

The Smithfield Town Council met in regular session on Tuesday, May 18, 2020 at 7:00 p.m. in the Fire Station Training Room located at 111 South Fourth Street, Mayor M. Andy Moore presided.

Councilmen Present:

John Dunn, Mayor Pro-Tem
Marlon Lee, District 1
Travis Scott, District 3
Dr. David Barbour, District 4
Stephen Rabil, At-Large
Roger Wood, At-Large

Councilmen Absent

David Stevens, District 2

Administrative Staff Present

Michael Scott, Town Manager
John Blanton, Fire Chief
Lenny Branch, Public Works Director
Ted Credle, Public Utilities Director
Gary Johnson, Parks & Rec Director
Tim Kerigan, Human Resources/PIO
Shannan Parrish, Town Clerk
R. Keith Powell, Chief of Police
Greg Siler, Finance Director
Stephen Wensman, Planning Director

(Note: All Town Department Heads were present, but due to Social Distancing and Mass gathering restrictions related to Covid19, they were not present in the meeting room unless an item from their Department was discussed)

CALL TO ORDER

Mayor Moore called the meeting to order at 7:03 pm.

Roll call of Councilmembers in Attendance

Town Clerk Shannan Parrish conducted the roll call of the Council present. All Councilmembers were present except for Councilman Stevens.

INVOCATION

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

APPROVAL OF AGENDA:

Councilman Barbour made a motion, seconded by Councilman Wood, to approve the agenda with the following amendment:

Move from the Consent Agenda to Business Item #2:

- Item # 2 - Consideration and request for approval to adopt Resolution #658 (07-2020) accepting the Town's annual update to its Local Water Supply Plan (LWSP).

Unanimously approved.

PRESENTATIONS: None

PUBLIC HEARINGS: None

CITIZEN'S COMMENTS: None

CONSENT AGENDA:

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

1. The following minutes were approved
 - April 7, 2020 – Regular Meeting
 - April 23, 2020 – Special Session (Budget conference call)
 - April 28, 2020 – Recessed meeting (Budget conference call)
2. Approval was granted to promote an employee from Utility Line Mechanic to Water/ Sewer Crew Leader due to a recent retirement
3. Approval was granted to promoted three Master Police Officers to the rank of Police Sergeant
4. Approval was granted to adopt Resolution #659 (08-2020) awarding the service badge and weapon to retired Police Sergeant Robert Dale Wood

**TOWN OF SMITHFIELD
RESOLUTION # 659 (08-2020)
AWARDING THE SERVICE BADGE AND WEAPON
TO RETIRED POLICE SERGEANT ROBERT DALE WOOD**

BE IT RESOLVED that the Town Council of the Town of Smithfield hereby awards the service weapon, Sig 227, Serial Number 51C000468 and service badge to retired Police Sergeant Robert Dale Wood, at a price of \$1.00.

5. Approval was granted to appoint Rick Herndon and Kay Kennedy to the Downtown Smithfield Development Corporation's Board of Directors.
6. The following Advisory Board Appointments were approved:
 - David Johnson was reappointed to a second term on the Board of Adjustment
 - Jan Branch was reappointed to a fifth term on the Historic Properties Commission
 - Alesia Sanders was appointed to serve a first term on the Public Library of Johnston County and Smithfield Board of Trustees
 - Richard Childrey was reappointed to a second term on the Public Library of Johnston County and Smithfield Board of Trustees.
 - Ashley Spain was reappointed to serve a fourth term on the Planning Board as an ETJ representative.

7. New Hire Report

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Utility Line Mechanic	PU – Water/Sewer	30-71-7220-5100-0200	\$14.88/hr. (\$30,950.40/yr.)

Current Vacancies

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>
Assistant Finance Director	Finance	10-10-4200-5100-0200
Facility Maintenance Specialist II	P&R – Recreation	10-60-6200-5100-0200
Part-time Zoning Compliance Assistant	Planning	10-10-4900-5100-0200
Police Officer I (7 positions)	Police	10-20-5100-5100-0200
Sanitation Equipment Operator	PW – Sanitation	10-40-5800-5100-0200
Utility Line Mechanic	PU – Water/Sewer	30-71-7220-5100-0200

Business Items:

Councilman Barbour made a motion, seconded by Councilman Rabil, to discuss the item moved from the consent agenda to Business Item 1 and the FY 2020-2021 Budget Discussions to Business Item 2. Unanimously approved.

