

The Smithfield Town Council met in regular session on Tuesday, November 10, 2015 at 7:00 p.m. in the Council Chambers of the Smithfield Town Hall. Mayor John H. Lampe II. presided.

Councilmen Present:

M. Andy Moore, Mayor Pro-Tem
Marlon Lee, District 1
J. Perry Harris, District 2
Travis Scott, District 3
Roger A. Wood, District 4
Emery D. Ashley, At-Large
Charles A. Williams, At-Large

Councilmen Absent

Administrative Staff Present

Jim Freeman, Interim Town Manager
John Blanton, Interim Fire Chief
Lenny Branch, Public Works Director
Pete Connet, Interim Public Utilities Director
Paul Embler, Planning Director
Gary Johnson, Parks & Rec Director
Tim Kerigan, Human Resources/PIO
Michael Scott, Chief of Police
Greg Siler, Finance Director
Shannan Williams, Town Clerk

Present:

Bob Spence, Town Attorney

Staff Absent:

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

APPROVAL OF AGENDA:

Mayor Pro-Tem Moore made a motion, seconded by Councilman Harris, to approve the agenda as submitted. Unanimously approved.

PRESENTATIONS:

1. Proclamation – In Memory of Town of Smithfield Firefighter Christopher “Chris” Daniels

Interim Fire Chief John Blanton presented to the family of Christopher Daniels a Proclamation memorializing his service to the Town of Smithfield

PROCLAMATION

In Memory of Smithfield Fire Department

Fire Engineer Christopher Joe Daniels

WHEREAS, on behalf of the Town of Smithfield, we wish to extend our sincere condolences over the passing of Christopher “Chris” Daniels on August 17, 2015; and

WHEREAS, Christopher Daniels’ sudden passing leaves our community with a deep feeling of sorrow for the loss of such an honored and respected employee and friend; and

WHEREAS, Christopher Daniels’ service was given with such devotion that he earned the respect, admiration and friendship of the citizens and staff of the Town of Smithfield, and our community has sustained a great loss in his passing; and

WHEREAS, Christopher Daniels had faithfully served the citizens of the Town of Smithfield since September 2, 2003; and

WHEREAS, In addition to serving on the Smithfield Fire Department, Christopher Daniels faithfully served on the Pine Level Fire Department, the Selma Fire Department and the Thanksgiving Fire Department; and

WHEREAS, Christopher Daniels was a true servant as a member of Branch Chapel Original Free Will Baptist Church where he taught Sunday School and volunteered countless hours to mentor and display his love and devotion to the youth of the church; and

WHEREAS, Christopher Daniels made a positive impact on everyone with whom he came into contact. He was truly a remarkable firefighter, friend and employee that will greatly be missed by all.

NOW, THEREFORE, I, John H. Lampe II Mayor of the Town of Smithfield along with the members of the Town Council, in recognition of Christopher Joe Daniel's' many contributions to the Town of Smithfield and its citizens, we hereby express our deep appreciation for his dedication and extend to his family our sincere sympathy upon his passing.

2. 2015 Public Power Awards of Excellence

Roy Jones ElectriCities Chief Executive Officer presented the 2015 Public Power Awards of Excellence in Energy Efficiency, Financial Stability and Service Excellence to Town staff.

3. Appearance Commission Annual Report

Vice Chairman Robert Worsham presented the Appearance Commission's Annual Report to the Council.

Mayor Pro-Tem Moore expressed his appreciation to the Appearance Commission for their hard work and dedication to the Town of Smithfield.

A copy of the Annual Report is on file in the office of the Town Clerk

4. Youth Mentoring and Community Outreach Program

Mr. Marquel Gathers of Good Karma Services explained his program to the Council. He expressed his appreciation to the many volunteers that has helped make his nonprofit organization such a success.

5. Administered Oath of Office to new Police Officer – James David Barbour II

Mayor Lampe administered the Oath of Office to new Police Officer James David Barbour II and welcomed him to the Town.

PUBLIC HEARINGS:

1. Zoning Text Amendment Request by Ross W. Lampe (ZA-15-03)

Mayor Lampe explained that this public hearing was a request made by his father and stated that he felt that he should recuse himself from the proceedings. Councilman Ashley made a motion, seconded by Councilman Williams, to excuse Mayor Lampe from presiding over the public hearing. Unanimously approved. Mayor Pro-Tem Moore presided.

