

The Smithfield Town Council met in regular session on Tuesday, August 4, 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

Paul Sabiston, 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:

Councilman Harris made a motion, seconded by Councilman Scott, to approve the agenda with the following amendments:

- Move from the Consent Agenda to the Business Items
 - **Item # 5** - *Approval of the 2015 Interlocal Agreement for Fire Service with Johnston County*
- *Move from the Business Items to the Consent Agenda*
 - **Item #1** – *Consideration and Approval lease agreement with Disabled American Veterans*
 - **Item # 7** – *Consideration and approval for the purchase of used 2014-2015 Backhoe for the Water and Sewer Department in the amount of \$81,500*
- Add to the Consent Agenda:
 - *May 19th Corrected Minutes*
 - **Item #2** – *Consideration and Approval to appoint Billie Stevens to serve on the Appearance Commission for a fourth term*
 - **Special Event** – *Robert Yarbrough is seeking approval to conduct a march and special event "Youth Led, Black Lives Matter March" to be held on Town Streets and at Smith Collins Park on August 29, 2015*

Unanimously approved.

PRESENTATIONS:

1. Proclamation – Recognizing Fire Chief Patrick Harris for his years of Service to the Town of Smithfield

Mayor Lampe and Town Manager Paul Sabiston presented retired Fire Chief Patrick Harris with a Proclamation and thanked him for his years of service.

**PROCLAMATION
In Honor of Patrick Harris's Years of
Service to the Town of Smithfield**

WHEREAS, Patrick Harris has been a dedicated employee for 23 years and retired from the Town of Smithfield on June 30, 2015; and

WHEREAS, Patrick Harris has served the Town of Smithfield as a volunteer firefighter since 1992, Fire Inspector from 1994 until 2000, Fire Marshal from 2000 until 2003, and Director of Emergency Services and Fire Chief from 2003 until 2015; and

WHEREAS, these years of service have been marked with exemplary dedication to the citizens of Smithfield, and he has worked constantly for the betterment of the community through Emergency and Fire Protection Services; and

WHEREAS, Patrick Harris's dedication to the Emergency Services and Fire Protection field has been evident in the commendations he has received. He was awarded the North Carolina Governor's Award for Bravery and Heroism in 1995. He was chosen as one of North Carolina's Five Outstanding Public Servants awarded by the North Carolina Jaycees in 2002 and he was awarded the North Carolina Order of the Long Leaf Pine in 2015; and

WHEREAS, In addition to his service to the Town of Smithfield, Patrick Harris served as the President of the Johnston County Firemen's Association, the President of the Johnston County Fire Chief's Association and Vice Chairman of the Emergency Services Advisory Committee for the Johnston County Board of Commissioners; and

WHEREAS, Patrick Harris has displayed the highest example of character, ethics, morals and unselfish service; and

WHEREAS, Patrick Harris has earned, and justly deserves, this public recognition for his many years of service and dedication to the Town of Smithfield.

NOW, THEREFORE, I, *John H. Lampe II.*, Mayor of the Town of Smithfield along with the members of the Town Council, express our sincere appreciation to Patrick Harris for his distinguished service to the Town of Smithfield and urge our citizens to join with us as we extend our sincere appreciation for his work and wish him well in his future endeavors.

2. Johnston County Visitors Bureau's Annual Report

Executive Director of the Johnston County Visitor's Bureau Donna Bailey-Taylor presented the Council with its annual report.

(A copy of the report is on file in the Office of the Town Clerk)

3. Downtown Smithfield Development Corporation's Annual Report

Executive Director of the Downtown Smithfield Development Corporation presented the Council with its annual report.

(A copy of the report is on file in the Office of the Town Clerk)

PUBLIC HEARING:

1. CDBG Talent Enhancement Grant (12-C-2463) – Final Report and Close Out

Mayor Pro-Tem Moore made a motion, seconded by Councilman Ashley, to open the public hearing. Unanimously approved.

Stanley King, Project Manager of the Raleigh Area Development Authority (RADA) addressed the Council on the close out of the CDBG Talent Enhancement Grant. Mr. King explained that this Public Hearing was being held due to an error by the newspaper in June and a lack of a quorum at the July Town Council meeting.

