

The Smithfield Town Council met in regular session on Tuesday, April 5, 2016 at 7:00 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  
Roger A. Wood, District 4  
Stephen Rabil, At-Large

Councilmen Absent

Administrative Staff Present

Jim Freeman, Interim 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  
Michael Scott, Chief of Police  
Greg Siler, Finance Director  
Shannan Williams, Town Clerk

Present:

Bob Spence, Town Attorney

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

**APPROVAL OF AGENDA:**

Councilman Scott made a motion, seconded by Mayor Pro-Tem Ashley, to approve the agenda with the following amendments:

**Add to Business Items:** Consideration and Approval of Resolution # 585 – Support for the Intermodal Terminal in Johnston County.

Unanimously approved.

**PRESENTATIONS:**

**1. Proclamation – Week of the Young Child April 9<sup>th</sup> – 16<sup>th</sup>**

Mayor Moore presented the Proclamation to Dwight Morris Executive Director of Partnership for Children.

**Proclamation  
The Week of the Young Child  
April 9 – 16, 2016**

**WHEREAS**, the Partnership for Children of Johnston County and other local organizations, in conjunction with the National Association for the Education of Young Children, are celebrating the Week of the Young Child, April 9 through April 16, 2016; and

**WHEREAS**, these organizations are working to promote and inspire high quality early childhood experiences for our state's youngest citizens, that can provide a foundation of learning and success for children throughout Smithfield, North Carolina; and

**WHEREAS**, teachers and others who work with or on behalf of young children birth through age eight, who make a difference in the lives of young children in the Town of Smithfield deserve thanks and recognition; and

**WHEREAS**, public policies that support early learning for all young children are crucial to young children's futures and to the prosperity of our society.

**NOW, THEREFORE, I, M. Andy Moore**, Mayor of the Town of Smithfield along with the members of the Town Council hereby proclaims April 9 – 16, 2016 as The Week of the Young Child in the Town of Smithfield and encourages all citizens to work to support and invest in early childhood in Smithfield.

## **2. Proclamation – Electrical Linemen Appreciation Day: April 18, 2016**

Mayor Moore presented the Proclamation to Electric Lineman Glenn Sheets and Public Utilities Director Ted Credle.

### **PROCLAMATION ELECTRICAL LINEMEN APPRECIATION DAY APRIL 18, 2016**

**WHEREAS**, the Town of Smithfield honors the profession of linemen, as this profession is steeped in personal, family and professional tradition; and

**WHEREAS**, electrical linemen are often first responders during storms and other catastrophic events, working to repair broken lines to make the scene safe for the citizens of the Town of Smithfield; as well as, other public safety workers; and

**WHEREAS**, electrical linemen work on the Town of Smithfield power lines 24 hours a day, 365 days a year, to keep the electricity flowing; and

**WHEREAS**, due to the danger of their work with thousands of volts of electricity high atop power lines, these linemen put their lives at risk every day for the citizens of the Town of Smithfield; and

**WHEREAS**, the U.S. Senate in 2013 first recognized the efforts of electrical linemen in keeping the power on and protecting public safety, and has designated the celebration of a National Linemen Appreciation Day.

**Now, Therefore, I, M. Andy Moore Mayor of the Town of Smithfield along with the members of the Town Council**, do hereby proclaim April 18, 2016 as “**Electrical Linemen Appreciation Day**”; and we call upon the citizens of the Town of Smithfield to recognize and appreciate the hard work, innovation and dedication that these public servants make every day to our health, safety, comfort, and quality of life.

## **3. Administering Oath of Office to new Police Officer – Virginia Harter**

Mayor Andy Moore administered the Oath of Office to new Police Officer Virginia Harter and welcomed her to the Town of Smithfield.

## **PUBLIC HEARINGS:**

### **1. Conditional Use Permit Request by Extra Mile Motors (CUP-16-01)**

Town Clerk Shannan Williams affirmed those that wished to offer testimony during the Public Hearing.

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

Planning Director Paul Embler addressed the Council on a request by Extra Mile Motors. Mr. Embler stated that the applicant was requesting a conditional use permit to operate an automotive sales lot designed to accommodate 10 vehicles and located within a B-3 (Highway Entrance Business) zoning district. The property considered for approval is located on the north side of West Market Street approximately 500 feet east of its intersection with NC Hwy 210. The property is further identified as Johnston County Tax ID# 15080019.

