

The Smithfield Town Council met in regular session on Tuesday, July 11, 2017 at 7:00 p.m. in the Council Chambers of the Smithfield Town Hall, Mayor M. Andy Moore presided.

Councilmen Present:

Emery Ashley, Mayor Pro-Tem
Marlon Lee, District 1
Travis Scott, District 3
Roger A. Wood, District 4
John A. Dunn, At-Large
Stephen Rabil, At-Large

Councilmen Absent

J. Perry Harris, District 2

Administrative Staff Present

Michael Scott, Town Manager
John Blanton, Fire Chief
Lenny Branch, Public Works Director
Tim Kerigan, Human Resources/PIO
Steve Medlin, Interim Planning Director
R. Keith Powell, Chief of Police
Greg Siler, Finance Director
Shannan Williams, Town Clerk

Present:

Bob Spence, Town Attorney
Bill Dreitzler, Town Engineer

Administrative Staff Absent

Ted Credle, Public Utilities Director
Gary Johnson, Parks & Rec Director

Mayor Moore called the meeting to order at 7:00

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

APPROVAL OF AGENDA:

Councilman Scott made a motion, seconded by Councilman Lee, to approve the agenda with the following amendments:

- Remove from Public Hearings Item #1 - *Conditional Use Permit Request - Suburban Apartments (CUP 17-06)*.
- Remove from Public Hearings Item #4 - *Amendment to the Town of Smithfield's Code of Ordinances: In accordance with NCGS160A-364 a public hearing is required to gain citizen input on the proposed changes to Chapter 7, Fire Prevention & Protection; Article II., Fire Department; Section 31 Open Fires – Prohibited*
- Remove from Business Items # 4 *Consideration and Approval to purchase and install rumble strips on Second Street and Southwood Drive.*
- Replace the removed Business Item #4 with Business Item: *Consideration and Approval to award a SHARP Grant to Sounds Station and Security.*
- Move Business Item #2 *Discussion concerning the funding request made by Smithfield Selma High School's Men's Basketball Coach Matt Cuddington* to the Consent Agenda
- Move Business Item #5 *Consideration and Approval of a Contract with Coverall Cleaning in the annual amount \$40,620.00 for janitorial services* to the Consent Agenda.

Unanimously approved.

Councilman Lee questioned why the request for funding by Coach Cuddington was placed on the business items and not the consent agenda. Town Manager Michael Scott responded that he requesting feedback from the Council on this request. Since he received both negative and positive comments, along with some questions, he felt that it was an agenda item that warranted discussion.

PRESENTATION:

1. Freedmen's School request by Johnston County Heritage Center

Executive Director of the Heritage Center Todd Johnson addressed the Council on the Freedmen's School located on North Fourth Street. He recognized the members of the First Missionary Baptist Church that were in attendance. Mr. Johnson explained the Freedmen's School was built in 1869 by the Freedmen's Bureau for African American children. This is the only known Freedmen's School in existence in North Carolina. About a year ago, First Missionary Baptist Church acquired the property and they would be willing to donate the building to the Town. Mr. Johnson further explained this building is a valuable resource that should stay in Smithfield. He requested that the Town Council consider allowing the school to be moved to a piece of property currently owned by the Town. He suggested it be moved near the Thomas Cemetery because many former African American teachers and students are buried there.

Mayor Pro-Tem Ashley stated he felt confident the Town could find a suitable location for the school. Mr. Johnson responded that he does not expect the Town to do anything other than provide a piece of property for the school.

Councilman Wood questioned the proposed use of the building. Mr. Johnson responded that he felt it needed to be more than a shrine of museum. The building was built as a school and we would like for it to be used for a similar purpose.

PUBLIC HEARINGS:

Town Clerk Shannan Williams administered affirmations to those that wished to offer testimony during the Public Hearings.

1. Conditional Use Permit Request by Smithfield Assisted Living – (CUP 17-07)

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

Senior Planner Mark Helmer addressed the Council on a request by Smithfield Assisted Living. The applicant was requesting a conditional use permit to allow for an assisted living facility on property located within an OI (Office & Institutional) zoning district. The property is located on the east side of the proposed Kellie Drive Extension approximately 800 feet north of its intersection with Booker Dairy Road and further identified as Johnston County Tax ID # 14075021.

Senior Planner Mark Helmer has incorporated his entire record and provided it to Council in written form in the July 11, 2017 agenda packet.