Mr. King explained that The Town of Smithfield and RADA, a nonprofit organization, partnered to submit an application to the North Carolina Department of Commerce for a Talent Enhancement Capacity Building Grant (TECBG) in the amount of \$50,000.00. This grant did not require matching funds from the Town of Smithfield. The grant application required identification of a target area within the Town and the areas selected were Belmont, Sandy Run and Pine Acres. There were two primary purposes of the grant. The Town had to attend a capacity building program at East Carolina University and submit a grant application to the Division of Community Assistance (DCA) before the closeout of the grant. In past years most TEBG grantees were successful in their grant submission to DCA. However, there were major changes at the State level that directly affected this grant and limited the Town and RADA's ability to apply for grant funding. A result of these changes included all grant categories were moved from DCA and a decision of how awardees could satisfy HUD requirements for this grant could not be immediately made. It was finally determined that awardees could apply for either an infrastructure grant, an economic development grant or submit a sample grant application. Based on the information that was received from the public neighborhood meetings neither the infrastructure nor economic development categories were identified as concerns and a sample grant was submitted.

During DCA's period of indecision, RADA decided that it would seek grant funding to address the concerns of the neighborhood citizens, which centered primarily on housing, drainage, and utility cost and safety items. RADA applied for and received a Wells Fargo "Leading the Way Home" grant for East Smithfield in the amount of \$50,000.00. RADA awarded \$12,500 in grants to the following 5 local non-profit organizations: Johnston-Lee-Harnett Community Action, Serve the Need, Me Fine Foundation, Community & Senior Services of Johnston County and Johnston County Youth Services. RADA has continued working in the East Smithfield community to assist citizens with life and safety needs with the balance of the Wells Fargo funds. Working with Serve The Need to provide need assistance to seniors with home accessibility issues and other areas of concern with the limited funds that remained.

RADA also continued to explore solutions to community concerns regarding the lack of access to natural gas. We arranged and met with Piedmont Natural Gas for over a year to see how we could get natural gas lines installed in the East Smithfield community. There are a number of issues including low homeownership within the community. One of the major concerns of citizens was housing so RADA met with the local USDA office to see how we could assist in addressing housing rehabilitation issues. Through these discussions RADA became an approved application preparer for USDA grants and loans and have assisted several citizens in application process.

Mayor Lampe asked if there were any questions/from those in the audience. There were none.

Mayor Lampe asked if there were any questions from Council.

Councilman Lee questioned if there was a misrepresentation by RADA with a citizen in the Belmont Community. Mr. King responded that there was a misunderstanding with the citizen. The contractor repaired the issues that were paid by grant funding, but the citizen wanted the contractor to do additional work at no cost.

Councilman Ashley questioned the survey conducted by Piedmont Natural Gas. Mr. King responded that there wasn't enough support in the community to warrant PNG installing natural gas pipe lines to the various communities.

Mayor Pro-Tem Moore questioned if there was any support by the Utilities Commission to reclassify natural gas as infrastructure. Mr. King responded that he was unsure of the reclassification at this time.

Councilman Harris stated that there are a lot of rental properties in the communities and that PNG should be speaking with the homeowners and not the tenants.

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

CITIZENS' COMMENTS:

- John Eklund introduced himself to the Council as the newly hired Pastor of Temple Baptist Church. Pastor Eklund will assist the church with an addiction recovery ministry.
- Lucy Washington – 406 Birch Street – addressed the Council on the reoccurring problem of water flooding her yard after any rain event. Public Works Director Lenny Branch responded that new curb and gutter had been installed at Ms. Washington's residence and the water was flowing as best it could.

CONSENT AGENDA:

Councilman Ashley made a motion, seconded by Mayor Pro-Tem Moore, to approve the following items as listed on the Consent Agenda:

1. Approval of Minutes:
 - May 19, 2015 – Correct Budget Work Session
 - May 27, 2015 – Closed Session
 - May 27, 2015 – Budget Work Session
 - June 2, 2015 – Regular Meeting
 - June 9, 2015 – Budget Public Hearing
 - June 22, 2015 – Reconvened Budget Public Hearing
 - June 22, 2015 – Closed Session
 - June 22, 2015 – Special Session
 - July 7, 2015 – Regular Meeting
2. Advisory Board/ Committee Appointments:
 - Julie McCullers was appointed to serve a first term on the Historic Properties Commission.
 - Mary Nell Ferguson was appointed to serve a first term on the Historic Properties Commission.
 - Billie Stevens was reappointed to serve a fourth term on the Appearance Commission
3. Approval to appoint the following to serve on the Firemen's Relief Board:
 - John M. Blanton, Jr.
 - John C. Parrish
 - Elmer Owens to serve as the Chairman
4. Downtown Smithfield Development Corporation Board of Directors Appointment
 - Benton Sawrey was appointed to serve a first term on the Downtown Smithfield Development Corporation's Board of Directors
5. Approval of a contract renewal with Pete Connet to continue to serve as Interim Public Utilities Director.
6. Approval of a contract renewal with One Source Document Solutions Annual Laserfische Support Agreement in the amount of \$2,234.00. This was approved in the FY 2015-2016 budget.
7. Approval of a contract renewal with Grid One Solutions to perform the Town's utility meter reading services.
8. Approval of Resolution # 562 (12-2015) declaring vehicles and equipment as surplus property.

TOWN OF SMITHFIELD RESOLUTION # 562 (12-2015) Authorizing the Sale of Certain Personal Property at Public Auction

WHEREAS, the Town Council of the Town of Smithfield desires to dispose of certain surplus property of the Town in accordance with NC GS 160A-270; and

WHEREAS, the Town Council of the Town of Smithfield desires to utilize the auction services of a public electronic auction service.

NOW, THEREFORE, BE IT RESOLVED by the Town Council that:

- The following described property is hereby declared to be surplus to the needs of the Town:

Vin/Ser.#	Description
<u>Police Department</u>	
2G1WS55R579255132	2007 Chevrolet Impala
SG4AE310CY	HP Desk Jet Printer Model # 450CI
SG4AD3111P	HP Desk Jet Printer Model # 450CI
SG4AD311FM	HP Desk Jet Printer Model # 450CI
SG4AD31029	HP Desk Jet Printer Model # 450CI
SG4AD311F4	HP Desk Jet Printer Model # 450CI
84261569	1999 RCA TV
837250168	RCA VCR
V1390163912135	Sanyo TV Model # DS25398
10604892	Sanyo VCR
	TV stand with three shelves
<u>Fire Department</u>	
2FAFP71W51X204018	2001 Ford Crown Victoria

- The Town Manager or his designee is authorized to receive, on behalf of the Town Council, bids via public electronic auction for the purchase of the described property.
 - The public electronic auction will be held beginning no earlier than August 17, 2015.
 - The Town Council further authorizes the disposal of Town surplus property by use of a public electronic auction system provided by GovDeals Inc. The property for sale can be viewed at **www.govdeals.com**. Citizens wanting to bid on property may do so at **www.govdeals.com**. The terms of the sale shall be: All items are sold as is, where is, with no express or implied warranties; All items will be sold for cash or certified check only; Payment must be received for all items sold before they may be removed from the premises; All items sold must be paid for and removed from the site of the sale within 5 business days of the sale, or they will be subject to resale.
 - The Town Clerk shall cause a notice of the public auction for surplus property to be noticed by electronic means in accordance with G.S. 160A-270(c), available on the Town of Smithfield website **www.smithfield-nc.com**
 - The highest bid, if it complies with the terms of the sale, may be accepted by the Finance Director or his designee and the sale consummated.
9. For Informational Purposes - Bid Award to Deacon Jones in the amount of \$31,899.00 for the Water and Sewer Department's Truck. Bid Award to Capital Ford in the amount of \$29,603.00 for the Electric Superintendent's Truck. Purchase of a concrete saw for the Water/Sewer Department. All items were approved in the FY 2015-2016 Budget and all items were purchased under budget.

10. New Hire Reports

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Sanitation Equip Op	PW – Sanitation	10-5800-0200	\$12.84/hr (\$26,707.20/yr)
Firefighter I	Fire	10-5300-0200	\$14.88/hr (\$32,497.92/yr)
PT Pool Staff	P&R - Aquatics	10-6220-0220	\$7.50/hr

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
PT Pool Staff	P&R – Aquatics	10-6220-0220	\$8.00/hr
PT Instructor	P&R – Instructors	10-6220-0230	\$15.50/hr
PT Instructor	P&R – Instructors	10-6200-0230	\$15.00/hr
PT Instructor	P&R – Instructors	10-6200-0230	\$10.00/hr
PT Staff	P&R – General	10-6200-0210	\$9.00/hr
PT Staff	P&R – General	10-6200-0210	\$9.50/hr
PT Staff	P&R – General	10-6200-0210	\$9.00/hr
PT Staff	P&R – General	10-6200-0210	\$10.00/hr

11. Approval of a lease agreement with the Disabled American Veterans for up to two years that may continue for a month to month period after two years unless terminated by the Town. The Town Attorney was authorized to prepare said lease for signature by the Mayor.
12. Approval for the purchase of used 2014-2015 Backhoe for the Water and Sewer Department in the amount of \$81,500
13. Special Event – Robert Yarbrough gained approval to conduct a march and special event “Youth Led, Black Lives Matter March” to be held on Town Streets and at Smith Collins Park on August 29, 2015

Unanimously approved.