Councilman Ashley made a motion, seconded by Councilman Wood, to open the Public Hearing. Unanimously approved.

Planning Director Paul Embler addressed the Council on a request by Ross W. Lampe. Mr. Embler stated that the applicant was requesting to amend the Town of Smithfield Unified Development Ordinance, Article 10, Section 10-1, Table of Permitted / Conditional Use Districts to allow for Storage Yards as a conditional use within the B-3 (Highway Entrance Business) zoning district.

Petition Description: The applicant is requesting that storage yards be permitted by conditional use in the B-3 (Entrance Highway Business) and B-2 (Business) zoning districts and permitted by right in the HI (Heavy Industrial) zoning district and be limited to contractor storage yards, insurance claim

yards for vehicles and holding yards for repossessed vehicles. Storage yards shall be for the purpose of storage only and shall not be used for construction, demolition, salvage, repair, maintenance or any activities other than storage.

In addition to the above, storage yards shall be held to the following minimum development standards.

1. Storage yards shall be limited to a maximum size of 3 acres not including the access drive.
2. Storage yards shall be located at least 300 feet from the public street right of way.
3. Storage yards shall be accessed by a minimum 24 foot wide drive. The first 75 feet of the drive from the public street shall be paved to Town standards, the remainder of the drive and the storage yard can either be paved or graveled to Town standards.
4. Any individual vehicles shall not remain more than 180 days in either an insurance claim yard for vehicles or a holding yard for repossessed vehicles.
5. All storage yards shall be enclosed in a minimum 6 foot high galvanized schedule 40 chainlink fence with 9 gauge fabric, two strains of barbed wire and lockable gates.
6. The fenced perimeter of the storage yard shall be screen from public view by an opaque evergreen vegetative screen that will reach a mature maintained height of at least 6 feet within three years of planting. This opaque evergreen vegetative screen shall be in addition to the normal landscape requirements set forth in the Article 18 of the Unified Development Ordinance.

Planning Board Recommendations: The Planning Board, at its October 1, 2015 meeting, voted to recommend denial of the zoning text amendment to allow for contractor storage yards, insurance claim yards for vehicles and holding yards for repossessed vehicles on unpaved lots within the B-3 (Entrance Highway Business) and B-2 (Business) and HI (Heavy Industrial) zoning districts. (5-2 vote to recommend denial)

Councilman Wood made a motion, seconded by Councilman Harris, to close the Public Hearing. Unanimously approved.

Councilman Harris made a motion, seconded by Councilman Scott, to deny the request. Unanimously approved.

2. Rezoning Request by Atlantic Resources Incorporated (RZ-15-04) Public Hearing in accordance with NCGS 159B-16.1. "Revenues – NCEMPA members" on the proposed rate reduction of the Electric Rates per the Cost of Service and Rate Study by Utility Financial Solutions, LLC.

Councilman Harris made a motion, seconded by Councilman Scott, to open the Public Hearing. Unanimously approved.

Interim Public Utilities Director Pete Connet addressed the Council on a proposed reduction to the Town of Smithfield's electric rates. He stated at the work session of September 14, 2015, Dawn Lund of UFS presented to the Town Council their findings regarding the Cost of Service portion of their study. The Study looks at the projected cost of service for the Electric Department for the next five years. The Study looks at all the costs associated with the operation of the electric system. These include the operational cost, debt service costs, capital cost, and purchased power costs.

Based on the results of the Study and the recent sale of the NCEMPA ownership share in the Duke Energy Progress power plants serving Eastern North Carolina, it was determined that the Town of Smithfield could reduce their electric rates an additional 5.03% on average, overall rate classes. Please note that this is an average and some rate classes will receive more than a 5.03% rate reduction and some will receive less than a 5.03% rate reductions. The Base Charge for each class was looked at and adjusted if needed. The Energy charge per kWh was adjusted lower in all cases. The Demand Charge (KW) was adjusted also if needed.

