

The Smithfield Town Council met in Special Session on Tuesday, January 18, 2022 at 6:30 pm in the Council Chambers of the Smithfield Town Hall, Mayor M. Andy Moore presided.

Councilmen Present:

John Dunn, Mayor Pro-Tem
 David Stevens, District 2
 Travis Scott, District 3
 Dr. David Barbour, District 4
 Stephen Rabil, At-Large

Councilmen Absent

Marlon Lee, District 1
 Roger Wood, At-Large

Administrative Staff Present

Michael Scott, Town Manager
 Shannan Parrish, Town Clerk
 Greg Siler, Finance Director

Call to Order

Mayor Moore called the meeting to order at 6:35 pm.

Approval of the Agenda

Councilman Stevens made a motion, seconded by Councilman Rabil, to approve the agenda as submitted. Unanimously approved.

Closed Session Pursuant to NCGS 143-318.11 (a) (5)

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Dunn to enter into closed session pursuant to NCGS 143-318.11 (a) (5) at 6:36 pm

Reconvene In Open Session

Councilman Barbour made a motion, seconded by Councilman Scott, to reconvene in open session. Unanimously approved at 6:51 pm.

Discussion of American Rescue Plan Act (ARPA) Funds

Town Manager Michael Scott informed the Council the Town received the first payment of ARPA funds on July 1, 2021 and it will receive the second payment on July 1, 2022. He questioned how the Council would like to use these funds. Funds could not be used for debt service or employee pensions, but could be used for almost anything else if the Council chose to approve those funds as revenue loss funds. The Town has to advise the Federal Government of allocation of funds by December 31, 2024 and all funds have to be spent by December 31, 2026.

Town Manager Michael Scott reviewed the following grants the Town has been awarded from the State Budget. They are as follows:

State Grant Summary:

PED Trail and Splash Pad Phase II	\$536,300
Amphitheater Project	\$989,500
CSX Culvert	\$950,000
Pump Station 11 and Outfall Line	\$2,000,000
Pump Station 1 Increase Capacity	\$500,000
Build Force Main in North Smithfield	\$500,000
Total	\$5,475,800

The Town Manager explained all of the aforementioned projects had to be completed by July 2024.

Mayor Pro-Tem Dunn questioned if the ARPA funds could be used if the State Grant funds did not cover the entire cost of a project. The Town Manager responded ARPA funds could be used for that purpose.

Town Manager Michael Scott reviewed the Economic Development Administration Grant for the West Smithfield Outfall Line Project.

Total Project Cost:	\$3,795,880
Match Amount Required	\$1,095,880
Grant Amount:	\$2,700,000

The Town Manager explained that ARPA funds could now be used as the Town's match amount for this grant. He reminded the Council that \$1,573,340 had been budgeted for the Durwood Stephenson Water Line Project, but since the County provided a grant to the Town for that project, those funds were still in the Water/Sewer Fund Balance.

Town Manager Michael Scott provided the Council with the following list of projects the Council could consider completing with the use of ARPA funds.

1. Side Walk Projects
2. Take Home Police Cars \$340,000
3. Body Cameras \$148,000
4. New Fire Rescue Truck \$875,000

5. Vac Truck for Storm Water:	\$450,000
6. Replacement Sanitation Truck	\$200,000
7. Water Plant Loan Reduction	\$2,000,000
8. Water Plant Intake Restructure	\$1,300,000
9. Rehab Electric Delivery Point 1	\$1,100,000
10. Police Department Expansion:	\$1,500,000
11. Outlet Center Drive	\$700,000
12. EDA Grant Match	\$1,095,880
13. Land Acquisition for future Growth	
14. Parks Investments	
15. Personnel Investments	
16. Town Hall Expansion	

Councilman Barbour asked for an update on the Spring Branch Project. The Town Manager responded the application was being finalized and was due February 1, 2022. The Town Manager stated staff was investigating a lot of stormwater and sewer infrastructure grants and they would be applying for as many as the Town was eligible.

Town Manager Michael Scott informed the Council that at some point there would have to be a discussion about funding for stormwater. He explained how the stormwater ERU was calculated. He recommended using ARPA funds for a stormwater plan.

Councilman Scott stated he reviewed the budget and there were many urgent needs. He stated staff requested a vac truck and camera system for underground pipes.