Planning Director Paul Embler has incorporated his entire record and provided it to Council in written form in the April 5, 2016 agenda packet.

The Planning Board, at its February 4, 2016 meeting, unanimously voted to continue the hearing until their March 3, 2016 meeting in order to give the applicant time to submit a revised plan showing the screening of the proposed storage yard and a further refined parking lot layout plan.

The Planning Board, at its March 3, 2016 meeting, voted to recommend approval of the request to construct and operate an automobile sales lot on property located within the B-3 (Highway Entrance Business) corridor in accordance with the finding of fact for a conditional use permit.

The Planning Department recommends approval of the proposed automobile sales lot based on the site plan dated received on February 19, 2016 that shows paved parking for the automobile sales lot, screening of the non-automotive related storage area, and safe separation between tractor trailer trucks and automobiles.

Mayor Moore asked if there were any comments/questions from those that had been duly affirmed to offer testimony.

The applicant, Seamus Costello, stated that he was in agreement with the testimony offered by Mr. Embler.

Mayor Moore asked if there were any questions from Council.

Councilman Wood questioned if there would be any more than 10 cars on the lot. Mr. Costello responded that due to the high turnover rate of the business, there would never be more than 10 cars on the lot.

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

### **The Written Finding of Facts**

Town Council of the Town of Smithfield shall decide the matter of this Conditional Use Permit Application by motion and vote on each of the following four findings of fact.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Scott, to vote in the affirmative to the below Finding of Facts. Unanimously approved

#### **Finding One of Four: Approved**

**Based on the evidence and testimony presented it is the finding of the Town Council that the application will not materially endanger the public health or safety if located where proposed and developed according to the plans as submitted and approved or is approved with the following stated conditions.**

The proposed automobile sales lot at this location will not materially endanger the public were shown because the site has adequate parking available and layout of the site facilitates safe movement of automobiles and pedestrian traffic with little additional congestion.

#### **Finding Two of Four: Approved**

**Based on the evidence and testimony presented it is the finding of the Town Council that the application meets all required specifications and conforms to the standards and practices of sound land use planning and the Town of Smithfield Unified Development Ordinance or other applicable regulations or is approved with the following additional stated conditions.**

The proposed automobile sales lot at this location conforms to standards and practices of sound land use planning and the Town of Smithfield Unified Development Ordinances providing the applicant submits a detailed site plan for planning staff approval that shows required landscaping and paved parking prior to issuance of site plan approval and issuance of a valid zoning permit for an automobile sales lot.

#### **Finding Three of Four: Approved**

**Based on the evidence and testimony presented it is the finding of the Town Council that the application will not substantially injure the value of adjoining or abutting property and will not be detrimental to the use or development of adjacent properties or other neighborhood uses or is approved with the following additional stated conditions.**

The proposed automobile sales lot at this location will not substantially injure the value of adjoining or abutting property and will not be detrimental to the use or development of adjacent properties or other neighborhood uses providing required landscape buffers and street yards are installed and maintained in accordance with minimum development standards and that no more than 10 automobile sales for sale are on the lot at any given time.

#### **Finding Four of Four: Approved**

**Based on the evidence and testimony presented it is the finding of the Town Council that the application would not adversely affect the adopted plans and policies of the Town of Smithfield, or violate the character of existing standards for development of the adjacent properties or is approved with the following additional stated conditions.**

The proposed automobile sales lot at this location will not adversely affect the adopted plans and policies of the Town of Smithfield, or violate the character of existing standards for development proving all minimum development standards are met to include landscaping, lighting, paved parking and all other minimum development standards..

### **Record of Decision: Approval of Conditional Use Permit Application # CUP-16-01**

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Harris, based upon satisfactory compliance with the above four stated findings and fully contingent upon acceptance and compliance with all conditions as previously noted herein and with full incorporation of all statements and agreements entered into the record by the testimony of the applicant and applicant's representative I move to approve Conditional Use Permit Application # CUP-16-01. Unanimously approved.

#### **CITIZENS' COMMENTS:**

- Lucy Washington of 406 Birch Street submitted to the Council a written a petition from the homeowners of Birch Street concerning the water drainage issues in their neighborhood. Ms. Washington appealed to the Council to take action on the water issue. She also requested that funds in the budget to resolve the water drainage issue on Birch Street.