1. Consideration and request for approval to adopt Resolution #658 (07-2020) accepting the Town's annual update to its Local Water Supply Plan (LWSP)

Public Utilities Director Ted Credle addressed the Council on approval to adopt Resolution #658 (07-2020) accepting the Town's annual update to its Local Water Supply Plan (LWSP). Mr. Credle explained the Public Utilities Department must file an annual update to the North Carolina Department of Environmental Quality (NCDEQ) regarding the Town's annual update to its Local Water Supply Plan (LWSP). After the filing is reviewed by the NCDEQ, and clarifications are made, the State accepts the plan as public record. This annual update is finalized only after the local governing body passes a resolution approving the update, in accordance with General Statute 143-555 (I).

Councilman Scott indicated the report stated Johnston County used 2.3 million gallons of water a day. Mr. Credle responded that was correct, but they have a reserve capacity of 3.5 million gallons per day. Currently, the Town is selling Johnston County and average of between 2 and 2.5 million gallons per day.

Councilman Scott questioned the metering of sewer treatment. Mr. Credle responded it is a mathematical equation, where the county gets an overall number, whatever that number is, and they subtract out that which is known to meter the various pump stations around their system. It is a mathematical metering. It is not an actual physical meter.

Councilman Scott further questioned the amount of water meters that have been replaced this year because the report stated 730 meters were replaced in 2019. Mr. Credle responded he was unsure of the exact number, but he estimated it was approximately 100 meters. Councilman Scott asked how many additional water meters needed to be replaced. Mr. Credle responded approximately 4500 still needed to be replaced.

Councilman Barbour questioned how staff determined which meters needed to be replaced at a specific time. Mr. Credle responded meters have been replaced based on the billing books. Currently the Town has 36 billing books, so staff started at book one and has been systematically replacing the meters. Mr. Credle further explained that replacing water meters were more involved than replacing electric meters. Water meters are also being replaced based on water service calls.

Town Manager Michael Scott informed the Council that he and Mr. Credle discussed outsourcing the water meter conversion to the smart meters. Mr. Credle responded staff spoke with several contractors concerning the conversion. Those contractors proposed prices of \$700 to \$800 per meter which would cost approximately \$3.4 million. The goal is to get 700 to 1000 meters converted in the new year.

Councilman Scott stated the Town currently pays a contractor for meter reading services and by converting the meters to smart meters, that would reduce and ultimately eliminate the need for that contract.

Councilman Wood, made a motion, seconded by Councilman Barbour, to adopt Resolution # 658 (07-2020) accepting the Town's annual update to its Local Water Supply Plan (LWSP). Unanimously approved.

**TOWN OF SMITHFIELD
RESOLUTION #658 (07-2020)
FOR APPROVING LOCAL WATER SUPPLY PLAN**

WHEREAS, North Carolina General Statute 143-355 (I) requires that each unit of local government that provides public water service or that plans to provide public water service and each large community water system shall, either individually or together with other units of local government and large community water systems, prepare and submit a Local Water Supply Plan; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Local Water Supply Plan for the Town of Smithfield, has been developed and submitted to the NCDEQ for approval; and

WHEREAS, the NCDEQ finds that the Local Water Supply Plan is in accordance with the provisions of North Carolina General Statute 143-355 (l) and that it will provide appropriate guidance for the future management of water supplies for the Town of Smithfield, as well as useful information to the Department of Environmental Quality for the development of a state water supply plan as required by statute;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Smithfield that the Local Water Supply Plan entitled, Town of Smithfield dated 2019, is hereby approved and shall be submitted to the Department of Environmental Quality, Division of Water Resources; and

BE IT FURTHER RESOLVED that the Town Council intends that this plan shall be revised to reflect changes in relevant data and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