The Planning Department recommended approval of the conditional use permit for a 66 unit assisted living facility on property located within an OI (Office & Institutional) zoning district.

The Planning Board, at its June 1, 2017 meeting, unanimously voted to recommend approval of the conditional use permit to allow for a 66 unit assisted living facility on property located within an OI (Office & Institutional) zoning district.

Mayor Moore asked the applicant if he was in agreement with the testimony provided by Mr. Helmer. Marc Summey, the engineer for the applicant, responded he was in agreement with the testimony offered by Mr. Helmer.

Mayor Moore asked if there were any comments/questions from those that had been duly affirmed to offer testimony. There was none.

Mayor Moore asked if there were any questions from Council.

Mayor Pro-Tem Ashley questioned if the Planning Department had received any objections from any of the adjoining property owners. Mr. Helmer responded he had not received any negative feedback from adjoining property owners.

Councilman Scott questioned how this project would be impacted with the changes to Booker Dairy Road and Kelly Drive. Mr. Helmer responded that minor changes to the proposed plan are likely, but the plan is very preliminary.

Councilman Wood questioned if the applicant would have to appear before the Council in the event that the site plan changes. Mr. Helmer responded the applicant would appear before the Council only if there were major revision. Town Manager Michael Scott explained that the conditional use permit before the Council allows the land to be used for an assisted living facility.

Councilman Scott questioned how traffic would be impacted in the area given the facility's proximity to Neuse Charter School and Smithfield Selma High School. Mr. Helmer responded he was unsure how NCDOT would route traffic in the area but NCDOT does prefer two ingress and egress.

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

The Written Finding

Town Council of the Town of Smithfield decided 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 Dunn, to vote in the affirmative to all of the below four findings. Unanimously approved.

- **Finding One of Four: Agree**

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 Town Council finds that no factual evidence by competent witnesses has been submitted to suggest that public health and safety would be jeopardized by recommending approval of an assisted living facility at this location.

- **Finding Two of Four: Agree**

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 Town Council finds that the use can and will conform to Town of Smithfield Unified Development Ordinance because the site will have access to a public dedicated street and access to town water, town sewer and town electric services.

- **Finding Three of Four: Agree**

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 Town Council received no factual evidence from expert witnesses that suggests that adjoining property values will be harmed if the proposed assisted living facility is constructed at the proposed location.

- **Finding Four of Four: Agree**

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

The Town Council finds that the proposed assisted living facility is consistent with the purpose and intent, and will not violate the character of current development standards. Furthermore, the Town Council finds the proposed assisted living facility were proposed will not adversely affect any adopted plans to include small area plans or existing transportation plans for this area.

Record of Decision: Approval of Conditional Use Permit Application Number CUP-17-07

Mayor Pro-Tem Ashley 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-17- 07. Unanimously approved.

2. **Proposed Electric Rates Reduction:** In accordance with NCGS 159B-16.1. *"Revenues – NCEMPA Members"*, a public hearing is required to gain citizen input on the proposed electric rate reductions per the Cost of Service Update provided by Utility Financial Solutions, LLC.

Councilman Dunn made a motion, seconded by Councilman Rabil, to open the Public Hearing. Unanimously approved

Town Manager Michael Scott addressed the Council on a proposed electric rate reduction. The Town Manager explained that during previous budget workshops, staff was directed to enlist the assistance of Utility Financial Solutions (UFS) to determine what, if any, rate reduction could be passed on to the customers of Smithfield. In April of 2017, Electricities reduced its wholesale electric rate to its members by an average 4.5%. Different possible reductions, as well as no reduction, were explored and analyzed. Following this review, staff is confident recommending the average 4.5% reduction received by the Town in April, can be passed on to its customers, as recommended by UFS in the attached rate design.

The Town Manager further explained that Electricities has provided information that wholesale rates are planned to increase by 3% in FY 2020 and an additional 3% in FY 2021. While staff is confident of the Town's recommended rate structure between the current time and FY 2020, it is likely another rate study will need to be completed for the FY 2020 budget, should the aforementioned, planned rate increase come to fruition.

Mayor Moore asked if there was anyone in attendance that would like to speak on the matter.

Tony Nixon of 8 Cedar Drive questioned if rates would increase in the future. Town Manager Michael Scott responded electric rates are fluid and should Electricities increase rates in 202, the Town would have to consider if a rate increase was necessary. Mr. Nixon questioned if excess funds for the Electric Fund could be used to balance the water/sewer fund. The Town Manager responded that enterprise funds are meant to be self-supporting and funds from the electric fund could not be used to subsidize the water/sewer fund.