Mayor Moore responded that Mr. Branch has investigated the issues and the Mayor has personally taken pictures of the area after a storm event. Mayor Moore instructed Interim Town Manager Jim Freeman to work with the Town's Engineer, Bill Dreitzler, and Public Works Director Lenny Branch to look at the drainage issues and follow-up with Ms. Washington and the Council.

- Tony Nixon of 8 Cedar Drive requested that the Council consider allowing the East Smithfield Improvement Organization (ESIO) to operate the Concession stand at Smith Collins Park. Mr. Nixon explained that the ESIO sponsors a Fun in the Park Community event for the Town of Smithfield every year. In order to offset some of the costs of the Fun in the Park Community event, the ESIO would like to utilize the concession stand during the spring and summer season and during events. The ESIO would be responsible for stocking and manning the concession stand.

Mayor Moore responded that the Interim Town Manager Jim Freeman would meet with him regarding the details of his proposal.

Mr. Freeman responded that he would contact Mr. Nixon to discuss this by Thursday, April 14<sup>th</sup> and schedule this request for a May Council meeting consideration.

Councilman Scott stated that this building was currently vacant and should be used. If possible, the staff should find this request favorable and try to assist the East Smithfield Improvement Organization with this request.

- Darrienne Howard of 430 East Rose Street expressed his concerns to the Council about the Smithfield Selma Sports Academy. Mr. Howard explained that parents and students are concerned that the program is going to be cancelled and the children will not have a program to participate in. Mr. Howard questioned what was going to happen to the kids that currently participated in the program.

Mayor Moore responded that the Council had limited knowledge of the program and does not have any authority to discontinue the program as it is not a Town program. He further stated that it was only wise for the Council to obtain all the facts about the program.

Mr. Freeman explained that Councilman Lee recently discussed this issue with him. At this time, the Council has no control of this program, but since the Town's facilities are being utilized the Council may need to look into this academy matter. Mr. Freeman further stated that based on his knowledge, it is a good and needed program, but the full Council needs further background information before considering any action.

Mayor Pro-Tem Ashley stated that there is nothing before this council to address the concerns of parents regarding the Smithfield Selma Sports Academy.

Councilman Dunn asked Mr. Howard to explain his knowledge of the program. Mr. Howard responded that it is a program that helps get kids off the street so they can play basketball. He explained that the kids learn how to play the game and structure of the game. His son has improved in this program and he wants to stay in the program.

Councilman Wood stated that he believes in the academy and would like to develop more programs for the youth of Smithfield.

- Dale Ham of 33 Bradford, who is also the Director of the Smithfield Recreation and Aquatics Center stated that there are a lot of misconceptions about the academy. He explained that from the beginning the program was not about basketball. There was a soccer team, a basketball and a baseball team. He further explained that Town facilities that are being utilized without financing. If there is financing no one is willing to show those records. He requested that the Council look at policies and if they are being followed based on the mission of the academy. To also look at oversight of the programs being offered and the financials of the academy. Mr. Hamm stated that the mission of the Smithfield Selma Sports Academy was to serve the kids that would be attending Smithfield Selma High School. This academy was meant to enhance those kids beyond a recreation league and help those kids to be able to gain more exposure. The purposed was to try to get pride back in Smithfield Selma High School
- Patrick Cane of 901 North Avenue expressed concerns about the Eva Ennis Pool in the East Smithfield community. He asked if the Town had any plans to reopen the pool. Mayor Moore responded that this would be discussed during the budget session. Many have expressed thoughts on what to do with the pool and it was time to make a decision.

## **CONSENT AGENDA:**

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

1. Approved the following Minutes:

March 1, 2016 – Regular Meeting  
March 1, 2016 – Closed Session  
March 7, 2016 – Closed Session  
March 8, 2016 – Closed Session  
March 21, 2016 – Closed Session

2. Special Event – Ham & Yam Festival: Approval for street closings May 6th and 7th for the festival.
3. Special Event – Ham and Yam Festival: Approval to allow wineries to participate as vendors during the festival.
4. Special Events – Third on Third Summer Concert Series: Street Closing (Johnston Street from Third Street to Second Street) May 20th, June 17th and September 16th from 5:00 pm until 11:00 pm.
5. Special Event – Independence Celebration: Street Closings (Third Street from Market to Johnston Street starting at 12:00 pm and (Johnston Street from Second to Fourth Street and Third Street from Johnston to Church starting at 5:00 pm Sunday, July 3rd until 11:00
6. DSDC Board Appointment – Approved the appointment of Ross Lampe to serve on the DSDC Board of Directors.
7. Approval of Resolution # 581 (08-2016) requesting the NCDOT to Fund and Construct School Access Improvements at Smithfield Selma High School and Neuse Charter School.