BUSINESS ITEMS:

1. Discussion concerning the Family Life Center

Town Manager Paul Sabiston discussed with the Council the current situation with the Family Life Center. Mr. Sabiston explained that the Family Life Center facility located in Smith Collins Park is facing foreclosure on the building itself. The real estate upon which the building sits is not under foreclosure threat and is owned by the Town. The Town leases the real estate to the owners of the building for \$1 per year under a long-term lease. A representative of the owners of the building, and involved with the lease of the property from the Town, contacted the Mayor several weeks ago regarding the situation and the overall status of the building and its operations. The Mayor offered to get involved on behalf of the Town to work through any impending foreclosure threats and try to gain control of the building. No action has occurred pending authorization from the owners of the building to allow the Town to discuss with the bank the status of the loan. We did meet briefly with the representative of the building after the July regular Meeting date. This issue also came up during our recent budget workshops this year and the Town Council budgeted \$27,000 for that effort to obtain and/or rehabilitate the building but not for any programming within the building itself. That responsibility, hopefully, would be undertaken by a private non-profit entity. Recently, the representative for the facility has engaged Mr. Allen Wellons, Esq., to represent it in this endeavor. I have met with Mr. Wellons and he agrees that the Town would be best owner of the facility and will work with us to that end if it is possible. All agree that other third parties are not needed to obtain control of the facility and that the town is best suited to control it since it owns the underlying real estate. We are waiting for the next step from the facility owners and look forward to working with them to provide a good future use for this facility for the surrounding community.

Councilman Ashley asked that the Town continue to listen to the wishes of the owners.

Councilman Lee stated that he was informally meeting representatives of the Boys and Girls Clubs to discuss possibly utilizing the Family Life Center in the future.

No action taken.

2. Approval of a request for power allocation by Lampe-Malphrus.

Mayor Lampe recused himself from this item. Mayor Pro-Tem Moore presided.

Interim Public Utilities Director Pete Connet and Town Manager Paul Sabiston addressed the Council on a request by Lampe-Malphrus. Mr. Connet explained that one of the Town's largest power users, Lampe-Malphrus Lumber Mill, is requesting assistance in its load management program for its different systems. This load management program allows users to create their own power through generator(s) to reduce their power bills and become much more efficient. This is an opportunity that other power providers such as DEP cannot and do not offer to their customers. Lampe-Malphrus is requesting to put 1 generator at the Sawmill & 2 generators at the Planner Mill. The Town must allow them some of our available allocation. Currently, the Town has 1549 kW of allocation from Electricities/NCEMPA. Lampe-Malphrus is requesting approximately 900-1000kw for the Planner Mill on Peedin Rd. They will not need any allocation at the 10th St. Sawmill because it will be PURPA qualified and exempt.

Mayor Pro-Tem Moore questioned the affect this would have on other customers who would request a power allocation. Mr. Connet responded that there would still be 549kW left and if additional kW's were needed, the Town could request from Electricities/NCEMPA for additional power.

Councilman Ashley questioned the negative outcome this arrangement would have on the Town and on the business owner. Mr. Connet responded that this was beneficial for both the Town and the customer.

Councilman Scott made a motion, seconded by Councilman Harris, to approve an allocation to Lampe-Malphrus of up to 1000kW conditioned on the 10th Street Sawmill being/remaining PURPA certified and exempt from the allocation. Unanimously approved.