Listed below are each of our rate classes and the amount of decrease in each:

Residential	-6.52%
Small General Service	-7.00%
Municipal General Service	-2.98%
Area Lights	-2.92%
Residential Time of Use	-3.03%
General Service	-5.28%
Commercial Time of Use	-4.50%
Large GS Coor PK Demand LG1	-3.03%
Large GS Coor PK Demand LG2	-2.99%

The recommended rate reductions are in addition to the 5% across the board rate reductions implemented in August 2015. The rates reductions take into account the known increases in costs and capital additions for the next several years. If the analysis is correct, and staff believes that it is, the energy and demand rates should be able to remain stable for the next few years. However the Base Charge for each rate class should be reviewed each year to determine if it is covering the fixed costs of the operation. The Changes to the fee schedule are attached for your review. Staff recommended adoption of the revised rate schedule dated November 10, 2015.

Councilman Ashley stated that with this reduction, the Town's rates would only be 2.39% higher than DEP residential rates.

Councilman Scott expressed his appreciation to Mr. Connet and his staff. He stated that the Council should continue to take a strong look at electric fund transfers to the general fund to eliminate them. He also stated that he would like to have a work shop in the near future to discuss how rates could further be reduced.

Councilman Harris made a motion, seconded by mayor Pro-Tem Moore, to close the Public Hearing. Unanimously approved.

Councilman Scott made a motion, seconded by Councilman Ashley to adopt the rate reductions as recommended and schedule a work session to further discuss rate reductions and load management efforts. Unanimously approved.

CITIZENS' COMMENTS:

Mr. V. R. Phipps addressed the Council on his request to purchase the Old Water Treatment Plant. Mr. Phipps explained that he would like to transform the building into a winery or a brewery. Mr. Phipps explained that he could make the building into a destination point.

Councilman Scott questioned if there were other properties that would fit the needs of a winery or brewery. Mr. Phipps explained that this property had everything he needed.

Councilman Williams questioned why he was interested in the building now. Mr. Phipps responded that he did not want to see the building demolished.

Mr. Mack Montgomery stated that he supported the vision of Mr. Phipps and the Council should give him a chance.

CONSENT AGENDA:

Councilman Ashley made a motion, seconded by Councilman Harris, to approve the following items as listed on the Consent Agenda:

1. Approval of Minutes:

September 14, 2015– Special Meeting
September 28, 2015 – Special Session
October 6, 2015 – Regular Meeting
October 6, 2015 – Closed Session

2. Career Ladder Promotion – Police Department. The Police Department gained approval to promote one police officer from the rank of Police Officer I to Police Officer II and to promote one Police Officer II to the rank of Master Police Officer.
3. Career Ladder and Reclassification – Public Utilities Water/Sewer. The Water/ Sewer Department gained approval to add a career ladder program and add to the pay and classification plan the following positions: Pay Grade 11: Advanced Utility Line Mechanic Pay Grade 12: Senior Utility Line Mechanic
4. Approved the reclassification of the Human Resources Director/ Public Information Officer position to Human Resources, Public Information Director and Economic Development Liaison pay grade 25. The annual salary of the current employee will be increased to \$64,988.83.
5. Bid Award and Purchase Approval of a 2016 Freightliner Knuckleboom truck to Carolina Environmental Systems in the amount of \$127,628.00 to be utilized by the Public Works Department, Sanitation Division. This was approved in the FY 2015-2016 budget.
6. Approved of the Interlocal Agreement for Fire Service with Johnston County.
7. Approved a Memorandum of Agreement with the NC Wildlife Commission for construction of a boat ramp, docks and parking area on North Front Street.
8. Johnston County Economic Development Advisory Board Recommendation: Approved that Mike Fleming be reappointed to serve on this Advisory Board as the Town of Smithfield's representative.
9. Firemen's Relief Board of Trustees
 - 1st position: John Blanton, Jr.
 - 3rd position: James C. Parrish
10. Advisory Board/ Committee Appointments
 - Eddie Foye was reappointed to serve a fourth term on the Board of Adjustments
 - Mark Lane was reappointed to serve a third term on the Board of Adjustments and Planning Board as an ETJ member
11. New Hire Report

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Engineering Technician	PU- Electric	31-7230-0200	\$15.63/hr (\$32,510.40/yr)
P/T SRAC Staff	P&R – Aquatics	10-6220-0220	\$9.667/hr
P/T SRAC Staff	P&R – Aquatics	10-6220-0230	\$9.00/hr

Unanimously approved.