**RESOLUTION # 581 (08-2016)**  
**Requesting the North Carolina Department of Transportation to**  
**Fund and Construct School Access Improvements at Smithfield Selma High School and**  
**Neuse Charter School**

**WHEREAS**, the North Carolina Department of Transportation promotes the wellbeing and safe public travel for communities across the State by providing new roadways, improvements to existing roadways, roadway maintenance, and public transportation; and

**WHEREAS**, the Town of Smithfield Town Council considers the general safety of the motoring public as well as the safe and efficient ingress and egress access at all school facilities in the Town of Smithfield is the utmost of importance; and

**WHEREAS**, certain conditions now exist along Booker Dairy Road in the vicinity of the Smithfield Selma High School and the Neuse Charter School that creates unsafe conditions for students, parents, pedestrians, school staff, and the traveling public during school hours; and

**WHEREAS**, the Department of Transportation has requested the Smithfield Town Council endorse their efforts to fund and construct needed improvements at Smithfield Selma High School and the Neuse Charter School to mitigate the current unsafe conditions.

**NOW, THEREFORE, BE IT RESOLVED** that the Smithfield Town Council does hereby support and endorse the North Carolina Department of Transportation's efforts to fund and construct the necessary transportation improvements at Smithfield Selma High School and the Neuse Charter School in support of assuring safe roadway conditions.

8. Approval of Resolution # 582 (09-2016) to adopt the Cape Fear Regional Hazardous Mitigation Plan.

**RESOLUTION # 582 (09-2016) TO ADOPT THE  
CAPE FEAR REGIONAL HAZARD MITIGATION PLAN**

**WHEREAS**, the Town of Smithfield is vulnerable to an array of natural hazards that can cause loss of life and damages to public and private property; and

**WHEREAS**, the Town of Smithfield desires to seek ways to mitigate situations that may aggravate such circumstances; and

**WHEREAS**, the development and implementation of a hazard mitigation plan can result in actions that reduce the long-term risk to life and property from natural hazards; and

**WHEREAS**, it is the intent of the Smithfield Town Council to protect its citizens and property from the effects of natural hazards by preparing and maintaining a local hazard mitigation plan; and

**WHEREAS**, it is also the intent of the Smithfield Town Council to fulfill its obligation under North Carolina General Statutes, Chapter 166A: North Carolina Emergency Management Act and Section 322: Mitigation Planning, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to remain eligible to receive state and federal assistance in the event of a declared disaster affecting the Town of Smithfield; and

**WHEREAS**, the Town of Smithfield, in coordination with Johnston County, Chatham County, Harnett County, Lee County, Moore County and the participating municipalities within those counties, has prepared a multi-jurisdictional hazard mitigation plan with input from the appropriate local and state officials;

**WHEREAS**, the North Carolina Division of Emergency Management and the Federal Emergency Management Agency have reviewed the Cape Fear Regional Hazard Mitigation Plan for legislative compliance and has approved the plan pending the completion of local adoption procedures;

**NOW, THEREFORE, BE IT RESOLVED that the Smithfield Town Council hereby:**

1. Adopts the Cape Fear Regional Hazard Mitigation Plan; and
  2. Agrees to take such other official action as may be reasonably necessary to carry out the proposed actions of the Plan.
9. Approval of Municipal Ordinance #485 enacting and repealing the 45mph speed limit on SR 1923 (M. Durwood Stephenson Highway/ Booker Dairy Road).

**ORDINANCE # 485  
TO ENACT AND REPEAL MUNICIPAL SPEED LIMIT  
ORDINANCE AS REQUESTED  
BY THE NORTH CAROLINA DEPARTMENT OF TRANSPORTATION**

**WHEREAS**, THE North Carolina Department of Transportation is cleaning up their ordinance system to reflect the current posted speed limit in the field for SR 1923 (M. Durwood Stephenson Hwy/Booker Dairy Road), and

**WHEREAS**, the North Carolina Department of Transportation has requested the Town of Smithfield to repeal and enact the following Municipal Speed Limit Ordinances on SR 1923 (M. Durwood Stephenson Hwy/Booker Dairy Road), and

**Repeal:**

State Ordinance Number	Car	Truck	Descriptions
1052474	45 mph	45 mph	SR 1923 (Booker Dairy Road ) from 301-NC 96 Northward to SR 1003

**Enact:**

State Ordinance Number	Car	Truck	Descriptions
1070353	45 mph	45 mph	Between Us 70 Business (Market Street and 0.44 mile west of SR 1003 (Buffalo Road)
1070354	45 mph	45 mph	Between US 301 (Brightleaf Boulevard) and 0.013 mile east of SR 1003 (Buffalo Road)

**WHEREAS**, the current speed limits have not been altered and the descriptions reflect the current posted speed limits in the field for SR 1923 (M. Durwood Stephenson Hwy/Booker Dairy Road).

