

The Smithfield Town Council met in regular session on Tuesday, September 5, 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  
Sidney Broadwell  
Andy Moore  
Clayton Narron

Councilmen Absent:

Tom Bell

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 Embler, Planning Director  
Tim Johnson, Parks/Rec Director

Also Present:

Bob Spence, Jr, Town Attorney

Staff Absent:

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

**APPROVAL OF AGENDA**

Councilman Broadwell noted that the Council had received a fax from Parks/Recreation Director Tim Johnson, to add to the agenda "Adoption of new ordinance to allow policing of parked vehicles at the Community Park" and requested that it be added to New Business.

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

Town Clerk Debbie Holmes swore in persons wishing to speak during the public hearing.

**PUBLIC HEARINGS**

**Item 1: Rezoning Petition - 2 tracts of land totaling 10.83 acres from R-20A to O&I - northeast end of Dogwood Street approximately 200 feet northeast of its intersection with Aspen Street - Dale Sparks - RZ-06-03**

Mayor Johnson opened the public hearing.

Planning Director Paul Embler addressed the Council and stated that the petitioner had requested that this item be tabled until the next regular Council meeting.

Councilman Williams made a motion, seconded by Mayor Pro-Tem Evans, to continue the public hearing and table any action until the next regular council meeting. Unanimous.

**Item 2: Consider closing Bridge and Caswell Streets between Ninth Street and Tenth Street, and consider adoption of a Resolution # 409 ordering the closing of that portion of Bridge Street and Caswell Street lying between Ninth Street and Tenth Street**

Mayor Johnson opened the public hearing.

City Manager Pete Connet addressed the Council on a request by Lampe and Malphrus Lumber Company to close the above named portion of street that dead-ends with that property at what was formerly Tenth Street. The Resolution of Intent to close that portion was adopted at the July 11, 2006 meeting and affected property owners have been notified as well as postings and legal advertisements.

Town Attorney Bob Spence, Jr. advised that language would be added to the Resolution regarding a reversion clause as requested by Councilman Ogburn at the July meeting.

Mayor Johnson asked for comments from the Council.

Mayor Pro-Tem Evans requested that a plat be prepared and recorded for future reference regarding the reversion.

Mayor Johnson asked for comments from the audience. There were none.

Mayor Johnson declared the public hearing closed.

Mayor Pro-Tem Evans made a motion, seconded by Councilman, Moore to adopt the Resolution ordering the closing of that portion of Bridge and Caswell Streets, between Ninth Street and Tenth Street with the reversion clause amendment along with a recorded plat. Unanimous. ATTACHMENT II

**Item 3: Adoption of Resolution # 410 to levy a two percent (2%) Occupancy Tax within the Town**

Mayor Johnson opened the public hearing.

City Manager Pete Connet addressed the Council on HB 945 that was passed by the House and Senate and allows Smithfield and other Johnston County towns to levy a 2% occupancy tax after approval of the local Town Council. The Bill also removes the "sunset" provision of the current 1% tax which was due to expire on March 1, 2007. Mr. Connet stated that the current 1% tax collected is remitted to the Johnston County Visitors Bureau to promote Smithfield and the hotels, restaurants, museums, shopping, etc. in Smithfield. The current tax generates an average revenue of \$3600 per month. Further, Mr. Connet stated that there is a provision in the Bill that allows the Town to spend one third of the funds for tourism-related capital expenditures. This would include projects that would increase the use of lodging facilities, meeting facilities, and convention facilities. It is estimated that a 2% tax would generate at least \$65,000-\$70,000 per year.

Donna Bailey-Taylor, Executive Director of the Johnston County Visitors Bureau, presented a few of the marketing materials purchased by the current occupancy tax.

Mayor Johnson asked for comments from the Council.

Councilman Broadwell questioned how the Visitors Bureau quantified the impact of spending. She stated that she used a nationally approved statistical formula to gather the economic impact for visitors booking hotel rooms within 100 miles with most patrons being in the area for sporting activities.

Mayor Johnson asked for comments from the audience.

Town Clerk Debbie Holmes swore in Hank Daniels, owner of Super8 and Sleep Inn Suites.