Mayor Pro-Tem Ashley made a motion seconded by Councilman Rabil to close the Public Hearing. Unanimously approved.

Councilman Scott made a Motion, seconded by Councilman Lee, to approve the rate structure as outlined below effective in the August billing cycle. Unanimously approved.

Town of Smithfield Rate Design
Rate Design Summary

Customer Class	Projected	Projected	Projected	Projected
	Revenues Under Current Rates	Revenues Under Proposed Rates Year 1	Revenue Change Year 1	Percentage Change Year 1
Residential	\$ 4,250,859	\$ 4,017,061	\$ (233,797)	-5.50%
Small General Service	509,251	481,242	(28,009)	-5.50%
Municipal GS	55,095	53,167	(1,928)	-3.50%
Area Lights	305,735	289,040	(16,696)	-5.46%
Residential Time-of-Use	323,049	311,742	(11,307)	-3.50%
General Service	6,813,826	6,517,198	(296,628)	-4.35%
Commercial Time-of-Use	759,048	726,004	(33,044)	-4.35%
Large GS- Coor Pk Demand LG-2	3,483,539	3,358,016	(125,523)	-3.60%
Large GS- Coor Pk Demand LG-3	346,959	334,815	(12,144)	-3.50%
Totals	\$ 16,847,361	\$ 16,088,286	\$ (759,075)	-4.51%

Councilman Scott pointed out that there is a 2.5% difference in gross sales. Councilman Scott stated that Council and staff could work with the citizens and businesses to educate them on the demand charge. He suggested that the Council look at improving the antiquated load management plan. In the event that Duke Energy Progress is able to increase its rates by the proposed 16%, the Town of Smithfield's rates will then be less expensive in some electric classifications.

Councilman Scott made a motion, seconded by Councilman Rabil, directing staff to work with Council to bring the full Council options that reflects the 2.5% gross sales difference for a rate stabilization special use fund to ensure that our rates stay competitive. Unanimously approved

Mayor Moore asked Councilman Scott to work with staff on rate stabilization options.

CITIZENS' COMMENTS:

- Tony Nixon of 8 Cedar Drive stated that he addressed the Council in March about blighted houses in the East Smithfield Community. He shared with the Council an editorial comment dated August 14, 1973 that was published in the Smithfield Herald. The editorial discussed some of the same blighted housing issues that were similar to housing today. Mr. Nixon asked that the Council "put some teeth" in the Ordinances and hold landlords accountable for their properties
- Sonny Howard of Woodlawn Drive addressed the Council on the timing of traffic signals on Second Street, Third Street, Bridge Street, Fourth Street and Fifth Street. Mr. Howard explained that these signals are causing major issues especially in the evening. Town Manager Michael Scott responded

that he would contact NCDOT to review the light sequence. Mr. Howard also informed the Council that the ditch on Buffalo Road and Hospital dropping and it could become a dangerous situation if not properly addressed.

CONSENT AGENDA:

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

1. Approved the following Minutes:
 - June 6, 2017 – Regular Meeting
 - June 6 2017 – Closed Session
2. Special Event - Touch A Truck: Approval was granted to allow The Junior Women’s League to conduct the Touch a Truck event to be held Saturday, October 28, 2017 from 7:00 a.m. to 4:00 p.m. on the 100 and 200 blocks of S. Third Street, from Market Street to Church Street, as well as the 200 and 300 blocks of Johnston Street, from Second Street to Fourth Street. These streets will be closed during the event hours. This event was approved as an annual event.
3. Approval was granted to enter into an Interlocal Agreement for Fire Protection Services with Johnston County
4. Approval was granted to authorize staff to submit a grant application to Johnston County Visitor’s Bureau for \$25,000 to resurface the tennis courts at Smithfield Community Park. This grant is a 50/50 match.
5. Resolution #604 (09-2017) Authorizing the disposition of certain surplus property and auctioning of that property by the electronic auction service of GovDeals.com was adopted.