**NOW THEREFORE BE IT ORDAINED** that the Town Council of the Town of Smithfield repeals State Ordinance Number 1052474 and enacts States Ordinance Numbers 1070353 and 1070354 to reflect the current posted speed limit signs for SR 1923 (M. Durwood Stephenson Hwy/Booker Dairy Road)

10. Bid Award and contract approval to Lee Heating and Air Conditioning, Inc. in the amount of \$9,800.00 for replacement of the HVAC units at the Hasting House. This was approved in the FY 2015-2016 budget. Bid were received from the following vendors:

- Lee Heating and Air Conditioning, Inc. \$9,800.00
- Hines Heating and Air \$10,350.00
- Pernel Heating and Air \$11,889.00
- Carolina Comfort Air, Inc. \$12,773.47
- HTS/ Heating Transfer Solutions \$15,800.00
- SPC Mechanical Corp. \$16,923.00

11. Approved of various FY 2015-2016 Budget Amendments

**BUDGET  
AMENDMENTS  
April, 2016**

**WATER  
FUND**

1.

**Expenditures**

30-7200-9101 Water Plant - Transfer to W/S Capital Project Fund	\$ -	\$ 279,700	\$ 279,700
30-7200-3300 Water Plant - Supplies/Operations	\$ 469,000	\$ (45,000)	424,000
30-7200-3500 Water Plant - C.S./J.C. Water Purchase	137,000	(30,000)	107,000



30-7200-3501 Water Plant - Service Contracts	543,400	(180,000)	363,400
30-7200-0400 Water Plant - Professional Services	<u>92,500</u>	<u>(24,700)</u>	<u>67,800</u>
	<u>\$1,241,900</u>	<u>\$ -</u>	<u>\$1,241,900</u>

To fund and move the Sludge Dewatering Project to Fund 45 (Water/Sewer Capital Project Fund) as approved at the March 1, 2016 Council Meeting

**ELECTRIC FUND**

**2.**

**Expenditures**

31-7230-9102 Transfer to the Electric Capital Project Fund (47)	<u>\$1,200,000</u>	<u>\$ 31,515</u>	<u>\$1,231,515</u>
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**Revenue**

31-3970-0000 Electric Fund - Fund Balance	<u>\$1,567,152</u>	<u>\$ 31,515</u>	<u>\$1,598,667</u>
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Revised Cost Figures: To fund second transformer at substation (purchase and installation) as approved at the February 2, 2016 Council meeting.

**WATER CAPITAL PROJECT FUND**

**3. Revenue**

45-3980-1401 Transfer From Water/Sewer Fund (Fund 30)	<u>\$ -</u>	<u>\$ 279,700</u>	<u>\$ 279,700</u>
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**Expenditures**

45-7200-7406 Sludge Dewatering	<u>\$ -</u>	<u>\$ 279,700</u>	<u>\$ 279,700</u>
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To fund and move the Sludge Dewatering Project to Fund 45 (Water/Sewer Capital Project Fund) as approved at the March 1, 2016 Council Meeting

**ELECTRIC CAPITAL PROJECT FUND**

**4. Revenue**

47-3980-1400 Transfer From Electric Fund	<u>\$1,200,000</u>	<u>\$ 31,515</u>	<u>\$1,231,515</u>
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**Expenditures**

47-7230-7406 Substation - 2nd Transformer	<u>\$1,200,000</u>	<u>\$ 31,515</u>	<u>\$1,231,515</u>
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Revised Cost Figures: To fund second transformer at substation (purchase and installation) as approved at the February 2, 2016 Council meeting.

- Approved the 2016 – 2017 Workers Compensation renewal in the amount of \$186,758.20 with the North Carolina Interlocal Risk Management Agency (NCIRMA). The Workers Compensation Insurance Trust is administered by the North Carolina League of Municipalities (NCLM).

