

The Smithfield Town Council met in regular session on Tuesday, May 3, 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
Roger A. Wood, District 4
John A. Dunn, At-Large
Stephen Rabil, At-Large

Councilmen Absent

Administrative Staff Present

Jim Freeman, Interim Town Manager
Michael Scott, 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
R. K. Powell, Interim Chief of Police
Greg Siler, Finance Director
Shannan Williams, Town Clerk

Present:

Bob Spence, Town Attorney
Bill Dreitzler, Town Engineer

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

APPROVAL OF AGENDA:

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

Move Business Item # 12: *Approval of Resolution #589 (16-2016) an employment contract with Michael L. Scott to serve as the City Manager and Administering of the Oath of Office to Presentation Item #1*

Move Business Item # 7: *Consideration and approval to amend the Employee Travel Policy to consent agenda item #16*

Move Business Item #9 *Brokerage services for Primary Health and Ancillary Employee Insurance and Business Item # 10 Report on Employee Primary Medical Insurance to a workshop to be held on Monday, May 9th.*

Unanimously approved.

PRESENTATIONS:

- 1. Approval of Resolution #589 (16-2016) an employment contract with Michael L. Scott to serve as the City Manager and Administering of the Oath of Office.**

Mayor Moore read the below Resolution #589 (16-2016) for the record.

**Town of Smithfield
Resolution #589 (16-2016)
Approving an Employment Agreement
Between the Town of Smithfield, North Carolina
And Michael Leslie Scott**

WHEREAS, the Town of Smithfield, North Carolina, hereafter referred to as the "Town" has been without a permanent City Manager since August of 2015 and has been in the process of recruiting and interviewing potential candidates for the last several months; and

WHEREAS, the Town wished to employ Michael Leslie Scott as Town Manager and made offers for that purpose; and

WHEREAS, in said negotiations the Town ultimately extended a written executed contract of employment to Michael Leslie Scott to serve as the Town Manager for the Town and he signed the contract and agreed to the same; and

WHEREAS, the Town Manager is a public official of the Town of Smithfield and must be duly appointed to that office by the Town Council pursuant to Section 12 of the Town Charter and NCGS 160A-147 of the state statutes; and

WHEREAS, the Town Council desires to appoint Michael Leslie Scott as the Town Manager effective no later than June 1, 2016 and to approve the contract previously extended to him and executed by the parties.

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of the Town of Smithfield, that it does hereby appoint Michael Leslie Scott as its Town Manager effective no later than June 1, 2016; and

BE IT FURTHER RESOLVED that the Council in open session specifically approves the contract previously entered with Michael Leslie Scott dated April 23, 2016.

Councilman Wood made a motion, seconded by Mayor Pro-Tem Ashley, to approve Resolution #589 (16-2016) approving the employment contract between the Town of Smithfield and Michael L. Scott to serve as the City Manager. Unanimously approved.

Mayor Moore administered the Oath of Office to Michael L. Scott. Mr. Scott expressed his appreciation to his family, the Council, the citizens and staff for having the confidence in him to serve as the City Manager.

(Attached by reference and made a part of these official minutes is a copy of the approved Employment Contract between the Town of Smithfield and Michael L. Scott. A copy is on file in the Office of the Town Clerk: 2016 Contract - Scott, Michael L., Town Manager.

2. Proclamation – In Honor of the 50 year Reunion of the Smithfield High School Class of 1966

Mayor Moore presented the Smithfield High School Class of 1966 with the original copy of below Proclamation.

Celebrating the 50th Reunion of the 1966 Graduating Class of Smithfield High School

WHEREAS, the Smithfield High School class of 1966 will be celebrating their 50th class reunion on May 7, 2016; and

WHEREAS, on June 5, 1966, 130 members of the Smithfield High School celebrated their achievements on graduation day. These 130 classmates would later become lawyers, educators, doctors, homemakers, dentists, musicians, pharmacists, police officers, bankers, writers, artists, nurses, engineers, business owners and members of the community; and

WHEREAS, the 1966 Smithfield High School class was the first class since 1933 to graduate without A.G. Glenn as the Principal; and

WHEREAS, during their formidable high school years, the world around them was ever changing. President John F. Kennedy, Jr. was assassinated; the Beatles and their music invaded the United States; black and white television was transitioning to color; and the miniskirt was the fashion rage; and

WHEREAS, the 1966 Smithfield High School graduating class also faced adversities with the Vietnam War intensifying. Many classmates were drafted or volunteered and eventually served in the Vietnam War; and

WHEREAS, the 1966 Smithfield High School graduating class celebrated a major victory in 1966 when the baseball team won the Southern Division Championship of the Capital Area Conference; and

WHEREAS, the Town of Smithfield would like to offer best wishes to all the members of the 1966 Smithfield High School graduating class.