Councilman Scott stated Powell Bill funds were decreasing. He explained the Council never discussed curb and gutter for streets. It was his opinion that some of the ARPA funds should be used for street improvements. There was past discussion about the purchase of a mini-paving machine so some street patching could be done by employees. The Town Manager responded that was not an option since the Town did not have the staff to perform that type of work.

Councilman Scott stated the Town needed to improve its Load Management Program. He explained when the peak load is shaved, everyone in the Town saves.

Mayor Moore agreed with looking for a vac truck and camera system because they were both important for stormwater management. The Town Manager explained the vac truck would systematically go through all areas of the Town to clean out drains and identify problem areas.

Councilman Barbour questioned the main purpose of the ARPA funds. The Town Manager responded it was originally intended for infrastructure projects, but the Federal Government has loosened the restrictions. Councilman Barbour stated the Town has the opportunity to build its foundational infrastructure such as: roads, sidewalks, pipes, stormwater and repairs to some of the existing infrastructure.

Mayor Pro-Tem Dunn stated the Town was very fortunate to receive the amount of State grant funding it had received. He questioned the amount of the yearly payment and overall interest paid amount if ARPA funds were used to reduce the Water Plant Expansion debt by \$2,000,000. The Town Manager responded the payment would be reduced by \$111, 448 and overall interest would be reduced by \$292,000.

The Police Department Expansion Project: It was suggested that the engineering be completed first and the actual construction be completed when material prices decrease.

Mayor Moore stated it was his understanding the ARPA funds were to be used for "shovel-ready" projects that could be implemented and completed quickly. Mayor Moore questioned if the list of projects provided by the Managers were considered actual priorities.

Mayor Moore indicated he would like to have more information on the Water Plant Intake Restructure project. Councilman Scott stated he would like more information on all the items on the list of potential projects offered by the Town Manager.

Councilman Barbour questioned if the reduction to the Water Plant Expansion project loan was a priority since the loan payments would be paid by the fees generated by the water service. Enterprise funds should generate fees for its infrastructure. Mayor Moore stated the ARPA funds could not be used for debt service. The Town Manager responded that ARPA funds could not be used for debt service, but the \$2,000,000 could be used to pay for some of the actual construction thus lessening the amount the Town had to borrow.

Councilman Scott questioned if the School Board was obligated to pay for half of the expenses for the Smithfield Recreation and Aquatics Center. The Town Manager responded the School Board was obligated to pay for half of the maintenance.

Police Take Home Car Program: This Program was currently in place for officers who live in Smithfield. The Council questioned if the \$340,000 was the total project budget. The Town

Manager stated the Police Chief was having difficulties purchasing patrol vehicles. The \$340,000 was a one-time expense for additional vehicles. The Town Manager further stated this program was something the Council and staff had discussed as a way to recruit and retain officers.

Councilman Scott stated employees were the Town's number one resource and the Council needed to take care of the employees. He suggested reinstating the longevity benefit. Employees would receive \$500 after 5 years and then an additional \$100 per year of service until they reached twenty-five years of service. He further stated \$120,000 would be needed to fund the longevity benefit.

Mayor Moore questioned if there were additional projects/ideas from the Council not included on the list provided by the Town Manager. He suggested the Council provide those ideas to the Town Manager.

Councilman Scott suggested reviewing the Capital Improvement Projects for Parks and Recreation and the Recreation and Aquatics Center. He stated the parks plan needs to be revamped. The Town Manager explained there were funds from the Town's 2% tourism funds for the Highway 210 park project.

Councilman Scott stated this was an opportunity to discuss some downtown projects.

Mayor Moore encouraged the Council to provide any ideas to the Town Manager on how the ARPA funds could be used so the Manager could begin developing a plan.

It was the consensus of the Council that the following projects were not considered priorities at this time: Take Home Police Cars, Police Body Cameras, New Fire Rescue Truck, and Replacement Sanitation Truck. The Council asked for additional information on the Water Plant Intake Restructure. They also requested staff to obtain a quote for the Vac Truck and how long it would take to build the truck to the Town's desired specifications.

Budget Discussion

Town Manager Michael Scott provided the FY 2022-2023 budget schedule to the Council. He questioned if the Council would like to have a meeting to discuss budget priorities prior to staff presenting their budget requests to the Manager. It was the consensus of the Council to hold a meeting prior to February 25, 2022.

Adjourn

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Dunn, to adjourn the meeting. The meeting adjourned at approximately 8:40 pm.

ATTEST:

 Shannan L. Parrish, Town Clerk




 M. Andy Moore, Mayor