



Mayor

M. Andy Moore

Mayor Pro-Tem

John A. Dunn

Council Members

Marlon Lee

David Stevens

Travis Scott

David Barbour

Stephen Rabil

Roger A. Wood

Town Attorney

Robert Spence, Jr.

Town Manager

Michael L. Scott

Finance Director

Greg Siler

Town Clerk

Shannan Parrish

Town Council  
Special Meeting  
Agenda Packet

Meeting Date: Tuesday, September 22, 2020

Meeting Time: 6:30 p.m.

Meeting Place: Town Hall Council Chambers  
350 East Market Street  
Smithfield, NC 27577





**Tuesday, September 22, 2020  
6:30 pm  
Town Hall Council Chambers**

**SPECIAL MEETING**

- I. Call to Order**
- II. Approval of the Agenda**

**Page**

**III. Public Hearing**

- a. **Community Development Block Grant:** The Town of Smithfield is considering submitting a Covid-19 Community Development Block Grant Program (CDBG-CV). The purpose of the public hearing is to obtain citizen input into the identification of community needs and desired CDBG activities  
(Town Manager – Michael Scott) See attached information.....1

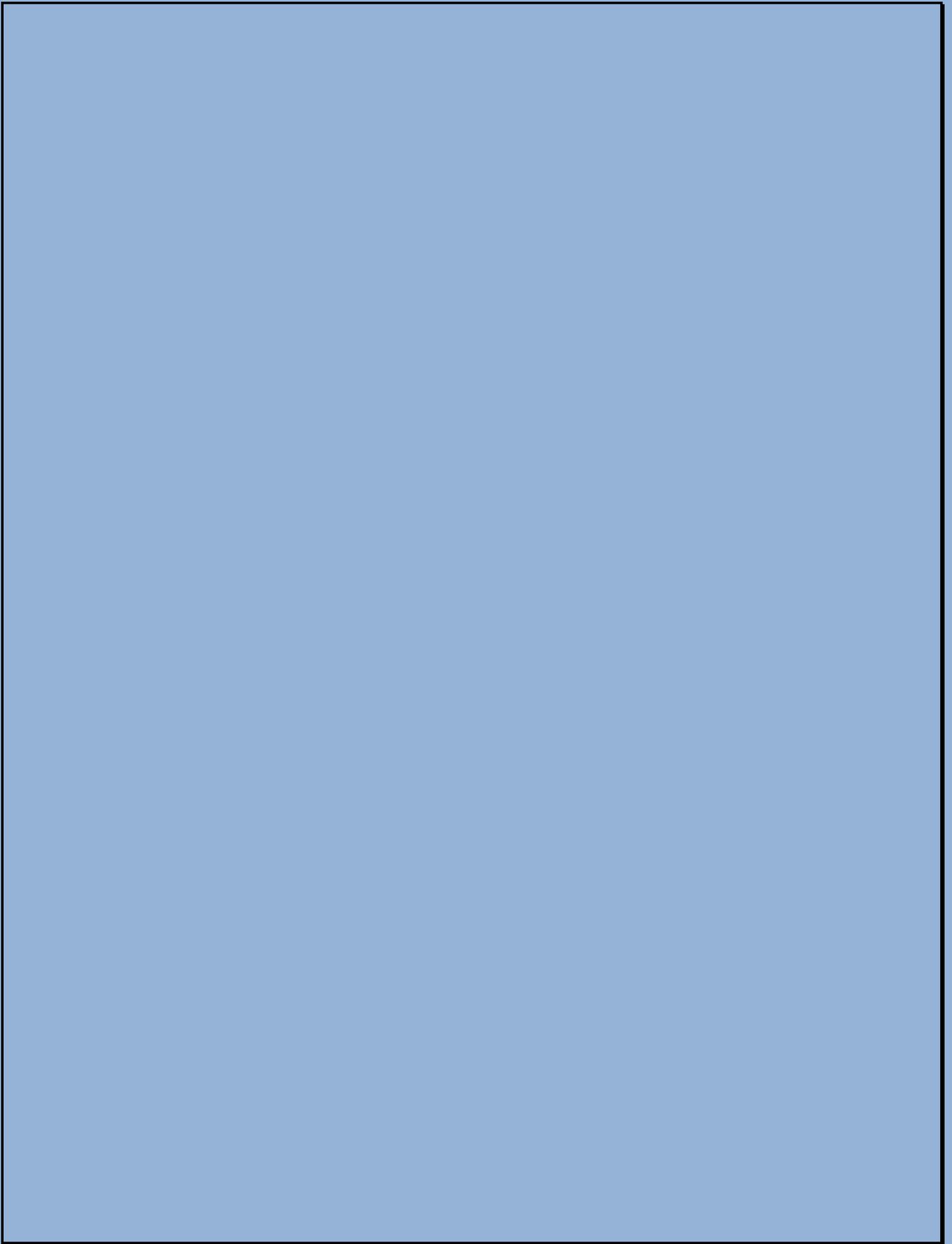
**IV. Business Items**

- a. **Citizen request to address Council (Pam Lampe)**
- b. **Consideration and Request for approval to adopt Resolution No. 665 (14-2020) reaffirming Resolution No. 611 (16-2017) for the water plant expansion/ improvements for state loan funding.**  
(Town Manager – Michael Scott, Public Utilities Director – Ted Credle and Finance Director – Greg Siler)  
See attached information.....3

**V. Adjourn**



# Public Hearing





# Request for Town Council Action

**Public Hearing:** **Public Hearing**  
**CDBG**  
Date: 9/22/20

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**Subject:** Public Hearing Community Development Block Grant  