Hank Daniels, owner of the Super 8 and Sleep Inn Suites, stated his opposition to any increase. He stated that guests already complain about the high taxes. Further, hotels at Exit 95 are already dealing with poor traffic flow due to congestion on Industrial Park Drive, the future shut down of the I-95 and US70 Bridge, higher gas prices, the threat of a toll road on I-95 and the increased competition from Wilson and Dunn exits. He further stated that the Council needs to maintain and improve sidewalks, better roads, more lighting but not more taxes along this corridor.

Councilman Vic Ogburn noted that an average room rate of \$70 would be an increase of \$0.70 if this 1% tax increase is approved.

Councilman Broadwell stated that the occupancy tax was approved to provide a convention center but this had not come to fruition. He questioned if there was a reserve fund for this type of project. Ms. Bailey-Taylor stated that there was a 3% tax reserve fund for special projects such as a convention center which remains a primary project.

Councilman Broadwell questioned if this reserve fund was increased each year. Ms. Bailey-Taylor stated yes. Further, he asked if the Town added to this fund. Ms. Bailey-Taylor stated that the 1% local occupancy tax is set aside for Smithfield projects only.

Councilman Ogburn questioned if money could be set aside for enhancement projects in Smithfield. Ms. Bailey-Taylor stated yes if that was the direction of the Council. Councilman Broadwell suggested that the Town take advantage of the provision in HB945I that allows the Town to spend one third of the funds for tourism-related capital expenditures.

Councilman Broadwell questioned differing figures that he had received regarding the collection amounts. He asked why the numbers had changed. Mr. Connet advised that the estimated amount of \$42,756.94 was provided by the Visitors Bureau as they only receive quarterly payments. The revised amount, provided by staff, of \$44,470.95 included the June collection.

Councilman Broadwell questioned the accountability with the use of funds. City Manager Pete Connet stated the steps that the County and Town uses with regarding to annual audits of both agencies.

Councilman Broadwell requested that the City Manager and Finance Director communicate with the Johnston County Visitors Bureau regarding receipt and expenditures of funds. Further, he requested that the City Manager and Visitors Bureau prepare a plan to get patrons to the businesses along Industrial Park Drive in a safe and easy manner during the construction work of the highway and Bridge.

Further, Councilman Broadwell requested a monthly update from the Visitors Bureau as to what project funds are available and ongoing projects along with the results from these funds. Councilman Moore

questioned if quarterly reports would be satisfactory. Councilman Broadwell stated yes on a temporary basis but monthly reporting would be better.

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

Councilman Narron made a motion, seconded by Councilman Moore, to adopt the resolution approving a 2% occupancy tax and to request that the City Manager, Finance Director and Johnston County Visitors Bureau prepare a quarterly update for Council review. Unanimous. ATTACHMENT I

### **PRESENTATIONS:**

#### **Item 4: Sanford-Holshouser Group regarding Business Retention Program Study for Smithfield - Rocky Lane**

Rocky Lane, representing Sanford-Holshouser Group, addressed the Council on the Economic Development Marketing Plan that was compiled over a year ago and some suggested action steps to be taken. One of those steps was a real need for a Business Retention Program for Smithfield. This type of program would mean that the Town would stay in contact with the existing businesses and industries to see what could be done to help with their expansion or to retain their presence in the community.

City Manager Pete Connet stated that funding for the project would be provided by Electricities of North Carolina.

Following discussion, Councilman Ogburn made a motion, seconded by Mayor Pro-Tem Evans, to receive the report and the move forward with a Business Retention Program. Unanimous.

#### **Item 5: Johnston County Emergency Management Office Regarding the updated sections of the Emergency Plan - Kim Robertson**

Kim Robertson, Assistant Director of Emergency Management, addressed the Council on changes to the County's Emergency Plan in which Smithfield is a part of. She stated that the only changes were due to language as required by FEMA and the State Emergency Management Office.

Councilman Broadwell made a motion, seconded by Mayor Pro-Tem Evans, to approve the changes. Unanimous.