13. New Hire Report

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Police Officer I	Police	10-5100-0200	\$15.27/hr (\$34143.72/yr)
Records Clerk	Police	10-5100-0200	\$15.00/hr (\$31,200.00/yr)
P/T Lifeguard	P&R – Aquatics	10-6220-0220	\$7.50/hr
P/T SRAC Staff	P&R – Aquatics	10-6220-0210	\$7.25/hr
P/T Instructor	P&R – Aquatics	10-6220-0230	\$15.00/hr
Utility Line Mechanic	PU – Water/Sewer	30-7220-0200	\$12.643/hr (\$26,297.44/yr)

Unanimously approved.

**BUSINESS ITEMS:**

**1. Approval of lowest bid to First Citizens Bank on Rolling Stock Financing. Adoption of Resolution # 583 (10-2016) Approving Financing Terms with First Citizens Bank and Resolution # 584 (11-2016) Declaration of Intent to Reimburse.**

Finance Director Greg Siler addressed the Council on a request to proceed with the financing of rolling stock in the General Fund. Mr. Siler explained that the Town of Smithfield wishes to enter into an installment purchase contract (G.S. 160A-20) to finance the purchase of multiple pieces of rolling stock totaling \$376,928. Purchases include: five police vehicles (\$154,300), one flat bed dump truck (\$65,500), one knuckle boom truck (\$128,628) and a ¾ ton pickup truck (\$28,500). Loan quotes were received from 6 lenders. First Citizens Bank offered the lowest interest rate at 1.42 percent for 54 months (A list of all proposals is attached). Mr. Siler explained that the total loan amount would be \$376,928 with a total of \$13,418 in interest over 54 months and the first annual payment of \$78,069 would be payable in October, 2016

Councilman Harris made a motion, seconded by Councilman Wood to approve the request and the approve Resolution #583 (10-2016) and Resolution # 584 (11-2016). Unanimously approved.

**Resolution # 583 (10-2016) Approving Financing Terms with First Citizens Bank**

**WHEREAS:** The Town of Smithfield (“Town”) has previously determined to undertake a project for the financing of General Fund rolling stock, (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The Town hereby determines to finance the Project through First Citizens Bank (“FCB”), in accordance with the proposal dated March 15, 2016. The amount financed shall not exceed \$376,928.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.42%, and the financing term shall not exceed 5 years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. The Town Manager, Interim Town Manager, and/or Mayor of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such

documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The Town shall not take or omit to take any action the Town of Smithfield or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).
5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the FCB financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town's general fund, or any other Town fund related to the project, for project costs may be reimbursed from the financing proceeds
6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

**Resolution # 584 (11-2016)**  
**Declaration of Official Intent to Reimburse**

This declaration (the "Declaration") is made pursuant to the requirements of the Unified States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of The Town of Smithfield, North Carolina, (the "issuer") with respect to the matters contained herein.

1. Expenditures to be Incurred. The Issuer anticipates incurring expenditures (the "expenditures") for rolling stock totaling \$376,928; five police vehicles (\$154,300), one flat bed dump truck (\$65,500), one knuckle boom truck (\$128,628), and one ¾ ton truck (\$28,500); (the "projects").
2. Plan of Finance. The Issuer intends to finance the costs of the projects with the proceeds of debt to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.
3. Maximum Principal Amount of Debt to be Issued. The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Projects is \$376,928
4. Declaration of Official Intent to Reimburse. The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the expenditures incurred by it prior to the issuance of the borrowing.

**2. Approval of the bid award to Mizelle Construction Services, Inc. for the construction and improvements at pump station #3 and the force main extension in NC Highway 210 in the amount of \$350,000 and approval of the cost estimate from Duke Energy for \$61,677.11. This was approved in the FY 2015-2016 budget.**

Public Utilities Director Ted Credle stated that plans and specifications were developed by the Wooten Company and Town Staff for the renovation to pump station #3 and the extension of the force main in NC Highway 210. These plans were dated January 14, 2016. Bid advertisements were then issued in

early February 2016 for a bid opening on March 1, 2016, for this project. The low bid of \$350,000.00 was received from Mizelle Construction Services, Inc.. This project will make much needed repairs and upgrades to pump station #3, which serves the Rose Manor area in West Smithfield. Additionally, the force main extension will tie directly into the County force main, and reduce some of the burden on pump station #1; which has caused maintenance issues and excessive pump run times, in the past at pump station #1. This bid is one of two bids that pertain to this project. The second bid is a bid submitted by Duke Energy and is for \$61,677.11; to provide required electrical services for this project. The total cumulative cost of both bids totals 411,677.11; which is under the project budget, previously approved by Council, which is \$414,000.00.