**TOWN OF Smithfield RESOLUTION # 604 (09-2017)
 Authorizing the Sale of Certain
 Personal Property at Public Auction**

***WHEREAS,** the Town Council of the Town of Smithfield desires to dispose of certain surplus property of the Town in accordance with NC GS 160A-270; and*

***WHEREAS,** the Town Council of the Town of Smithfield desires to utilize the auction services of a public electronic auction service.*

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

1. *The following described property is hereby declared to be surplus to the needs of the Town:*

Dept.	Vin/Ser.#	Description
Admin.	FX- F1921	Panasonic Fax Machine
Police	2B3KA43V39H597269	2009 Dodge Charger
Police	2B3AA4CT9AH217530	2010 Dodge Charger
Public Works	2G1WF55K839235717	2003 Chev. Impala
Public Works	3FTZF17221MA54434	2000 Ford F150XL
Public Works	1FDZW86F0WVA40764	1998 Ford Garage Truck

2. *The Town Manager or his designee is authorized to receive, on behalf of the Town Council, bids via public electronic auction for the purchase of the described property.*
3. *The public electronic auction will be held beginning no earlier than July 24, 2017.*
4. *The Town Council further authorizes the disposal of Town surplus property by use of a public electronic auction system provided by GovDeals Inc. The property for sale can be viewed at www.govdeals.com. Citizens wanting to bid on property may do so at www.govdeals.com. The terms of the sale shall be: All items are sold as is, where is, with no express or implied warranties; All items will be sold for cash or certified check only; Payment must be received for all items sold before they may be removed from the premises; All items sold must be paid for and removed from the site of the sale within 5 business days of the sale, or they will be subject to resale.*
5. *The Town Clerk shall cause a notice of the public auction for surplus property to be noticed by electronic means in accordance with G.S. 160A-270(c), available on the Town of Smithfield website www.smithfield-nc.com*
6. *The highest bid, if it complies with the terms of the sale, may be accepted by the Finance Director or his designee and the sale consummated.*

6. Approved Career Ladder Promotion: The employee will be promoted from the rank of a Fire Fighter I to the rank of Fire Fighter II and will receive a 5% salary increase.
7. Approved amending the status of a position in the Parks and Recreation Department from a nonexempt status to an exempt status The new annual salary would be \$41,500
8. Approved salary increase for the Water Plant Supervisor. The adjustment equates to a \$3,959 increase.
9. Approved hiring a Water Plant Operator above the minimum starting salary due to advanced qualifications. Employee was hired as a Water Plant Operator II at an hourly rate of 17.293 per hour (\$35,969.44/year).
10. New Hire Report

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Sanitation Equip. Operator	PW - Sanitation	10-5800-0200	\$13.10/hr. (\$27,248.00/yr.)
P/T Athletic Staff	P&R	10-6200-0210	\$9.00/hr.
P/T Reception Staff	P&R	10-6220-0210	\$9.00/hr.
P/T Lifeguard (7)	P&R	10-6220-0230	\$7.50/hr.
P/T Summer Camp Counselor	P&R	10-6220-0230	\$8.00/hr.
P/T Summer Camp Counselor	P&R	10-6220-0230	\$9.00/hr.
P/T Instructor	P&R	10-6220-0230	\$10.00/hr.
P/T Art Instructor	P&R	10-6220-0230	\$15.00/hr.
P/T Laborer (2)	PU – W/S	30-7220-0200	\$8.00/hr.
Admin. Support Specialist	General Government	10-4100-0200	(\$13.76/hr.)
(\$28,620.80/yr.)	PU – W/S	30-7220-0200	(1/3 of above)
	PU- Electric	31-7230-0200	(1/3 of above)

Current vacancies:

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>
Planning Director	Planning	10-4900-0200
Police Officer	Police	10-5100-0200
Sanitation Equip. Operator	PW – Sanitation	10-5800-0200
Water Plant Operator	PU – WP	30-7200-0200
Zoning & Minimum Housing Compliance Officer (P/T)	Planning	10-4900-0200

11. Approved the funding request made by Smithfield Selma High School's Men's Basketball Coach Matt Cuddington in the amount of \$510.00 from line item 10-4110-5506 for local school support.
12. Approved the contract with Coverall Cleaning in the annual amount \$40,620.00 for janitorial services. Proposals were received from five (5) companies and are as follows;

• Barnes Cleaning Co.	\$48,540.00
• Ace Cleaning Service	\$47,940.00
• Coverall Cleaning	\$40,620.00
• International Design & Cleaning	\$39,000.00
• Jani-King	\$38,592.00

Unanimously approved.