BUSINESS ITEMS:

1. Approval to amend the Town's Code of Ordinance allowing the Town to prohibit truck traffic on South Third Street

Chief of Police Michael Scott addressed the Council on a request to begin the process of allowing the Town to prohibit truck traffic on South Third Street. Chief Scott explained that during the October Council Meeting, the issue of semi-truck traffic using South 3rd Street as a cut through between Market Street and South Highway 301 was discussed. The DSDC met on the issue on October 20th and supported the concept of prohibiting semi-truck traffic on South 3rd Street, with the exception of trucks making deliveries. The Police Department supports this recommendation and asks that signage

be created for “no through trucks” on South Third Street from Market Street to Highway 301 and that signs be erected prohibiting same.

Councilman Ashley made a motion seconded by Mayor Pro-Tem Moore, to adopt the amendment to the Town’s Code of Ordinance and authorize the necessary signage be placed to prohibit through semi-truck traffic on South 3rd Street between Market Street and Highway 301 South. Unanimously approved.

Town of Smithfield Code of Ordinance Amendment 485
Sec 10-135. – Truck Route.

Commercial vehicles shall be prohibited from traveling on all town owned roads where signage exist prohibiting no through trucks. A “no through trucks” prohibition is defined as allowing only commercial vehicles with legitimate commerce related business (this does not include gas, food, or lodging) to travel on the road to and from their destination to conduct this business. Any other commercial vehicle using any part of the route and not having legitimate commerce related business on the route is considered a “through” truck.

2. Approved the Police Department to hire a Reserve/ Part-Time Police Officer

Chief of Police Michael Scott addressed the Council on a request to hire a reserve/part-time officer who was previously employed as a full time officer with the Smithfield Police Department. This action would come at no cost to the Town, except for wages when the employee worked. This wage cost would be less than paying full-time officer overtime and additional benefits. See additional supplemental information for more detail. This arrangement would be identical to the one approved in November of 2014. Since that time, the previous hiring has proved to be a positive arrangement for the officer and the Town.

Councilman Williams made a motion, seconded by Councilman Harris, to approve the request as submitted. Unanimously approved.

3. Discussion regarding the demolition of the Old Water Treatment Plant

Interim Public Utilities Director Pete Connet addressed the Council demolition of the Old Water Treatment Plant. Mr. Connet explained that at the October 6th Council meeting, staff was directed to move forward with obtaining bids for the demolition of the Old Water Plant on Front Street. Since we had several companies interested in bidding on the project, we thought that it was better to prepare a bid package that ensured that everyone was bidding on the same scope of work and was fair to all bidders. The package also includes copies of the environmental reports that were done back in 2000, and the remediation report of 2001 for the removal/disposal of some old barrels that contained some chemicals stored on the site. It also contains a map of the area with notations about leaving some walls and disposing of some materials in the old basins, and capping with 2-3 of fill dirt so the site can be easily maintained in the future. Bid received were as followed:

- DH Griffin Wrecking Co. \$ 64,900.00
- Jymco Development Company \$ 69,500.00
- J.P. Edwards Construction Co. \$ 90,600.00

In a related matter, the Town received proposals from DSDC and CommunitySmith to preserve the old water treatment plant as a historical property. However, per conversation with the Interim Town Manager and Town Attorney, it is understood that the Town never made official application for National/State Historical Preservation designation. Thereby; the Council may consider the demolition bids received.

Councilman Ashley questioned how the demolition of the old water plant would affect the plans for the boat ramp. Mr. Connet responded that the demolition would tie in nicely with the plans for the boat ramp.

Councilman Scott questioned if the property was historical in nature was there any restrictions. Town Attorney Bob Spence responded that he did not believe there were any restrictions if the Council chose to demolish the building.

Councilman Harris made a motion, seconded by Councilman Williams, to direct the Town Attorney and the Town Manager to investigate if the building is in fact on the Historical Registry, if the building is not listed then proceed with demolition by awarding the bid and contract to the lowest bidder, DH Griffin Wrecking, Co. Councilman Harris, Councilman Williams, Mayor Pro –Tem Moore, Councilman Ashley and Councilman Scott voted in favor of the motion. Councilman Wood recused himself stating he had family interested in purchasing the building and Councilman Lee voted against the motion. Motion passed 5 to 1.

4. Library's request for additional funds to repair an HVAC compressor

Interim Town Manager Jim Freeman informed the Council that the Library had requested additional funding from the Town of Smithfield for repairs to the HVAC compressor. Since the Library, Johnston County and the Town share the cost (1/3 each), the Town's portion would be \$2,834. Finance Director Greg Siler stated that the Town could find funding for the needed repairs

Councilman Scott made a motion, seconded by Councilman Harris, to approve the request as submitted. Unanimously approved.