**Department:** General Government  
**Presented by:** Town Manager Michael Scott  
**Presentation:** Public Hearing

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## Issue Statement

The Town Manager is requesting approval to apply for a Covid-19 Community Development Block Grant (CDBG-CV)

## Financial Impact

None. The grant is up to \$900,000 with no matching funds required.

## Action Needed

Hold a Public Hearing to solicit Community Input regarding areas the Town should consider soliciting funding for under CDBG-CV.

## Recommendation

Complete Public Hearing for the CDBG-CV Grant.

Approved:  Town Manager  Town Attorney

Attachments:

- Staff Report



# Staff Report

**Public Hearing:** **Public Hearing**  
**CDBG**

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Funds to help local governments and communities respond to the health and economic impacts of COVID-19 are available in our area from North Carolina's Community Development Block Grant Coronavirus (CDBG-CV) program.

Initially, the State will provide approximately \$28.5 million in funds received from the U. S. Department of Housing and Urban Development (HUD) to support North Carolina's COVID-19 response efforts. This allocation was authorized by the federal CARES Act of 2020, Public Law 116-136.

## *CDBG-CV Program Overview*

The North Carolina CDBG-CV Program is designed to help units of local government respond to and recover from the health and economic impacts of COVID-19. The program will assist non-entitlement areas across the state, which include incorporated municipalities under 50,000 and counties under 200,000 in population, by supporting public service, public facilities, and special economic development activities. N.C. Commerce will award CDBG-CV funds on a first-come, first-served basis with a focus on local needs identified by the community in collaboration with state and local health officials.