BUSINESS ITEMS:

1. Consideration and Approval of Continuing to engage Sanford Holshouser for Economic Development Consulting and Assistance

Economic Development liaison Tim Kerigan addressed the Council on a request to continuing to engage Sanford Holshouser for economic development consulting and assistance. Mr. Kerigan explained in 2014, the Town engaged Sanford Holshouser to update the Strategic Economic Development Plan. The Update produced 15 recommend action items with associated implementation steps which were anticipated to provide direction for the Town's economic development efforts for the next three to five years. In August, 2016, the Town engaged Sanford Holshouser to provide consulting and assistance to implement the updated plan for FY 2016-2017. To this date, much progress has been made and much appears to be on the near horizon. Staff recommends utilizing no greater than \$20,000 of economic development funds that were encumbered from the FY 2016-2017 budget in order to continue to engage Sanford Holshouser for Economic Development Consulting to assist in the implementation of items as outlined in the proposed Plan of Work derived from the Strategic Economic Development Plan Update from 2014.

Mike Fleming expressed the SEDAC's desire to continue employing the services of Rocky Lane of Sanford Holshouser. Mr. Fleming explained that Mr. Lane's knowledge is invaluable. Due to the many roles that Mr. Kerigan has with the Town, Mr. Lane takes the lead and provides needed structure.

Mayor Pro-Tem Ashley questioned why there were no reports on economic development. He stated that he is uninformed as to what is going on with economic development efforts in the Town. Mr. Kerigan responded that the reports are included in the agenda packet. Mr. Kerigan further explained that there are some things that cannot be disclosed due to confidentiality agreements.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Lee, to table the request until the August 1, 2017 meeting. This would allow Council to have a better understanding of what is being done. Unanimously approved.

2. Approved financing agreement with KS Bank for the purchase of the Garbage truck

Finance Director Greg Siler addressed the Council on a financing agreement with KS Bank for the purchase of a garbage truck. Mr. Siler explained a request for proposal was sent out recently to six (6) banks soliciting financing bids on a garbage truck purchase. The Town received financing bids from 4 of 6 lenders on the \$164,989 loan request. All bids were based on a 4.5 - 5.5 year term with annual payments. KS Bank proposed 1.54% while First Citizens Bank, BB&T and Four Oaks Bank proposed 1.85%, 2.04% and 3.20% respectively. The fixed annual payment using KS Bank's rate of 1.54% for 5.5 years is \$28,781.67. The annual payment of \$28,781 is \$7,048 less than the budgeted amount of \$35,830.

Town of Smithfield
Resolution # 605 (10-2017)
Approving Financing Terms with KS Bank

WHEREAS: The Town of Smithfield ("Town") has previously determined to undertake a project for the financing of a garbage truck, (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

- 1. The Town hereby determines to finance the Project through KS Bank in accordance with the proposal dated June 20, 2017. The amount financed shall not exceed \$164,989, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.54%, and the financing term shall not exceed 5.5 years from closing.*
- 2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.*
- 3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.*
- 4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).*
- 5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the KS Bank financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town's general fund, or any other Town fund related to the project, for project costs may be reimbursed from the financing proceeds.*
- 6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.*

Councilman Wood made a motion, seconded by Councilman Rabil to approve the financing agreement with KS Bank for the garbage truck and adopt Resolution # 605 (10-2017) Unanimously approved.

3. Approval of a SHARP Grant for Sound Station and Security

Mayor Pro-Tem Ashley questioned if this was the same type of grant awarded by the Town Council for the Market Street Station. Downtown Smithfield Development Corporation Executive Director Sarah Edwards responded that it was the same grant.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Rabil, to award a Smithfield Historic Area Revitalization Plan (S.H.A.R.P.) grant for the Sound Station and Security Project and adopt Resolution # 606 (11-2017). Unanimously approved.

**TOWN OF SMITHFIELD
RESOLUTION #606 (11-2017)
IN SUPPORT OF THE SOUND STATION AND SECURITY PROJECT**

WHEREAS, on April of 2009, the Town of Smithfield adopted a resolution in support of the Smithfield Historic Area Revitalization Plan (S.H.A.R.P.) grant and amended the same with a new resolution on June 5, 2012; and

*WHEREAS, the S.H.A.R.P grant provides an economic incentive to properties within the Downtown Smithfield Historic District and Municipal Service District; and
WHEREAS, the grant means a sum of money, established by the Town Council as \$0.54 per \$100 property valuation, as well as \$.019 per \$100 property valuation Municipal Service District (MSD) of the difference between the current or pre-construction/pre-renovation appraised tax value of a parcel(s) of property and the post-construction/post-renovation appraised tax value of same said parcel(s) as set forth in that resolution; and
WHEREAS, Mohamed & Sons, Inc. has applied for an incentive grant for his renovations & expansion of the properties located at 713 East Market Street; and*

WHEREAS, Sarah Edwards of the Downtown Development Corporation has reviewed the application of Mohamed & Sons, Inc. and verified that Mohamed & Sons, Inc. has met all the application requirements for both the Town of Smithfield and the Downtown Smithfield Development Corporation; and

WHEREAS, Mohamed & Sons, Inc. will improve the tax base of downtown Smithfield with the construction of a new facility to expand its overall facility.