NOW THEREFORE I, M. ANDY MOORE, Mayor of the Town of Smithfield along with the members of the Smithfield Town Council, do hereby express our appreciation to the 1966 Smithfield High School graduating class for the contributions that they have made to the community and wish them well as they celebrate this momentous occasion.

3. Administering Oath of Office to new Police Officer – Marshall Tate

Mayor Moore administered the Oath of Office to new Police Officer Marshall Tate and welcomed him to the Town of Smithfield.

4. Library of Johnston County and Smithfield Update of Grant Awards

Executive Director Margaret Marshall provided a report to the Council concerning two library services and technology act grant awards that the Public Library of Johnston County and Smithfield received: EZ Literacy and Lifelong Learning grant in the amount of \$43,200 and the NC Cardinal Migration grant in the amount of \$54,762. Ms. Marshall explained that the Literacy and Lifelong Learning grant allowed the library to bring adult literacy services to Johnston and Sampson Counties by partnering with the existing literacy council in Harnett County, forming the new Triangle South Literacy Works. The second grant will allow the library to join the state wide NC Cardinal Library Consortium, expanding access to over 5.5 million titles state-wide.

Councilman Scott expressed his appreciation to Ms. Marshall for all her efforts at the Library.

PUBLIC HEARINGS:

1. Conditional Use Permit request by Carroll Cottle Farms (CUP-16-03)

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

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

Planning Director Paul Emblar addressed the Council on a request by Carroll Cottle Farms. Mr. Emblar stated that the applicant was requesting a conditional use permit to conduct temporary outdoor sales of agricultural products on property located within a B-3 (Highway Entrance Business) zoning district. The property considered for approval is located on the south side of North Brightleaf Boulevard and approximately 500 feet northeast of its intersection with Hospital Road. The property is further identified as Johnston County Tax ID# 15006002.

Planning Director Paul Emblar has incorporated his entire record and provided it to Council in written form in the May 3, 2016 agenda packet.

The Planning Board, at its April 7, 2016 meeting, unanimously voted to recommend approval in accordance with the finding of fact for a conditional use permit to allow for the temporary sale of agricultural products on property located within a B-3 (Highway Entranceway Business) zoning district.

Planning staff recommends approval of the Conditional Use Permit request to allow for temporary sale of agricultural products on property located within a B-3 (Highway Entranceway Business) zoning district in accordance with Article 10. Table of Permitted / Conditional Use Districts, Note 19 (E).

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

The applicant, Will Carrol Cottle, Jr., stated that he was in agreement with the testimony offered by Mr. Emblar

Mayor Moore asked if there were any questions from Council.

Councilman Scott questioned if Mr. Cottle intended to sell strawberries at the proposed location. Mr. Cottle responded that he would be selling strawberries at the proposed location.

Councilman Rabil made a motion, seconded Councilman Lee, 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 Wood, 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 temporary sale of agricultural products at this location will not materially endanger the public where located because the subject property contains adequate parking and safe access. There is one existing retailer conducting temporary sales of agricultural products on the site and no safety concerns have been noted.

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 application conforms to the standard and practices of sound land use planning due to the fact that it conforms to the Town of Smithfield Unified Development Ordinance. Adaptive reuse of underperforming properties is desired and encouraged.

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 adjacent properties will not be injured in value because the subject property has provided all necessary improvements to include adequate parking and safe access in accordance with the Town of Smithfield Unified Development Ordinance.

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.

An additional vendor of agricultural products at this location will not be in conflict with existing adopted plans and development standards due to the fact that the Town of Smithfield Unified Development Ordinance allows for temporary sale of agricultural products provided all published standards are met.

Record of Decision: Approval of Conditional Use Permit Application # CUP-16-03

Councilman Scott made a motion, seconded by Councilman Dunn, 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-16-03. Unanimously approved.

CITIZENS' COMMENTS:

- Erika Sherrell of 1004 Birchwood Court, Clayton, NC addressed the Council on the Smithfield Selma Sports Academy. Ms. Sherrell explained that there seemed to be an issue with the money management of the SSSA. She questioned if there was a way to amend the bylaws to allow children outside of Smithfield to participate. Ms. Sherrell included a plan of action that forms a committee to oversee the academy. The whole purpose of the academy is the kids. Mayor Moore explained that this is not a Town organization, but there were some questions that did arise. The Town does not have any authority over this academy. Mayor Pro-Tem Ashley responded that this is a private group and that all private groups should pay the fees that were adopted in the fee schedule. Councilman Lee questioned why the SSSA was not paying facility rental fees. He explained that there was another individual present that uses the facilities and he is charged. Mayor Moore responded that this would all be addressed later in the meeting.