3. Discussion Concerning Smithfield Recreation and Aquatics Center (SRAC) non-residential rates

Town Manager Paul Sabiston discussed with the Council the SRAC non-residential rates. Mr. Sabiston stated that in the FY 2015-2016 budget, the Council voted for a 10% increase for all non-resident programs and facility rentals including the non-resident fees for SRAC members. To date, these changes have been made, including the notice of the increase to non-resident members, as required under the individual contracts, of the increase scheduled to take place for the August billing period. The notice is required under the membership contract and certain accounts that use automatic deposit and related systems will have to be changed to correspond to the rate increase. With past rate increases, existing members were not charged the increase and continued to pay the rate agreed upon at the time of their enrollment. Therefore, the issue is whether the intent was to increase these type memberships for non-residents after the one-year period expires or only upon cancellation of a contract/membership. Any new non-resident memberships after July 1st of this year will be charged the increased rate. We have many non-residents that have been members for several years. Unless directed otherwise by Council, the 10% rate increase will take effect in August for non-resident members. This will impact 321 non-resident members with a rate increase of between \$4.70 and \$12.20 per month (based on when the non-resident member initially joined the SRAC). There is concern about losing some non-resident members as a result of this increase.

Councilman Wood stated that the increased rate should not affect existing non-resident members.

Councilman Harris stated that 10% was a minimal increase and that the Council is to represent the citizens of Smithfield.

Mayor Pro-Tem Moore responded that the Council does represent the citizens of the Town, but that the SRAC was a joint project between the Town and the Johnston County Board of Education.

Councilman Ashley questioned how many times the rates have been increased. Parks and Recreation Director Gary Johnson responded that rates have been increased one time since the SRAC was opened in 2010.

Councilman Harris requested a scholarship report be sent to the Council.

No action taken, thus the 10% rate increase will take effect in August for non-resident members.

4. Approval to Award the redesign of the Town's website to EZTask

Human Resources Director/ PIO Tim Kerigan and Town Manager Paul Sabiston addressed the Council on a request to award the redesign of the Town's website to EZTask. Mr. Kerigan explained that there has been considerable discussion about a redesign of the Town of Smithfield's website. Specifically, the Town's goal is to provide ease of access to Town information, online forms and applications, processes and procedures, economic development opportunities, city council information including agendas and minutes of meetings, a calendar of events, photo hosting, online bill-pay, and a variety of other activities to current and prospective citizens and businesses. This content should be accessible from all mediums (desktop/laptop computers, cell phones, tablets, etc.). The new design will allow for individuals/staff to have certain permissions to update messages to the public with ease (i.e., sanitation schedules, power outages, etc.).

Staff has researched the redesign possibilities – focusing on companies that specialize in municipality and county websites. The estimates are as follows:

<u>Company</u>	<u>Set-up</u>	<u>Annual Hosting</u>
Digital Eel	\$7,800	\$2,263
ezTask	\$7,695	\$2,000
Vision Internet	\$19,000	\$2,000

Councilman Williams stated that he was in favor of this project.

Councilman Harris stated that getting a website built was not the difficult part. He questioned if the Town had staff that could update the website on a regular basis. Mr. Kerigan responded that currently, one member of staff can make changes to the website. The proposed web design would allow additional staff to have access enabling them to make changes.

Councilman Scott questioned if Mr. Kerigan was comfortable with the recommendation. Mr. Kerigan responded in the affirmative.

Councilman Harris made a motion, seconded by Councilman Scott, to award the redesign of the Town's website to ezTask and to pay for such redesign from the Economic Development Initiative funds (10-4110-57100).

5. Consideration for agreement with Spyglass to Review the Town's Telecommunication Services

Finance Director Greg Siler addressed the Council on approval to enter into an agreement with Spyglass to review the Town's Telecommunication Services. Mr. Siler explained that quotes were solicited from two telecommunications companies in 2014 to review Smithfield's telecommunications service accounts (local, long distance, data, and wireless) to seek cost recovery, service elimination and cost reduction recommendations. As a result, Town Council approved a telecommunications review agreement with CrossPoint Telecom & Consulting, LLC, during the May 6, 2014, Town Council meeting. Before work could begin, the owner passed away. By default, approval is now sought to award the agreement to SpyGlass Group, LLC. All recommendations for improvements are subject to the Town's approval. Any recommendations acted upon by the Town within twelve (12) months of submission by the company making the recommendation is due to be paid a fee for its' finding and recommendation.

CrossPoint Telecom & Consulting and SpyGlass Group submitted proposals to review the Town's telecommunication services. Their costs are outlined below.