2. FY 2020-2021 Budget Discussion

a. Fire

a. \$1,000 to training line for SSS partnership for Fire Academy

Town Manager Michael Scott asked Councilman Barbour his intent for these funds. Councilman Barbour responded it was his intent for the Town to spend those funds over the course of the year as a partnership for the Johnston County Fire Academy at Smithfield Selma High School. Fire staff would have those funds to assist with the students' needs. Fire Chief John Blanton responded the Smithfield Fire Department does support the program with surplus equipment and other needs. They are committed to assisting this program

Town Manager Michael Scott informed the Council there would be a surplus of funds in the amount of \$14,200. When the budget draft was presented, staff did not have solid renewals numbers for Property and Liability and Worker's Compensation. We now have solid numbers which resulted in the surplus of funds in each of the three funds.

b. Fire Inspector Salary Increase

Fire Chief John Blanton discussed with the Council the proposed salary increase for the Fire Inspector. He explained the Town was currently paying the Fire Inspector \$22.92 an hour which was below the standard for inspectors. Staff was proposing a tiered system based on the inspector's certification.

Councilman Scott questioned if part-time salaries increased when full-time salaries increased. The Town Manager responded part-time staff do not receive those increases. Councilman Scott stated the Council should consider changing that policy for all part-time staff. The Town Manager stated staff can develop something to bring back to the Council for part-time staff increases.

Councilman Barbour stated all part-time staff should be evaluated every year.

The Town Manager informed the Council that one of the recommendations of the North Carolina League of Municipalities was to have a full-time safety officer. Before Covid19, staff considered using the Fire Inspector to fulfill this roll as well as the Fire Inspector roll as a full-time position. But due to the COVID19 situation, the Town Manager was hesitant to propose any new positions in this budget.

c. Volunteer Stipend Increases

Town Manager Michael Scott asked the Council if they wished to talk about the stipends now or wait until the grant was awarded.

Mayor Pro-Tem Dunn questioned when the Town would be notified if they were awarded the grant. Chief Blanton responded he anticipated being notified in October or November.

Councilman Scott stated he felt the Council should wait to see if the Town will be awarded the grant to fund the stipend increases. If the Town is not awarded the grant and revenues are better than projected, this is something the Council can discuss and reevaluate in early 2021.

b. Parks & Rec, SRAC, SYCC

a. Digital Sign for Community Park/ SRAC

Parks and Recreation Director Gary Johnson informed the Council that the average cost of the digital sign would be approximately \$23,000 to \$26,000.

Councilman Wood stated that while he believed this was a needed item, he felt it might be best to wait until next fiscal year (2021-2022) to budget for this project.

b. Opening SYCC 5 days a week year around

Parks and Recreation Director Gary Johnson informed the Council that staff has proposed three options for opening the Sarah Yard Community Center. One option would be to open the center Monday through Friday from 3:30pm until 6:30pm and one Saturday per month for the STEM program and two mornings a month for the seniors that would cost \$15,820 per year. If the center was opened Monday through Friday 9:30am until 6:30pm that would cost about \$26,500 a year.

Councilman Lee questioned if the paving of the parking lot and exterior painting of the building had to be completed this year. Town Manager Michael Scott stated this was the only Town facility that did not have a paved parking lot and he would like to see that completed. Not only for the aesthetics of the area, but for the safety of the elderly patrons. The Town Manager further stated that based on the savings from the insurance premiums, the Town could fund the capital projects and increase the Center's hours of operation.

Councilman Scott stated in the future there should be a director for that facility.

Councilman Barbour suggested speed bumps be installed in the area for the safety of the children in the neighborhood. It was the consensus of the Council to install two speed bumps near the community center.

It was the consensus of the Council to open the Sarah Yard Community Center Monday through Friday from 3:30pm until 6:30pm and one Saturday per month for the STEM program and two mornings a month for the seniors that would cost. Also included in this, was a salary increase of \$1.00 an hour for the part-time staff.

