay for acquiring State licenses that will enhance the performance of the employee and will be beneficial to the Town and to the Department.

### 5% Certification Pay

Employees will receive a 5% increase in hourly rate of pay for acquiring State and National Certifications that will enhance the performance of the employee and will be beneficial to the Town and to the Department.

All employees are subject to "Certification Pay" except sworn Police Personnel who are subject to "Career Ladder" Certification Pay and Department Heads.

**Section 36. Recruitment, Selection and Appointment** - (This amendment allows positions to be posted internally to (1) recruit qualified employees and (2) save in advertising costs to the Town)

Job Advertisements. When a vacancy occurs and the Department Head and Personnel Director believe that current employees are or may be qualified for the position(s), the jobs will be posted internally. In the event that there are no qualified employees for the position, jobs will be advertised in local newspapers, professional publications, and other relevant publications in order to establish a diverse and qualified applicant pool. Employment advertisements shall contain assurances of equal employment opportunity and shall comply with Federal and State statutes.

**Section 37. Probationary Period** - (Amended for clarification purposes.)

Employees serving a probationary period are not eligible to apply for other positions within the Town until they have successfully completed the probationary period evaluation and six months as a full time employee. If it is in the best interest of the Town, this time period may be waived by approval of the City Manager.

**Section 81. Family and Medical Leave** (Allows for extenuating circumstances)

Employees who are on paid leave under this policy shall not be allowed to work any outside employment during the tenure of paid leave. Employees experiencing extenuating circumstances may request a waiver of this section to the City Manager for approval.

**RESOLUTION REGARDING NEUSE RIVER  
STATE NITROGEN BUY DOWN RULE**

Be it resolved that the Town Council of the Town of Smithfield hereby joins Wayne County and other local government units along the Neuse River Basin in requesting a lowering of the per pound cost found within the State Nitrogen Buy Down Rule.

This the 6<sup>th</sup> day of June, 2006.

---

Norman R. Johnson, Mayor

ATTEST:

---

Debra W. Holmes, Town Clerk