	<u>CrossPoint</u>	<u>SpyGlass</u>
Cost Recovery	- 50% of savings	- 50% of savings
Service Elimination	50% of savings	100% for 12 months
Cost Reduction	50% for 12 months	100% for 12 months
Flat Fee	\$250	0

CrossPoint offered the better proposal of \$250 for the analysis and 50 percent of all savings to the Town (including any refunds or credits obtained as a result of the review), however, since that company is now out-of-business, SpyGlass is recommended to award the telecommunications agreement.

Councilman Scott questioned if staff could review the same information that Spyglass would review. Mr. Siler responded that staff has completed an assessment of all telecommunication services that it could.

Town Attorney Bob Spence stated that he would like additional clauses added to the agreement.

Councilman Williams made a motion, seconded by Councilman Scott, to approve the request as submitted with the additional agreement clauses requested by the Town Attorney. Unanimously approved.

6. Bid Award and Contract Approval to complete the I & I remediation work to Herring-Riverbank, Inc. in the amount of \$833,037.50

Interim Public Utilities Director Pete Connet addressed the Council on a bid award on contract approval to complete the I & I remediation work to Herring-Riverbank, Inc. in the amount of \$833,037.50 Mr. Connet explained that on Tuesday, July 21, 2015, the Town opened bids, after legal advertisement of the project, for Infiltration and Inflow remediation work on the sewer systems in specific areas of East Smithfield and South Smithfield. There were six companies who submitted bids to do the work. They are as follows:

Herring – Rivenbark Inc.	\$833,037.50
AC Schultes of Carolinas	\$845,133.50
Layne Inliner	\$910,885.00 base bid
Step Construction	\$912,665.00
AM Liner East	\$1,232,312.50
IPR Southeast	\$1,561,475.00

Mr. Connet further explained that the budget for this project was \$900,000 in the Water and Sewer capital outlay line of the FY 2015-2016 budget approved by the Town Council. The Wooten Company has been working with Town Staff to create the plans and specs for the work. After careful review of the bids received, it was recommended that the contract be awarded to Herring-Rivenbark, Inc. of Kinston in the amount of \$833,037.50. The total base bid for the project is on a unit price basis, based on estimated quantities of 10,000 linear feet of pipe to rehab, 36 manholes, and 60 sewer service replacements. The specifications called for TV-ing all 39,000 to 40,000 LF of line shown on the map. From the results of that investigation, the contractor will then repair the worst areas first, with the monies we have on hand for the project.

(Councilman Scott was absent during the vote)

Councilman Ashley made a motion, seconded by Mayor Pro-Tem Moore, to award the contract to complete the I&I remediation work to Herring-Rivenbark, Inc., in the amount of \$833,037.50, and authorize the appropriate authorized Town Officials to sign the necessary documents to carry out the project. Unanimously approved.

7. Consideration and Approval of Engineering Services Agreement with Booth and Associates in the amount of \$85,000 to begin engineering of the installation of a second transformer at the Brogden Road Substation.

Interim Public Utilities Director Pete Connet addressed the Council on consideration to approve a proposal from Booth and Associates for engineering services for the installation of a second 30.0 MVA -230KVA transformer at the Brogden Road substation. This project is included in the FY 2015-2016 recommended budget and will allow for future load growth. Mr. Connet explained that if the Town were to lose the current transformer due to a storm or other reasons then the Town would not be able to provide power to the U.S. 301 South area. The second transformer will allow the Town to take the current transformer off-line for routine maintenance, which could last for several days. The Booth proposal is for engineering fees amounting to \$85,000 and is included in the total estimated project cost. Mr. Connet further explained that the reason for asking for approval at this time is so that work on this project can begin as soon as possible, since it will take close to a year for the transformer to be ordered, built, and installed.

Councilman Ashley questioned if the engineering were approved now, could the project be delayed for one to two years and the engineering findings still be usable for the project. Mr. Connet responded that he would have to discuss that with the engineers, but he felt that they could. Mr. Connet further responded that materials to build the transformer are at an all-time low.

Councilman Wood made a motion, seconded by Councilman Harris, to approve the request pending the confirmation that the research conducted by the engineers would still be usable in 2 to 3 years. Unanimously approved.