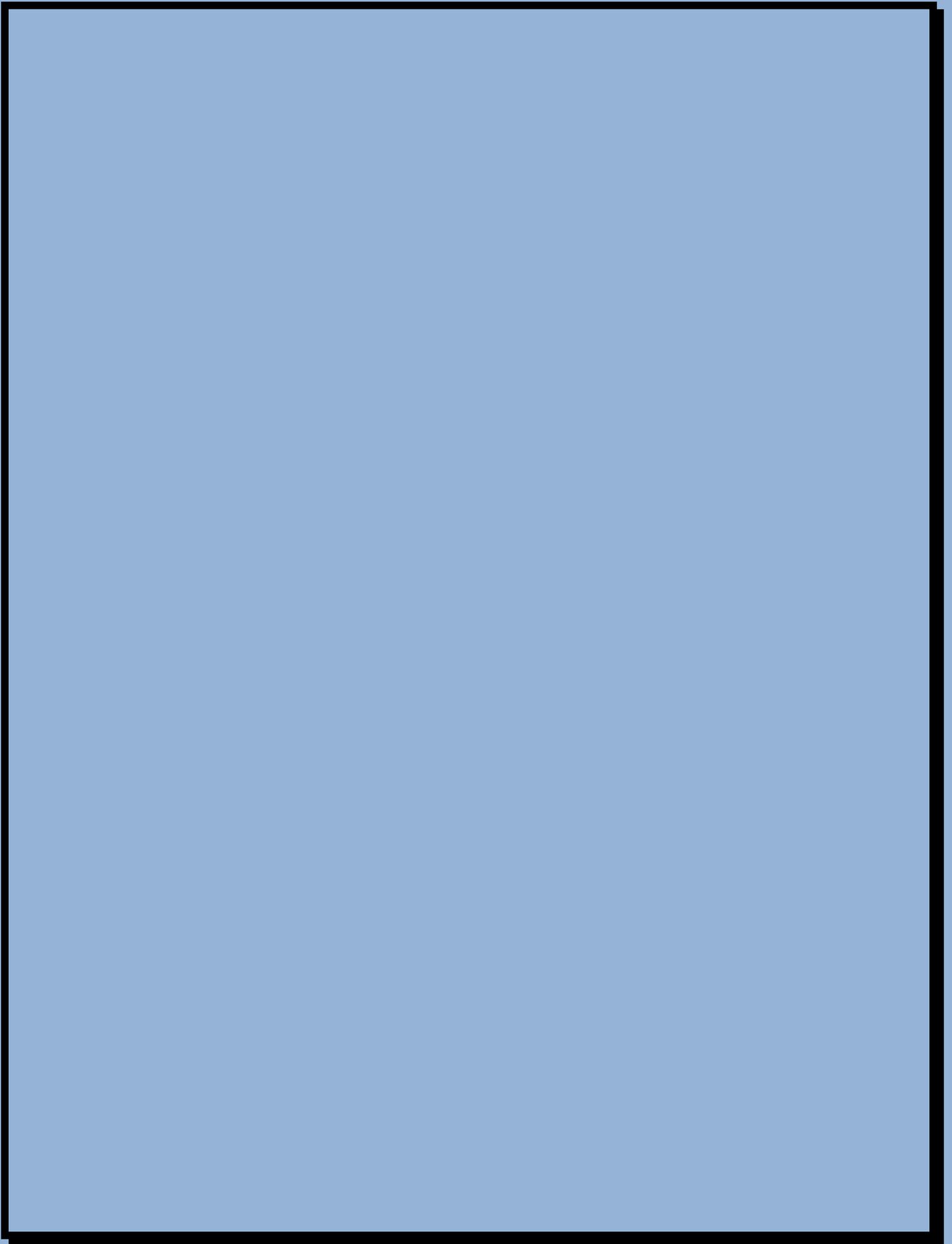
CDBG-CV projects must incorporate at least one of the following as an area of focus:

- Support families and communities through telehealth support and other public services.
- Protect the most vulnerable and high-risk populations.
- Assist small businesses with economic recovery.
- Address testing, tracing, and tracking trends.

The Town of Smithfield is interested in seeking funds from the Covid-19 Community Development Block Grant Program (CDBG-CV). The CDBG-CV program is administered by the North Carolina Department of Commerce and the North Carolina Department of Environment and Natural Resources.

This is the first of two public hearings to be held soliciting input from the public. This first public hearing allows for community input into the areas Smithfield should seek CDBG-CV Funding.

# Business Items





# Request for Town Council Action

**Business Item:** Reaffirm Resolution  
**Date:** 09/22/2020

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**Subject:** Reaffirm Resolution #611(16-2017)  
**Department:** Finance  
**Presented by:** Michael Scott, Ted Credle, Greg Siler  
**Presentation:** Business Item

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## Issue Statement

The Local Government Commission has asked the Town Council reaffirm its 2017 Resolution #611 for water plant expansion/ improvements for state loan funding.

## Financial Impact

Debt will be acquired for \$12.05 million for 20 years at 1.82% interest.

## Action Needed

Reaffirm Resolution as attached.

## Recommendation

Reaffirm Resolution

Approved:  Town Manager  Town Attorney

## Attachments:

1. Staff Report
2. Email
3. LGC Instructions
4. Original Resolution #611 (16-2017)
5. Resolution No. 665 (14-2020)



# Staff Report

**Business Reaffirm  
Item: Resolution**

During the September 1, 2020 Local Government Commission (LGC) meeting to seek approval of the \$12.05 million loan for water plant improvements and expansion, the LGC asked that the Council reconvene and reaffirm the passed resolution from September of 2017 (#611, attached).