NOW THEREFORE BE IT RESOLVED that the Town of Smithfield Town Council hereby approves the Sounds Station & Security Project located at 713 East Market Street.

Downtown Smithfield Development Corporation Executive Director Sarah Edwards informed the Council that Mr. Mohammed will be making a \$3 million investment with this project.

4. Approval to submit a grant application to the Golden Leaf Foundation

Town Manager Michael Scott informed the Council that he would like to expand his request to include grant funding outlined in Senate Bill 338 approved as part of the State's FY 2018 budget. This bill includes \$30,000,000 to be distributed by the Golden Leaf Foundation for "Eligible projects to include: repair or replacement of existing infrastructure, infrastructure to support new housing development, repair or replacement of equipment; and construction, replacement, or improvement of public infrastructure to support hazard mitigation." Applications are being accepted on a rolling basis until such funds available for this program have been awarded. It is anticipated that requests will be given higher priority if they include the repair or replacement of infrastructure damaged or destroyed by Hurricane Matthew. Requests, such as a fire engine, will be more likely to receive support than requests for other equipment. Also CDBG grants to help our lower income citizens some funding for housing older and lower income areas. We may need to ask for assistance for organizations that submit grants.

Councilman Rabil made a motion, seconded by Councilman Scott, to authorize the Town Manager to submit grant applications under Senate Bill 338 and if needed authorize the Town Manager to enlist the assistance of people to administer these grants at no cost to the Town, Unanimously approved.

Town Manager's Report:

Town Manager Michael Scott gave a brief update to the Council on the following items:

- Inclusion Park: The grading portion of the project continues, as does the cement work and the sidewalks that are nearing completion. At this point the construction goals were met for the month of June.
- Family Life Center: The building portion of the project is nearing completion. Currently we are awaiting Spectrum cable to install the phone access and Internet into the building so the fire alarm systems are functioning properly. Once this is completed, the Fire Inspection can be completed and the building certified for occupancy. A community meeting has been scheduled for July 25th at the Family Life Center at 7:00 pm.
- Softball Tournament: 40 girls' softball teams will participate in the upcoming Tarheel Leagues Softball Tournament at Community Park from July 20th through July 23rd. It is estimated this tournament will have about a \$500,000 positive impact to the community.
- Park Movie Event: On July 22nd, the Parks and Recreation Department will be hosting another "Movie in the Park" event in Community Park. "The Sandlot" will be the movie of the night and will begin between 8:30 and 9:00 in the evening. Some food trucks will also be available to the public during the event
- Fun in the Park: The annual "Fun in the Park" event at Smith Collins Park is also scheduled for July 22nd, during the afternoon (12:00 to 5:00) hours. Make it a full day of fun by enjoying "Fun in the Park" at Smith Collins, followed later in the evening by Movie in the Park at Community Park.
- Altitude Valves: Contained within the Water Plant budget for FY 18, are three (3) altitude valves to control water levels in the water tank. The estimated cost is \$60,000 for the entire project. Recently water was seen flowing from the Jones Brothers Water Tank, which has been a problem that will be remedied by the installation of the water valves. An RFP for these valves has already been distributed for bid and should come before Council in August.

• **Department Reports**

- A highlight of each department's monthly activities was given to the Council.

Closed Session: Pursuant to NCGS 143-318.11 (a)(5): *To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease*

Councilman Dunn made a motion, seconded by Councilman Rabil, to go into closed session pursuant to NCGS 143-318.11 (a) (5). Unanimously approved at 8:33 pm.

Reconvene in Open Session:

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Wood, to reconvene in open session. Unanimously approved at 9:30 pm.

Adjourn

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Scott, to adjourn the meeting. The meeting adjourned at approximately 9:31 pm.

M. Andy Moore, Mayor

ATTEST:

Shannan L. Williams, Town Clerk