Mr. Credle was asked if he was in agreement with this project. He responded that he was in agreement with the project.

Councilman Harris made a motion, seconded by Mayor Pro-Tem Ashley to award the low bid to Mizelle Construction Services, Inc. for the construction and improvements at pump station #3 and the force main extension in NC Highway 210, in the amount of \$350,000.00; and approve the Cost Estimate from Duke Energy for \$61,677.11. Unanimously approved.

### **3. Approval of an Employee Wellness Program**

Human Resources Director Tim Kerigan and Smithfield Recreation and Aquatics Center Director Dale Ham addressed the Council on implementation of an employee wellness program. Mr. Ham explained that the wellness program was expected to encourage healthier and happier employees by decreasing absenteeism, reducing medical costs, increasing productivity, increasing employee retention and decreasing workers' compensation and disability claims for the employees of the Town of Smithfield. By participating in Biometric Readings and Health Risk Appraisals, the Town we will be able to provide education to our employees so that they may be able to make better personal health decisions for themselves. Mr. Ham further explained that incentivizing employees to participate in biometrics and participating in the wellness program, we anticipate a 90% participation rate. If a Town employee was to participate in Biometrics Readings, they would receive 100% payment of personal health insurance premiums (as they currently do) in the coming year.

If they chose not to participate, they would simply be required to pay \$50/month towards their premium. This will allow the Town to provide better premiums and better health for our employees, both now and in the future.

After general discussion, it was the consensus of the Council to table a decision until the budget session. Staff was instructed to discuss this with the Town Attorney.

### **4. Downtown Revitalization Grant Projects**

Interim Manager Jim Freeman stated that at the March 1, 2016 meeting, Council was presented with suggested downtown projects from the Appearance Commission and the Downtown Smithfield Development Corporation. The Council approved moving forward with the Market Streetscape Lighting pending a final cost estimate. Public Utilities Director Ted Credle presented those findings to the Council. Mr. Credle explained that if the entire project from Front Street to Brightleaf Blvd. was completed by a contractor it was estimated to cost \$210, 235. Since the grant funding is \$96,107, Mr. Credle presented the Council with the following options to complete the downtown lighting project:

- If a contractor completed the project from 3<sup>rd</sup> Street to Brightleaf Blvd. (includes 22 of the total 38 trees) it was estimated to cost \$88,834 (plus fixtures), but there would be no conduit west of 3<sup>rd</sup> street.
- If a contractor performed all of the bores and completed from 4<sup>th</sup> Street to Brightleaf Blvd (includes 15 of the 38 trees) it was estimated to cost \$65,063 (plus fixtures).
- If a contractor performs all of the bores and conduit is laid from 2<sup>nd</sup> to Brightleaf Blvd. that is estimated to cost \$57,350. If Town Utility Department constructs the improvement that is an estimated to cost \$42,295 bring the total project cost to an estimated \$99,645 (plus fixtures).

Councilman Rabil questioned the cost of the fixtures. Mr. Credle responded that \$600 per light was estimated.

Mayor Pro-Tem questioned the cost of \$56,000 that was proposed to the Council at the March meeting. Mr. Credle responded that estimate was obtained in 2014 and only included the trees from 5<sup>th</sup> Street to Mucho Mexico.

Councilman Scott questioned if it was possible to run the lines in existing conduit. Mr. Credle responded that due to liability and maintenance issues, it was not possible to utilize existing conduit.

Mayor Pro-Tem Ashley suggested that the Council consider other projects as the lighting project appeared to be too costly.

Councilman Harris suggested that other projects included: parking lot improvements on market street improvements on the greenway, sidewalk improvements on 3<sup>rd</sup> street, and the clock downtown.

Mayor Moore inquired if Councilman Harris would be willing to meet with Sarah Edwards Executive Director of the DSDC, a member of the Appearance Commission and staff to devise a plan on how to utilize the grant funding. Councilman Scott volunteered to be a part of these discussions. The committee would then report back to the Council concerning proposed projects.

No action taken.