The LGC questioned a May 2020 vote by the Council to table discussion for the water plant expansion and improvement and believes it prudent for the Council to reaffirm its prior resolution.

The Local Government Commission makes decisions on five findings of fact. The Commission has requested these findings be added to the original resolution:

*That the **Applicant**, authorizes the filing of an application with the Local Government Commission, pursuant to NCGS 159G-40, for approval of the State of North Carolina loan in the principal amount not to exceed \$12,050,000, and directs the **Authorized Official**, and successors so titled, to file such application with the Local Government Commission.*

*That the **Applicant** makes the following factual findings:*

- 1. That the proposed project, as described above, to be financed with a State loan, is necessary and expedient.*
- 2. That the amount of the proposed loan, \$12,050,000, is adequate and not excessive for the proposed project.*
- 3. That the **Applicant's** debt management policies and procedures are good, and **Applicant** has in the past always appropriated funds in accordance with North Carolina law during each fiscal year in an amount sufficient to pay its required debt service.*
- 4. That the increase in taxes, if any, necessary to service the proposed debt, will not be excessive. No tax increase is proposed. The scheduled fees and charges along with other available funds of the water and sewer utility system will be adequate to pay principal and interest on the debt.*
- 5. That the rate of interest proposed for the State loan is reasonable and at or below market rates.*

Attached is the LGC instructions and email, as well as the resolution for approval as requested by the Local Government Commission.

## Michael Scott

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**From:** Cindy Aiken <Cindy.Aiken@nctreasurer.com>  
**Sent:** Tuesday, September 08, 2020 3:57 PM  
**To:** Michael Scott; Greg Siler; Ted Credle  
**Cc:** Greg Gaskins; Tim Romocki; Phillip Anderson; Sharon Edmundson  
**Subject:** RE: Smithfield Water Plant Expansion  
**Attachments:** Smithfield water plant - instructions for updated Council resolution\_9-8-20.docx; Smithfield\_H-SRP-D-17-0146\_Resol Cert.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Mike,

I have attached some instructions for an updated Town Council Resolution (Word file), along with the copy of the 2017 Resolution (pdf file).

Basically, the Council should adopt the same 2017 Resolution, BUT also include 2 additional paragraphs as explained in the attached Word document.

(We did not have the original Resolution in a Word document format, and if you don't either, it may require some re-typing on your end.)

We'll need the signed updated Resolution and the accompanying updated "Certification by Recording Officer" by Sept. 28.

Please contact me (or have the Town Attorney contact me) if you have any questions.

Thank you,  
Cindy Aiken

### Cynthia S. Aiken

*Assistant General Counsel*  
State and Local Government Finance Division  
Office of the State Treasurer  
Office: (919) 814-3846

3200 Atlantic Avenue, Raleigh, NC 27604  
[www.NCTreasurer.com](http://www.NCTreasurer.com)



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**NORTH CAROLINA**  
DEPARTMENT OF STATE TREASURER



*Dale R. Folwell, CPA*  
STATE TREASURER OF NORTH CAROLINA  
DALE R. FOLWELL, CPA

E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law. It may be subject to monitoring and disclosed to third parties, including law enforcement personnel, by an authorized state official.

IMPORTANT: When sending confidential or sensitive information, encryption should be used.

**INSTRUCTIONS:**

*Please have the Town Council adopt a resolution identical to the attached Resolution # 611(16-2017), **BUT ALSO INCLUDE** the two (2) new paragraphs below, **ADDING THEM AFTER** the paragraph which begins:*

“That Mayor M. Andy Moore, the **Authorized Official**, and successors . . . .etc.”

*(The five (5) factual findings listed below reflect the findings the LGC is required to make under G.S. 159-52(b) when reviewing a State revolving fund loan to a municipality.)*

Contact Cindy Aiken with questions. [cindy.aiken@nctreasurer.com](mailto:cindy.aiken@nctreasurer.com), (919) 814-3846

That the **Applicant**, authorizes the filing of an application with the Local Government Commission, pursuant to NCGS 159G-40, for approval of the State of North Carolina loan in the principal amount not to exceed \$12,050,000, and directs the **Authorized Official**, and successors so titled, to file such application with the Local Government Commission.