• Electric Fund

a. Pay as you go option and due date selection

Finance Director Greg Siler informed the Council that he had invested the option of allowing customers to choose their own due date. Mr. Siler explained the Town currently has two due dates (the 5th of the month and the 20th of the month). Customers does not have a choice because the due date was determined by your location. Mr. Siler explained it would not be possible to allow customers to choose their due date. Councilman Scott suggested allowing a ten-day grace period before the penalty is applied to the utility account.

Councilman Scott questioned if prepaid meters would be a viable option for customers. Mr. Siler responded prepaid meters would benefit the Town more than it would the customer. Mr. Siler explained that staff makes every effort to work with utility customers for utility deposits and payments.

- **Water/ Sewer Fund**

- a. **Water Plant Expansion**

- Town Manager Michael Scott asked that this discussion be held at a later date. Staff has had some discussion with the County concerning adjusting contracts so that we can have surety they are going to purchase the water.

- b. **Meter Reading Contract**

- Councilman Scott questioned if the Town should renegotiate its contract with Grid One since all the residential electric meters have been converted to the smart meters and some water meters have been converted. The Town Manager responded the only way to renegotiate the contract is to bid it out. The Town Manager further responded he has already instructed the Public Utilities Director to prepare a Request for Proposal for meter reading services.

- **Employee Benefits and Salary Adjustments**

The Town Manager explained there was a 2.5% salary adjustment line in each of the three funds for salary adjustments for employees. \$162,000 was budgeted in the General Fund and \$32,000 was budgeted in the Electric and Water/ Sewer Funds. The Town Manager further explained that had the Town not been impacted by COVID19, he would have proposed a 2.5% increase in July and an up to 3% merit increase in January. With revenue projections being uncertain, he was not comfortable proposing the additional merit increase. Also, he informed the Council that he would be more comfortable implementing any salary increase in September instead of July.

Councilman Scott suggested reinstating the longevity program for employees. The Town Manager stated when he created the traditional budget proposal the 3% merit could have also been used to reinstate the longevity program. Councilman Barbour stated not every employee would be eligible to receive a longevity payment. It was intended to reward employees who remained with the Town.

Councilman Barbour questioned if the Town Manager was included in the salary adjustment. The Town Manager responded, funds for an increase for him were included in the budget, but he does not receive the increase automatically like other full-time employees. It would be at the discretion of the Town Council to vote to increase his salary.

Insurance

Human Resources Director Tim Kerigan informed the Council that status quo health insurance premiums increased 6%. The Employee Benefits Committee discussed how the Town could improve its benefits package. He investigated an enhanced benefit plan which would reduce the cost of doctor visit co-pays, specialist visit co-pays, deductibles, and prescription drug co-pays. The enhanced benefits package would cost the Town an additional \$138,400 as opposed to \$54,000 for the current package. The enhanced plan was included in the draft budget.

- **Fee Schedule**

Town Manager Michael Scott informed the Council that most of the fee schedule changes were in Parks and Recreation and water and sewer rates. He stated the goal with water and sewer rates was to generate enough to stay as close to the cost of service as possible.

Councilman Scott made a motion, seconded by Councilman Wood, to adopt the FY 2020-2021 Fee Schedule. Unanimously approved.

{Attached hereto by refence is the FY 2020-2021 Fee Schedule which is on file in the Office of the Town Clerk}

Councilman Scott asked for an update on the Water Plant Expansion. Town Manager Michael Scott responded staff is still waiting on one permit to be approved. Once that is approved, the Town will have to go to the LGC for loan approval. Once the loan is approved, the Town would have to solicit Request for Proposals from qualified contractors. Council would have to approve the contractor before anything is built. Councilman Scott stated a lot of citizens were still concerned about the water plant expansion project.

Councilmembers Comments: none

Town Manager's Report:

The Town Manager's Report was provided to the Council in written form.

Adjourn

Being no further business, Mayor Pro-Tem Dunn made a motion, seconded by Councilman Rabil, to adjourn the meeting. The meeting adjourned at approximately 9:57pm

ATTEST:

M. Andy Moore, Mayor

Shannan L. Parrish, Town Clerk