CONSENT AGENDA:

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

1. Approved the following Minutes:

March 28, 2016 – Closed Session
April 5, 2016 – Regular Meeting
April 5, 2016 – Closed Session
April 6, 2016 – Closed Session

2. Special Event – South Smithfield Elementary Walk to School Day on Tuesday May 10, 2016 at 7:40 am – 8:40 am.
3. Special Event – Alive after 5: The applicant, Millard Stallings, gained approval to conduct a semiannual event to be held in May and October from the hours of 5:30 pm – 9:30 pm at 121 North Fourth Street.
4. Special Events – Promotional Style by G/P.S.B.G: The applicant, Gaylean Sanders, gained approval to conduct an outdoor for profit community awareness event to be held at Smith Collins Park on July 3, 2016 between the hours of 3:00 pm and 8:00 pm.
5. Special Event – Woodall Heights Reunion: The applicant, Jackie Bryant, gained approval to conduct an outdoor non-profit event (a reunion) at Woodall Heights Public Housing complex to be held every other year. This year the event will be held on May 28, 2016 between the hours of 1:00pm and 6:00 pm.
6. Career Ladder Promotion – Police Department: The Police Department gained approval to promote a Police Officer II to the rank of Master Police Officer.
7. Bid Award and purchase approval of a 2016 Diagnostic Scanner from the low bid offered by Car Quest in the amount of \$7,500.00. This purchase was approved in the FY 2015-2016 Budget. Bids were submitted by the following vendors:
 - Car Quest \$ 7,500.00
 - Bosch \$ 8,932.64
 - Napa Bosch \$ 9,987.00
8. Bid Award and Purchase approval of a 14' Dump Trailer from the low bid offered by Musgrave Equipment in the amount of \$7,500.00. This purchase was approved in the FY 2015-2016 Budget. Bids were submitted by the following vendors:
 - Musgrave \$ 7,500.00
 - Leonard \$ 7,639.18
 - Rampant Trailers \$ 7,892.03
9. Consideration and approval of Resolution # 586 (13-2016) conveying property to Johnston County.

TOWN OF SMITHFIELD RESOLUTION # 586 (13-2016)
Approving Conveyance of Property to
Another Unit of Government in North Carolina Pursuant to G.S. 160A-274

WHEREAS, the Town of Smithfield owns a 2007 Haulmark 8x20 enclosed trailer (serial number 16HGB20247G091949) utilized for special operations; and

WHEREAS, Johnston County initially purchased for the Smithfield Fire Department the enclosed trailer through a grant for the purposes of Hazmat Decon and Special Operations throughout the County when needed; and

WHEREAS, North Carolina General Statute § 160A-274 authorizes a governmental unit in this state to exchange with, lease to, lease from, sell to, or purchase from any other governmental unit any interest in real or personal property upon such terms and conditions as the governmental unit deems wise, with or without consideration; and

WHEREAS, the Town of Smithfield has determined that it is in the best interest of the Town to convey the 2007 Haulmark 8x20 enclosed trailer (serial number 16HGB20247G091949) to Johnston County, and deems it wise to do so for no consideration.

THEREFORE, THE SMITHFIELD TOWN COUNCIL RESOLVES:

1. The Town of Smithfield hereby conveys to Johnston County the following property: a 2007 Haulmark 8x20 enclosed trailer (serial number 16HGB20247G091949).
2. The property herein described shall be conveyed for no consideration.
3. The Mayor or his designee is authorized to execute all documents necessary to convey the property in the manner authorized by this Resolution.

10. Approved an agreement in the amount of \$25,000.00 with Petway Mill & Pearson, PA to perform the Town of Smithfield audit for the fiscal year ending June 30, 2016.

(Attached by reference and made a part of these official minutes is a copy of the approved Audit Agreement. A copy is on file in the Office of the Town Clerk 2016 Agreement- Petway, Mills & Pearson, P.A.)

11. Renewed the Engineering retainer proposal from DM2 Engineering, PLLC in the amount of \$3,000.00 per month beginning May 1, 2016 and ending June 30, 2017.