## **5. Discussion on composition of the Ad hoc Committee reviewing the Unified Development Ordinance (UDO)**

Interim Town Manager Jim Freeman addressed the Council on the composition of the UDO Ad hoc committee.

Councilman Harris made a motion, seconded by Councilman Wood, that the Ad hoc committee would be comprised of the following: Mayor Pro-Tem Ashley, Councilman Dunn, Planning Board members Steve Upton, Teresa Daughtry and Mark Lane and Appearance Commission member Robert Worsham. The committee would have the authority to add the 7<sup>th</sup> member. Unanimously approved.

Mayor Moore stated that he would like to receive frequent updates on the progress of this project and expressed his appreciation to Mayor Pro-Tem Ashley for serving as the Chairman of the committee

## **6. Approved Resolution # 585 – Support for the Intermodal Terminal in Johnston County.**

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Wood, to approved Resolution # 585 (12-2016). Unanimously approved.

### **Resolution# 585 (12-2016) Support for an Intermodal Terminal In Johnston County**

**WHEREAS**, CSX has planned to develop a new intermodal rail terminal in eastern Johnston County otherwise known as the Carolina Connector; and

**WHEREAS**, the economic impacts of a major infrastructure project like an intermodal terminal represents a substantial opportunity for the long-term growth of Johnston County's economy which is a benefit for the Town of Smithfield; and

**WHEREAS**, the Town of Smithfield and its businesses will benefit from the project in reduced shipping costs and access to national and global markets; and

**WHEREAS**, the citizens of the Town of Smithfield will benefit from this project with new well-paying jobs and the possibility of secondary industries locating to the surrounding area creating the potential for more jobs; and

**WHEREAS**, an intermodal terminal has the potential to position Johnston County and North Carolina as a regional hub for logistics and industrial centers, representing a major economic catalyst for the state; and

**WHEREAS**, the Smithfield Town Council supports the intermodal rail terminal project in Johnston County and welcomes into the Town of Smithfield and offers assistance to any business or resident that may be affected by this project; and

**WHEREAS**, the Smithfield Town Council will support and offer assistance to the Johnston County Board of Commissioners and all stakeholders throughout the development process in order to bring an intermodal terminal to Johnston County.

**NOW, THEREFORE, BE IT RESOLVED THAT THE TOWN OF SMITHFIELD TOWN COUNCIL COMMITS ITS SUPPORT FOR AN INTERMODAL TERMINAL IN JOHNSTON COUNTY.**

**BE IT FURTHER RESOLVED THAT THIS RESOLUTION SHALL BE TRANSMITTED TO THE DELEGATION OF GENERAL ASSEMBLY MEMBERS REPRESENTING THE CITIZENS OF SMITHFIELD, TO THE JOHNSTON COUNTY BOARD OF COMMISSIONERS AND TO THE REPRESENTATIVES of CSX RAILROAD.**

#### **Councilmembers Comments:**

- Mayor Pro-Tem Ashley provided an update on the Pine Acres buffer.
- Councilman Scott informed the Council that the Library has a new resource center.
- Councilman Lee provided the Council a brief history of the Smithfield Selma Sports Academy. Mr. Lee stated that parents are concerned about where their money is going. He stated that the academy is not being charged for tournaments. Mr. Lee questioned why children outside of Smithfield and Selma were being admitted into the program when clearly this was meant to enhance the Smithfield Selma High School.
- Mayor Moore informed the Council that a meeting would be held concerning the conditions of the Field House at SSS High School. He encouraged all to attend.

#### **Town Manager's Report:**

Mr. Freeman submitted a written report to the Council and offered a brief update on the following topics:

- Unified Development Ordinance – Landscape Comparison Requirements
  - Employee Handbook and Travel Policy revisions
  - Police Substation Project at 918 Blount Street
  - The FY 2016-2017 Budget process.
- **Department Reports**
    - A highlight of each department's monthly activities was given to the Council.

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

Council Harris made a motion, seconded by Councilman Wood, to go into closed session pursuant to NCGS 143-318.11 (a) (6) to discuss Town Manager applications. Unanimously approved at 9:29 pm.

**Reconvene in Open Session:**

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Dunn to reconvene in open session. Unanimously approved.

**Adjourn**

There being no further business, Mayor Pro-Tem Ashley made a motion, seconded by Councilman Dunn, to adjourn the meeting. Unanimously approved.

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M. Andy Moore, Mayor

ATTEST:

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Shannan L. Williams, Town Clerk