That the **Applicant** makes the following factual findings:

1. That the proposed project, as described above, to be financed with a State loan, is necessary and expedient.
2. That the amount of the proposed loan, \$12,050,000, is adequate and not excessive for the proposed project.
3. That the **Applicant's** debt management policies and procedures are good, and **Applicant** has in the past always appropriated funds in accordance with North Carolina law during each fiscal year in an amount sufficient to pay its required debt service.
4. That the increase in taxes, if any, necessary to service the proposed debt, will not be excessive. No tax increase is proposed. The scheduled fees and charges along with other available funds of the water and sewer utility system will be adequate to pay principal and interest on the debt.
5. That the rate of interest proposed for the State loan is reasonable and at or below market rates.

**RESOLUTION # 611(16-2017)**

**BY TOWN COUNCIL OF THE TOWN OF SMITHFIELD  
APPROVING FUNDING APPLICATION**

**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 construction of collection system, stream restoration, stormwater treatment, drinking water treatment works, and/or drinking water distribution system or other "green" project), and

**WHEREAS,** The Town of Smithfield has need for and intends to construct an expansion to the existing drinking water treatment works to expand capacity of the plant. Work includes installation of new process units, upgrade of existing process units and other work, as applicable, for the new capacity.

**WHEREAS,** The Town of Smithfield intends to request state loan and/or 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, if approved for a State loan and/or grant award.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the Town of Smithfield to make scheduled repayment of the loan, to withhold from the Town of Smithfield any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Mayor M. Andy Moore, 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 (loan and/or 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.

Adopted this the 5<sup>th</sup> day of September, 2017 in Smithfield, North Carolina.

  
M. Andy Moore, Mayor



  
Date

**CERTIFICATION BY RECORDING OFFICER**

The undersigned duly qualified and acting Town Clerk of the Town of Smithfield does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Town of Smithfield Town Council duly held on the 5<sup>th</sup> day of September, 2017; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 6<sup>th</sup> day of September, 2017.



Shannan L. Williams, Town Clerk

**RESOLUTION No. 665 (14-2020)**  
**BY TOWN COUNCIL OF THE TOWN OF SMITHFIELD**  
**APPROVING FUNDING APPLICATION**

**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 construction of collection system, stream restoration, stormwater treatment, drinking water treatment works, and/or drinking water distribution system or other “green” project), and

**WHEREAS,** The Town of Smithfield has need for and intends to construct an expansion to the existing drinking water treatment works to expand capacity of the plant. Work includes installation of new process units, upgrade of existing process units and other work, as applicable, for the new capacity.

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

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That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Mayor M. Andy Moore, 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 (loan and/or grant) to aid in the construction of the project described above.

That the **Applicant**, authorizes the filing of an application with the Local Government Commission, pursuant to NCGS 159G-40, for approval of the State of North Carolina loan in the principal amount not to exceed \$12,050,000, and directs the **Authorized Official**, and successors so titled, to file such application with the Local Government Commission.

That the **Applicant** makes the following factual findings:

1. That the proposed project, as described above, to be financed with a State loan, is necessary and expedient.
2. That the amount of the proposed loan, \$12,050,000, is adequate and not excessive for the proposed project.
3. That the **Applicant’s** debt management policies and procedures are good, and **Applicant** has in the past always appropriated funds in accordance with North Carolina law during each fiscal year in an amount sufficient to pay its required debt service.
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5. That the rate of interest proposed for the State loan is reasonable and at or below market rates.

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.

Originally Adopted on the 5<sup>th</sup> day of September, 2017 in Smithfield, North Carolina.

Reaffirmed by the Town Council on this the 22<sup>nd</sup> day of September, 2020 in Smithfield, North Carolina

\_\_\_\_\_  
M. Andy Moore, Mayor

\_\_\_\_\_  
Date

**CERTIFICATION BY RECORDING OFFICER**

The undersigned duly qualified and acting Town Clerk of the Town of Smithfield does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Town of Smithfield Town Council duly held on the 22<sup>nd</sup> day of September, 2020; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 22<sup>nd</sup> day of September, 2020.

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Shannan L. Parrish, Town Clerk