(Attached by reference and made a part of these official minutes is a copy of the approved Engineering Proposal. A copy is on file in the Office of the Town Clerk 2016 Agreement- DM2 Engineering, PLLC)

12. Approved various FY 2015-2016 Budget Amendments

<u>Water and Sewer Capital Project Fund</u>	<u>BEFORE</u>	<u>ADJ.</u>	<u>AFTER</u>
1. Revenue			\$ -
<u>45-3900-1210 Transfer From W/S Fund -Center Point Loop</u>	\$ 15,000	\$ (15,000)	-
<u>45-3900-1230 Transfer From W/S Fund - W. Smithfield I & I</u>	100,000	(100,000)	-
<u>45-3900-1220 Transfer From W/S Fund - Fire Hydrant Replacement</u>	50,000	(50,000)	-
<u>45-3900-1270 Transfer From W/S Fund - Sewer Line Rehab I95</u>	191,000	(191,000)	-
<u>45-3900-1304 Transfer From W/S From - Hwy 70 Bridge Replacement</u>	372,810	(372,810)	-
<u>45-3900-1305 Reserve For Future Capital</u>	462,935	(462,935)	-
<u>45-3290-0000 Interest</u>	35,143	(35,143)	\$ -
	<u>\$ 1,226,888</u>	<u>\$ (1,226,888)</u>	
Expenditure			\$ -
<u>45-7220-7401 Center Point Loop</u>	\$ 15,000	\$ (15,000)	-
<u>45-7220-7402 W. Smithfield I & I</u>	100,000	(100,000)	-
<u>45-7220-7403 Fire Hydrant Replacement</u>	50,000	(50,000)	-
<u>45-7220-7406 Sewer Line Rehab I95</u>	191,000	(191,000)	-
<u>45-7220-7411 Hwy 70 Bridge Replacement</u>	372,810	(372,810)	-
<u>45-7220-7400 Contingency</u>	498,078	(498,078)	\$ -
	<u>\$ 1,226,888</u>	<u>\$ (1,226,888)</u>	

To close completed Projects

General Capital Project

Fund

2. Revenue

		\$	\$
46-3900-6300 Briar Harbor - LOC	\$ 276,000	(276,000)	-
46-3900-5302 Transfer from G.F./Fire Station Renovation	485,451.23	(485,451.23)	-
46-3900-0400 Loan/Street Resurfacing	1,500,000	(1,500,000)	-
46-3900-0401 Transfer From G.F./Street Resurfacing	90,000	(90,000)	-
46-3900-3100 Trail Grant	1,057,150	(1,057,150)	-
46-3900-3000 Transfer From G.F./Trail	133,205	(133,205)	-
46-3900-6200 Loan/Community Center	7,500,000	(7,500,000)	-
46-3900-6201 Grant/Community Center	950,951	(950,951)	-
46-3900-6202 Bond Community Center	475,000	(475,000)	-
46-3900-6203 Loan/Community Center	234,000	(234,000)	-
46-3290-0001 Escrow Interest/Community Center	131,011.64	(131,011.64)	-
46-3900-1100 County Grant/Community Center	125,000	(125,000)	-
46-3900-1261 Transfer From G.F./Community Center	197,004.70	(197,004.70)	\$ -
	\$ 13,154,774	(13,154,774)	

Expenditure

46-4900-0001 Briar Harbor	\$ 276,000	(276,000)	-
46-5300-7401 Fire Station Renovation	485,451.23	(485,451.23)	-
46-5600-0002 Street Resurfacing	1,590,000	(1,590,000)	-
46-6200-7402 Trail	1,190,355	(1,190,355)	-
46-6200-7403 Community Center	9,612,967.40	(9,612,967.40)	\$ -
	\$ 13,154,774	(13,154,774)	

To close completed projects

Electric Capital Project Fund

3. Revenue

47-3900-1200 Transfer From Electric Fund/Pole Replacement	\$ 125,000	(125,000)	-
47-3900-1700 Transfer From Electric Fund/Substation	1,464,953	(1,464,953)	-
47-3900-1800 Loan/Substation	5,000,000	(5,000,000)	-

<u>47-3900-1900 Transfer From Electric Fund/Smithfield Crossing</u>	<u>65,000</u>	<u>(65,000)</u>	<u>-</u>
47-3290-0000 Interest/Substation Loan	<u>113,867</u>	<u>(113,867)</u>	<u>\$ -</u>
	<u>\$ 6,768,820</u>	<u>\$ (6,768,820)</u>	
<u>Expenditure</u>			\$ -
<u>47-7230-7401 Pole Replacement</u>	<u>\$ 125,000</u>	<u>\$ (125,000)</u>	<u>-</u>
<u>47-7230-7402 Substation</u>	<u>6,578,820</u>	<u>(6,578,820)</u>	<u>-</u>
<u>47-7230-7405 Smithfield Crossing-Electric</u>	<u>65,000</u>	<u>(65,000)</u>	<u>\$ -</u>
	<u>\$ 6,768,820</u>	<u>\$ (6,768,820)</u>	

To close completed Projects

13. Advisory Board/ Committee Appointments

- Jeremy Davis was appointed to serve a first term on the Appearance Commission and the Parks and Recreation Advisory Board.