8. Discussion regarding the future of the Old Water Treatment Plant

Town Manager explained that this item was requested to be placed on the agenda by Councilman Harris. The facility is presently not in use and in need of repair. The final disposition of the facility has been discussed several times. The discussions have considered everything from demolition and conversion to a park to placing it on the market for sale to be redeveloped as a business. The facility is in need of substantial repairs and could be considered an eyesore to the surrounding property owners and the users of the Greenway which is adjacent to it. Estimated demolition cost has ranged from \$70,000 to \$160,000 and would need to be researched again if that is the desire of Council. Any surplus or selling of this property would require a fair market valuation and a notice/advertisement for the property. The property is currently zoned R-10 and was used for public institutional uses (water plant) which is allowed in such a district.

Councilman Harris informed the members of the Council that he had conducted some research on the Water Plant and it was his opinion that it should be demolished.

Councilman Harris made a motion, seconded by Councilman Ashley, to ask staff to receive quotes on demolishing the Old Water Plant and grassing over the area and report back to the Council. Unanimously approved.

Councilman Scott stated that he would like to see the structure be rehabilitated because it is a unique structure, but in conversations that he has had it may be beneficial to demolish it.

Mayor Pro-Tem Moore asked DSDC Executive Director Sarah Edwards to discuss the possibilities of the Old Water Plant. Ms. Edwards explained the potential for the building.

9. Approval of the 2015 Interlocal Agreement for Fire Service with Johnston County

Interim Fire Chief John Blanton addressed the Council on a request to approve the 2015 Interlocal agreement with Johnston County for Fire Services. Chief Blanton explained that this is a standard agreement between the Town and Johnston County.

Mayor Pro-Tem Moore questioned some of the aspects and language of the agreement and asked that the Interim Fire Chief, the Town Manager and the Town Attorney discuss the language with Johnston County and bring it back to the Council for consideration and approval at the September Council meeting.

Councilmembers Comments:

- Councilman Lee expressed his appreciation to everyone that participated and attended the Annual Fun in the Park Day.
Mr. Lee also stated that all summer long he is appalled at the condition of East Smithfield.
- Councilman Harris informed the members of the Council that he recently participated in the Smithfield Police Department's "Ride Along" program. He stated that he was very proud of the professionalism of the department.
Mr. Harris also questioned Johnston County's tax valuation on property in Smithfield. He stated that the Town should discuss this with the County.
- Councilman Ashley congratulated Councilman Lee and the East Smithfield Improvement Organization for the success of the Fun Day in the Park.
- Councilman Scott informed the members of the Council about complaints he received concerning several properties in the Town.

Town Manager's Report:

- **Department Reports**
 - A highlight of each department's monthly activities was given to the Council.
- **Financial Report**
 - General Fund revenues for the month ending June 30, 2015 were \$ 812,174 and YTD revenues were \$ 12,692,026. The general fund expenditures for the month ending June 30, 2015 were \$ 1,633,740 and YTD expenditures were \$11,542,937.

- **Manager's Updates**

Mr. Sabiston gave the Council a brief update on the following issues:

- Preliminary estimated Fund Balance for end of FY 2014-2015 is an additional 1,400,000. This amount is only a preliminary estimate
- Booker Dairy Road improvements and the proposed cost for the Town to relocate utilities.
- PEG Chanel update.

Councilman Williams requested a progress report on the hiring process of a Fire Chief and Utilities Director.

Closed Session: Pursuant to NCGS 143-318.11 (a) (6)

Councilman Williams made a motion, seconded by Councilman Harris to go into closed session pursuant to NCGS 143-318.11 (a) (6) to discuss the Town Manager's annual evaluation. Unanimously approved at 9:35

Reconvene in Open Session:

Councilman Harris made a motion, seconded by Councilman Ashley to reconvene in open session. Unanimously approved at 10:10 pm.

Termination of Town Manager Paul Sabiston

Councilman Harris made a motion, seconded by Councilman Lee, to terminate Town Manager Paul Sabiston and to pay him the amount specified in his contract for termination without cause.

Mayor Pro-Tem Moore, Councilman Ashley and Councilman Wood all stated that they were not in favor of this motion. Councilman Harris responded that he felt that it was time for the Town to move in a different direction.

Councilman Harris, Councilman Lee, Councilman Scott and Councilman Williams voted in favor of the motion. Mayor Pro-Tem Moore, Councilman Ashley and Councilman Wood voted against the motion. Motion carried 4 to 3.

Adjourn

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

The meeting adjourned at approximately 10:19 pm.

John H. Lampe II, Mayor

ATTEST:

Shannan L. Williams, Town Clerk