Mr. Freeman also informed the Council that the Town and the County were drafting a Memorandum of Understanding between the Public Library of Johnston County and Smithfield, The Johnston County Board of Commissioners and the Town of Smithfield as related to future situations.

Councilman Scott made a motion, seconded by Councilman Harris, to support staff and discussions as a MOU is drafted. Unanimously approved.

Councilmembers Comments:

- Mayor Pro-Tem Moore congratulated everyone in the recent elections and stated that he looked forward to working with everyone.
- Councilman Williams welcomed the newly elected Councilmen and urged the Council to address the following issues: 1) update the salary schedule, 2) allow public involvement with the top 3 Town Manager candidates, 3) adopt a solar farm ordinance, 4) construct the proper fencing behind the Pine Acres subdivision and 5) continue to diversify Town staff.
- Councilman Scott expressed his appreciation to Councilman Williams for his service to the Town of Smithfield.
- Councilman Wood congratulated everyone who participated in the recent election.
- Councilman Ashley explained that the Water/ Sewer and Electric Funds have to stand on their own and it has been the wishes of the Council that the enterprise funds do not subsidize the General Fund, it is also paramount that the General Fund does not subsidize those funds.

Town Manager's Report:

- **Department Reports**
 - A highlight of each department's monthly activities was given to the Council.

- **Manager's Updates**

Interim Town Manager Jim Freeman discussed the following with the Town Council.

- **Verizon Generator Ground Lease Agreement Request**

Town Attorney Bob Spence explained that the Town had received a request from Verizon seeking authorization to place a generator at the cell tower site on 5th Street behind the Police Station. Mr. Spence stated that he needed more time to review the documentation and asked that this be considered at the December 1st meeting.

Councilman Scott made a motion, seconded by Councilman Ashley, to instruct the Town Attorney bring back a proposal for consideration and possible approval at the December 1st Town Council Meeting. Unanimously approved.

**TOWN OF SMITHFIELD
RESOLUTION # 571 (21-2015)
ON PARTICIPATION IN STATE HEALTH PLAN**

WHEREAS, the Town of Smithfield has long been committed to providing adequate, quality health insurance coverage to its employees; and

WHEREAS, the State of North Carolina provides comprehensive health insurance coverage to its employees, and to public school teachers, under the State Health Plan; and

WHEREAS, legislation recently adopted by the North Carolina General Assembly allows local governments to participate in the State Health Plan if certain requirements are met; and

WHEREAS, after analyzing costs and calculations of the Town's current coverage and of what would be available under the State Health Plan, the Town has determined to participate in the State Health Plan.

NOW, THEREFORE, BE IT RESOLVED by the Smithfield Town Council that the Town of Smithfield desires to participate in the State Health Plan for Teachers and State Employees established under Chapter 135 of the General Statutes, and does by this Resolution express its intent to so participate as provided in General Statutes 135-48.47.

Be it further resolved that the Town of Smithfield desires to enter into participation in the Plan on July 1, 2016 or sooner if possible, and that this Resolution is adopted and shall be provided to the State Health Plan.

Councilman Ashley made a motion, seconded by Councilman Wood, to approve Resolution # 571 (21-2015) on participation in the State Health Plan for the Town of Smithfield Employees. Unanimously approved.

Closed Session: Pursuant to NCGS 143-318.11 (a) (3)

Councilman Ashley made a motion, seconded by Councilman Wood, to go into closed session pursuant to NCGS 143-318.11 (a) (3) to consult with the Town Attorney on a legal matter. Unanimously approved at 9:21 pm.

Reconvene in Open Session:

Councilman Ashley made a motion, seconded by Councilman Wood, to reconvene in open session. Unanimously approved at 9:41pm.

Councilman Ashley made a motion, seconded by Councilman Scott, to authorize the Mayor to sign the necessary documents clarifying the road easement.

Adjourn

There being no further business, Councilman Harris made a motion, seconded by Councilman Williams to adjourn. Unanimously approved.

The meeting adjourned at approximately 9:42 pm.

John H. Lampe II, Mayor

ATTEST:

Shannan L. Williams, Town Clerk