14. 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. (\$34,143.72/yr.)
P/T Lifeguard	P&R – Aquatics	10-6220-0220	\$7.50/hr.
P/T SRAC Staff	P&R – Aquatics	10-6220-0210	\$9.00/hr.
P/T SRAC Staff	P&R – Aquatics	10-6220-0210	\$9.00/hr.

15. Approval to place one “No Through Street/Dead End” sign on Pinecrest at the corner of South Brightleaf Blvd. due to large trucks and busses in increased regularity, pulling into Pinecrest, assuming it is a through street.

16. Approved amendments to the Town of Smithfield Employee Travel Policy

(Attached by reference and made a part of these official minutes is a copy of the approved Town of Smithfield Employee Travel Policy. A copy is on file in the Office of the Town Clerk: 2016 Employee Travel Policy)

Unanimously approved.

BUSINESS ITEMS:

1. Smith Collins Park Concession Stand

Interim Manager Jim Freeman explained that at the April 5th meeting, Mr. Tony Nixon appeared before Council requesting permission for the East Smithfield Improvements Organization (ESIO) to operate the Smith Collins Park concession stand. They would utilize it to offer concessions at Smith Collins Park events. These funds generated would be used to offset some of the costs associated with the annual “Fun in the Park” event. Mr. Freeman further explained that he met with Tony Nixon and other members of the ESIO to discuss the request in more detail.

Tony Nixon Chairman of the East Smithfield Improvement Organization stated that the organization is a non-profit organization that sponsors the Fun in the Park event at no cost to the community. The organization would like to use the concession stand to help offset some of the cost of the annual event. They would like to operate the concession stand for a short period this year and then come back next year to revisit a longer agreement.

Councilman Harris questioned if the Town would be responsible for the utilities. Mr. Freeman responded that the utilities at Smith Collins Park are all on one invoice and the concession stand utility usage would be minimal.

Mayor Pro-Tem Ashley stated that utilizing the building could be accomplished by a lease. Mr. Nixon responded that a short term agreement had been discussed.

Councilman Harris questioned how quickly the organization would like to take possession of the concession stand because staff could work with the ESIO to draft an agreement for approval at the June meeting. Mr. Nixon responded that the organization would like to begin utilizing the building as soon as possible as long as the maintenance had been completed.

Mayor Pro-Tem Ashley stated that the Town needed some type of written agreement

Councilman Scott made a motion, seconded by Councilman Harris, to enter into an informal Memorandum of Understanding (MOU) allowing the East Smithfield Improvement Organization to utilize the concession stand at Smith Collins Park. Allow the Manager to work with the ESIO on the MOU and bring it back to the Council in the event any issues arise. Unanimously approved.

Mayor Moore informed the Council that if the Town enters into any type of agreement, it would have to come back to the council for approval.

Mayor Pro-Tem Ashley asked that staff provide a draft MOU to the Council and ask that it be put on the May 9th budget meeting agenda for consideration.

2. Smithfield Selma Sports Academy

Parks and Recreation Director Gary Johnson informed the Council that he and Mr. Kerigan spoke with the people that were originally involved in forming the Smithfield Selma Sports Academy.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Wood, to have the Parks and Recreation Advisory Committee investigate the Sports Academy and bring a recommendation to the Council on how the Town should proceed. He also asked that staff provide a report on the fees paid by all organizations/groups that utilize Town facilities. Unanimously approved.

Councilman Lee stated that the SSSA is not being charged to utilize Town facilities and he questioned why other groups were being charged to use the same Town facilities. He asked why other groups were being treated differently.

Councilman Harris responded that from his understanding, the former Town Manager made a verbal agreement with all those involved to allow the SSSA to use the facilities at no charge.

Mayor Moore stated there was a verbal agreement made by the former Town Manager to utilize the facilities at no charge. After discussing the issue with several members of Council, he thought it was best not to charge this group facility rental fees because it was unfair to violate the verbal agreement made by the Town Manager at the time. He further stated that it was within the Town Manager's right to make this verbal agreement with the stakeholders and the SSSA.

3. Pine Acres Subdivision Drainage Evaluation

Public Works Director Lenny Branch and Town Engineer Bill Drietzler provided a brief update on the Pine Acres Subdivision drainage. Mr. Branch explained that Mr. Drietzler had provided a written report to the Council on Ms. Washington's drainage concerns.

Councilman Scott inquired as to why the land was delineated as wet lands. Mr. Branch explained that those properties were no longer in the 100 year flood plain.