### **CITIZEN COMMENTS**

- Janice Shirley, South Lakeside Drive and representing the Last Resort Bar located on West Market Street, requested that the Council approve outdoor entertainment for the business on Sundays from 2-7 p.m. It was the general consensus of the Council that this item be forwarded to the Planning Department for proper procedures.
- Elton Evans, Commander of the Smithfield Disabled Veterans Office, invited the Mayor, Council, police and fire personnel to a memorial ceremony on September 11, 2006 at 11:30 a.m. Further, he requested that North Seventh Street, in front of the DAV Building, be closed from 11 a.m. to 1 p.m. for the ceremony. Councilman Ogburn made a motion, seconded by Councilman Broadwell, to approve the street closing. Unanimous.

### **CONSENT AGENDA**

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

- Minutes of August 1, 2006
- Myrtle Sanders to a first term on the Smithfield Historic Preservation Commission
- Declaration of Bingham Park playground equipment as surplus and to be donated to the Smithfield Housing Authority
- Street Closings Request for September and October Downtown events
- Resolution # 411 authorizing the Mayor and Town Clerk to sign a Municipal Agreement with NCDOT for the US 70 Business/I-95 Bridge Raising (ATTACHMENT III)
- Personnel Regulations Amendment to Article X. "Grievance Procedures", Section 110. "Policy" (ATTACHMENT IV)
- Resolution # 412 to provide debris removal through Johnston County Approved Contractor (ATTACHMENT V)

Unanimous.

### **NEW BUSINESS**

**Item 6: New Electric Rate - Commercial Co-Peak**

Public Utilities Director Bobby Tripp addressed the Council on a new electric rate called "Commercial Co-Peak" which would have a basic charge the same as the current Commercial Time-of-Use Rate but will have the same pricing as the LG-2 rate for KW Demand and KWH. The customer would be required to provide the electric metering data through an approved third party service. This rate will provide an opportunity to customers to install small generators, less than 100 KW, to use during peak hours for load management. It also takes advantage of the new metering technology such as Internet based metering. The benefit to the Town is the reduction of the co-peak demand while offering customers more options to reduce their electric bill.

Councilman Ogburn made a motion, seconded by Councilman Narron, to approve the new "Commercial Co-Peak" electric rate. Unanimous.

**Item 7: Adoption of New Ordinance, Chapter 12, Article III, Section 12-97 "Unlawful Parking in Public Parks; Penalties" to allow policing of parked vehicles at the Community Park**

Parks/Recreation Director Tim Johnson addressed the Council regarding the problem by students who attend the high school and park at the Community Park to walk to school. He stated that many of those parking at the park have been disallowed to park on school grounds due to causing recurring problems. In addition, some of those who use the parking lots cause problems by fighting after school, speeding through the parking lots and littering.

Following discussion, Mayor Pro-Tem Evans made a motion, seconded by Councilman Ogburn, to adopt the new ordinance allowing policing by the Police Department and shared resources. Unanimous.  
ATTACHMENT VI

There being no further business, the meeting was adjourned.

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Norman R. Johnson, Mayor

ATTEST:

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Debra W. Holmes, Town Clerk

**TOWN OF SMITHFIELD, NORTH CAROLINA  
CODE OF ORDINANCES  
CHAPTER 12, ARTICLE III, IS AMENDED TO ADD A NEW SECTION 12-97  
ENTITLED "UNLAWFUL PARKING IN PUBLIC PARKS; PENALTIES"**

BE IT ORDAINED by the Town Council of the Town of Smithfield that Chapter 12, Article III, is amended to add a new section, 12-97, as follows:

***Section 12-97. Unlawful Parking in Public Parks; Penalties.***

***It is unlawful to park a vehicle and leave it unattended in a public park for more than two hours, unless the lawful user of the vehicle and vehicle occupants are using park facilities or attending an activity or event in that park or originating therefrom, or in the case of Smithfield Community Park, attending an athletic event or practice at SS High School after normal school hours (7:30 a.m. - 2:45 p.m.).***

***The penalty for this offense shall be \$20 per offense and is enforceable by the Smithfield Police Department and Johnston County Sheriff's Department.***

ADOPTED this the 5<sup>th</sup> day of September, 2006.

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Norman R. Johnson, Mayor

ATTEST:

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Debra W. Holmes, Town Clerk