Mr. Branch suggested that the Town educate the public on the proper placement of yard debris. He stated that a lot of the drainage problems throughout Town were caused by citizens placing their yard debris in the street or on the curb.

4. FY 2016-2017 Proposed Budget Work Session

Interim Town Manager Jim Freeman informed the Council that staff has been working diligently on the budget. He explained that staff would like to deliver the budget to Council on Friday and schedule a budget meeting for Monday, May 9th at 6:30 pm.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Wood, to hold a budget work session on Monday, May 9th at 6:30pm. Unanimously approved.

Mr. Freeman stated that staff is proposing three days of work sessions with the understanding that more may be needed. He suggested that at the end of each meeting, the Council recess each meeting to the next determined date.

Town Manager Michael Scott explained that staff will need direction because some of the projects this year will be costly.

5. Property Acquisition

Town Manager Michael Scott informed the Council that staff had recently received information from the property owner of 116 South Fifth Street that they may be interested in selling that property to the Town of Smithfield. The property is located south, and directly adjacent to, the Police Department. The property includes a residential structure that was severely damaged by fire earlier this year. The Town of Smithfield also owns the property south, and adjacent to, 116 South Fifth Street. Staff is requesting permission to engage in discussions with the property owner of 116 South Fifth Street with the goal of bringing back to Council, additional information and potential costs of acquisition of the property and possible demolition of the residence that sits on the property.

Councilman Harris made a motion, seconded by Councilman Scott, to allow staff to open discussions with the owner of 116 South Fifth Street to determine the feasibility, interest, and possible costs for the Town of Smithfield to purchase the property and complete demolition of the residence located at 116 South Fifth Street in Smithfield, NC. It is further requested that Council direct the Staff to report their findings back to the Town Council so informed decisions can be made regarding this potential acquisition. Unanimously approved.

6. Approved Resolutions #587 (14-2016) and Resolution #588 (15-2016) authorizing the applications for state grants from the North Carolina Department of Environmental Quality (NCDEQ) Clean Water State revolving Fund (CWSRF)

Public Utilities Director Ted Credle addressed the Council on a request to approve two resolutions to be included in separate applications for state grants, from the North Carolina Department of Environmental Quality (NCDEQ) Clean Water State Revolving Fund (CWSRF), pertaining to asset management plans for both the sanitary sewer collection system and the water distribution system. Mr. Credle explained that as the Town continues to address the issue of an aged and deteriorating infrastructure, part of the approach will be to seek grant funding from the NCDEQ CWSRF in order to aid the assessment of the infrastructure. These potential funds will be used to continue our on-going assessment of the sanitary sewer collection system (smoke testing, camera videos, etc.); as well as;

further our efforts in the assessment of the water distribution system (modelling pressures, metering at County connection points, etc.). As part of the grant application, the Town governing body must adopt the presented resolutions which state the Town will name a signing official (Mr. Freeman) for all correspondence related to the potential award; the Town will abide by all State and Federal Law pertaining to funding; and that the Town will arrange for the matching funds (10% of the grant award), if the Town is awarded any grant funding. Since the maximum award for each application is \$150,000, the maximum potential match for each application is \$15,000. Such matching funds are already in the Capital Improvement Plan and are proposed for adoption in the upcoming budget for the next fiscal year.

Councilman Scott inquired if the matching funds would be needed for this fiscal year or next. Mr. Credle responded that the grant would be awarded in the next fiscal year.

Councilman Rabil questioned what projects could the grant fund. Mr. Credle responded that it can only be used for asset management and asset inventory.

Councilman Scott made a motion, seconded by Councilman Rabil to adopt Resolution #587 (14-2016) and Resolution # 588 (15-2016) authorizing the applications for state grants from the North Carolina Department of Environmental Quality (NCDEQ) Clean Water State revolving Fund (CWSRF). Unanimously approved.

**RESOLUTION # 587 (14-2016)
BY GOVERNING BODY OF APPLICANT**

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of Asset Inventory and Assessment projects for water and sewer systems; and

WHEREAS, The Town of Smithfield has need for and intends to develop an asset management plan for its wastewater collection system described as the Town of Smithfield Wastewater Asset Management Plan; and

WHEREAS, The Town of Smithfield intends to request state grant assistance for the project.

NOW THEREFORE BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF SMITHFIELD:

That Town of Smithfield, the Applicant, will arrange financing for all remaining costs of the project, including matching funds, if approved for a State grant award.

That Jim Freeman, Interim Town Manager, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of the Applicant with the State of North Carolina for a grant to aid in the construction of the project described above.

That the Authorized Official, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

**RESOLUTION #588 (15-2016)
BY GOVERNING BODY OF APPLICANT**

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of Asset Inventory and Assessment projects for water and sewer systems; and

WHEREAS, The Town of Smithfield has need for and intends to develop an asset management plan for its wastewater collection system described as the Town of Smithfield Water Asset Management Plan; and

WHEREAS, The Town of Smithfield intends to request state grant assistance for the project.

NOW THEREFORE BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF SMITHFIELD:

That Town of Smithfield, the Applicant, will arrange financing for all remaining costs of the project, including matching funds, if approved for a State grant award.

That Jim Freeman, Interim Town Manager, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of the Applicant with the State of North Carolina for a grant to aid in the construction of the project described above.

That the Authorized Official, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

7. Downtown Smithfield Development Corporation Request to Refinance Streetscape Loan for a lower Interest Rate Payment and Consider Alternative Options on Arrears.

Finance Director Greg Siler and Downtown Smithfield Development Corporation executive Director Sarah Edwards addressed the Council on consideration to refinance the streetscape loan and to consider alternative options for repayment of two years in arrears. Mr. Siler explained that in 2006, at the request of DSDC, the Town of Smithfield borrowed \$250,000 for streetscape improvements. The loan was to be repaid by DSDC over 30 years at 4.25% with annual payments of \$15,125. In 2012, DSDC requested the loan payments be forgiven for three years in exchange for much needed improvements to the Hastings House. According to meeting minutes, Council opted to defer payment for one year instead. The former DSDC Executive Director misunderstood Council's decision and conveyed to the DSDC Board that their request to forgive the payments for three years was approved.

Ms. Edwards stated that this was purely a misunderstanding and requested that the Council forgive those payments. She further stated that the DSDC would not have completed the repairs to the Hastings House if the payments had not been forgiven.

Councilman Harris inquired if this was the same loan that the Council approved to pay-off. Mr. Siler responded that the Town had paid off this USDA loan because it would save the Town approximately \$112,000 in interest.

Councilman Harris made a motion, seconded by Councilman Lee, to have an accounting and history of the Streetscape loan to include the proposed project and how the funds were spent. Further, staff was instructed to have this information available to the Council at the June meeting. This would allow the Council to determine what course of action they would take with the DSDC's payments that are in the arrears. Unanimously approved.

Councilman Scott questioned if the DSDC had to pay back the two loan payments would it cause a financial hardship on the corporation. Ms. Edwards responded that there is money if the Council chooses not to forgive the two payments. Ms. Edwards reiterated that the DSDC is also requested that the Town pass on the savings that were received by paying the loan off early.

Mr. Siler explained that the USDA charged a rate of 4.25 % for the original loan. He suggested that the Town reduce the interest rate charged to DSDC by 2% for the remaining 24 years left on the original loan. By doing this, it would lower their annual payment by \$3,000. Ms. Edwards stated that \$3,000.00 would go a long way to assist with events held by the DSDC.

8. Downtown Revitalization Grant Projects

Interim Town Manager Jim Freeman explained that after months of discussion a decision on a project for the downtown revitalization grant needed to be made so that the Town could receive the State funding. Mr. Freeman stated that the Mayor appointed a committee to discuss how the funds would be spent. The committee met and made a recommendation. Once the recommendation was made, it caused a lot of conversation. Mr. Freeman asked the Council for direction so that the application could be submitted to the State.

Councilman Scott explained that during the April 5th meeting, Public Utilities Director Ted Credle outlined three cost estimate options for the Streetscape Lighting Project. Council determined that a committee would be created to determine the best way to spend the grant funds. Mr. Scott explained that during the committee meeting, there was considerable discussion about how best to utilize the \$96,000 grant funding. It was the consensus of the committee to try to move forward with the lighting project because it addressed the appearance and safety of the downtown area. Public Utilities Director Ted Credle informed the committee that if Town staff was utilized for most of the project (not including the boring), then it would be possible to complete some if not all of the project. Mr. Credle also informed the committee that the project would be delayed in the event of power outages or other emergency situations that the utility department encountered. The committee also discussed the need for outlets at the trees to accommodate additional Christmas lighting. Mr. Credle estimated that the total lighting project from Front Street to Brightleaf Boulevard would cost approximately \$110,000 therefore the Town would need to contribute \$13,893.00 to complete the project. Councilman Scott further stated that the Town needed to forget the project or move forward with the project, but a decision needed to be made.

Councilman Rabil questioned if the existing conduit could be used. Mr. Credle responded that some existing conduit could be used in some areas but conduit would need to be placed at each tree.

Councilman Harris stated that both the DSDC and the Appearance Commission wanted the Council to move forward with the lighting project. If the Council chose not to use grant funding for the lighting project, then make other suggestions on how to spend the funds.

Councilman Scott reiterated that the grant funds will address the safety and beautification issues in the downtown area.

Councilman Rabil inquired if the additional outlets to the trees could be completed at a later date. Mr. Credle responded that it would be less expensive if they were completed at the same time as the lighting.

Councilman Wood asked if staff was confident that the total project could be completed at an estimated cost of \$110,000. Mr. Credle responded that staff was confident with that estimate.

Councilman Scott suggested that the \$20,000 that had been encumbered in the past several years for DSDC to be utilized for this project. He explained that Mayor Pro-Tem Ashley had made a motion to encumber those funds.

Mayor Moore explained that those funds were to be utilized for economic development. Councilman Scott replied that they were speaking of two different funding sources. Mayor Pro-Tem Ashley also

replied that \$20,000 was encumbered in the past two fiscal years for Downtown Development or to be utilized in the Downtown area,

Mayor Moore stated that he struggled with spending \$113,000 to light the trees in the downtown area.

Councilman Harris suggested that half the funds be given to the Appearance Commission and half the funds be given to DSDC and let them decide what they wanted to do with the funds.

Mayor Pro-Tem Ashley explained that while he appreciated the efforts of staff and the committee, he could not support spending \$3,000 to light each tree. He stated that the Council had not even considered maintenance on the lighting.

Mayor Moore informed the members of the Council that the Appearance Commission had agreed to repair the downtown clock.

Councilman Scott made a motion, seconded by Councilman Harris, to approve the streetscape tree lighting project in the amount of \$113,000 and directed the Interim Town Manager to move forward with applying for the State grant funding. Councilman Scott, Councilman Harris, Councilman Wood, Councilman Rabil and Councilman Dunn voted in favor of the motion. Mayor Pro-Tem Ashley and Councilman Lee voted against the motion. Motion passed 5 to 2.

Councilmembers Comments:

- Mayor Pro-Tem Ashley wished his father a Happy 88th birthday. He explained that his father moved to this community in 1939 from South Georgia. He further explained that his father loved this community and that his father taught him community and to meet one's obligations.
- Councilman Scott asked that all citizens publicize Ham and Yam event this weekend. He also questioned when 4th Street would be back to normal. A timeline for completion would be sent to the Manager for distribution to the Council.
- Councilman Harris informed Council that he had recently attended the RPO meeting. He wanted to make the citizens aware that there would be a lot of construction on I-95 north and south. Another topic of discussion was the progress on the West Smithfield Beautification Project. Mr. Harris explained that staff was working with the property owners and the Post Master to ensure that mail boxes were properly placed. Mr. Harris inquired of the progress of the UDO. It was his understanding that based on the information staff had received, Smithfield had the least restrictive UDO. Mayor Pro-Tem Ashley responded that the UDO committee did meet and the next meeting was scheduled for May 27th at 5:30pm in the Council Chambers. Mr. Ashley explained that these meetings are open to the public and the process will be followed. In regards to the other Town's landscape ordinance, Smithfield does not appear to be much more cumbersome than other Towns. Mayor Moore expressed his appreciation to Mayor Pro-Tem Ashley and Councilman Dunn for volunteering for this committee and asked that they investigate ways to improve the ordinance to make it more business friendly. Mr. Ashley reminded the Council that they set the rules that staff was obligated to enforce.
- Mayor Moore expressed his appreciation to all Town staff that responded during the recent storm event. He further expressed his appreciation to Interim Town Manager Jim Freeman for all his efforts during his time in Smithfield. Mayor Moore further explained that Mr. Freeman would remain with the Town through the budget process. Mr. Freeman stated that there was a lot of work behind the scenes in regards to the Manager's selection process. It was his opinion that the Council was a good group that selected a good manager. He further stated that he has enjoyed his time in Smithfield and he appreciated the opportunity.
- Councilman Wood expressed his appreciation to Mr. Freeman for all he had done for the Town of Smithfield. Mr. Wood congratulated Mr. Scott for his appointment to serve as Town Manager and also expressed his appreciation to Mrs. Scott for all her support.

- Councilman Scott also congratulated Mr. Scott and questioned the hiring process for a new Police Chief. Mr. Scott responded that by policy in the Police Department the next in command takes charge. Captain Powell will take over until the hiring process begins.

Town Manager's Report:

- Department Reports
 - A highlight of each department's monthly activities was given to the Council in written form.
- Financial Report
 - A financial report was given to the Council in written form.

Adjourn

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

The meeting adjourned at approximately 9:12 pm.

M. Andy Moore, Mayor

ATTEST:

Shannan L. Williams, Town Clerk