

MINUTES – MAY 7, 2018

The Board of Aldermen of the Town of Gibsonville met at 7:00 pm for a regular meeting in the Town Hall. The meeting was called to order by Mayor Williams. Alderpersons Shepherd, Owen, Dean, O’Toole, and Pleasants were present. Ben Baxley, Town Manager, and Laurie Yarbrough, Town Clerk, were present. Police Chief Ron Parrish, Fire Chief James Todd, Public Works Director Rob Elliott, Planning Director Brandon Parker, Finance Officer Chad Coble, Town Attorney Doug Hoy, Ryan Moffit with Lawson Brown Law Firm, and several residents were in attendance.

Invocation

Mayor Williams gave the invocation and gave led the Pledge of Allegiance.

Public Comments

No public comments.

Approval of Agenda

Alderman Shepherd, seconded by Alderman Owen, made a motion to approve the agenda. The motion passed unanimously.

Approval of Minutes

Alderwoman Owen, seconded by Alderman O’Toole, made a motion to approve the minutes of April 10, 2018. The motion passed unanimously.

Petition for Annexation – 115 Frissell Dr.

Ben Baxley, Town Manager, stated Frissell Holdings, LLC was requesting annexation of their property located at 115 Frissell Dr.; this property was contiguous with the town limits and located off Hwy. 70. He presented the petition for annexation and recommend approval of the Resolution Directing the Town Manager to investigate the Petition under G.S. 150A.31. He explained he would present the Certificate of Sufficiency at the next meeting, then the board would set a Public Hearing to consider the Ordinance to Extend the Corporate Limits.

Alderman Owen, seconded by Alderman Shepherd, made a motion to approve the Resolution Directing the Town Manager to Investigate the Petition for Annexation. The motion passed unanimously.

**Resolution Directing the Town Manager to Investigate
A Petition Received Under G.S. 160A-31**

Whereas, a petition requesting annexation of an area described in said petition has been received on April 7, 2018 by the Board of Aldermen of the Town of Gibsonville; and

Whereas, G.S. 160A-31 provides that the sufficiency of the petition shall be investigated by the Town Manager before further annexation proceedings may take place; and

Property identified as Guilford County Register of Deeds Book R-8013, Page 1382-1386 (10.36 ac.); owned by Frissell Holdings, LLC; and

Whereas, the Board of Aldermen of the Town of Gibsonville deems it advisable to proceed in response to this request for annexation;

Now, Therefore, Be It Resolved by the Board of Aldermen of the Town of Gibsonville:

That the Town Manager is hereby directed to investigate the sufficiency of the above described petition and to certify as soon as possible to the Board of Aldermen the result of his investigation.

Adopted this the 7th day of May, 2018.

Mayor

Attest:

Town Clerk

Rezoning Request – 925 Burlington Ave. – Set Public Hearing

Ben Baxley, Town Manager, stated K & J Investment Properties, LLC was requesting their property at 925 Burlington Ave. be rezoned from Light Office (LO) to Limited Business (LB). He stated the Planning Board recommended approval of the rezoning. He stated the next step was for the board to set the public hearing to consider the rezoning request. Staff recommended set the public hearing for the May 21, 2018 meeting. He stated the application for the rezoning stated the use was for a vet’s office; currently it was a church.

Alderman Owen, seconded by Alderman O’Toole, made a motion to set the public hearing for the rezoning request for the May 21, 2018 board meeting. The motion passed unanimously.

Water & Sewer System Development Fees - Set Public Hearing

Ben Baxley, Town Manager, stated at the last meeting Glen Fleming with AWCK provided a draft report of the water system and sewer system development fees; this was needed for the town to be in compliance with new State laws. He stated as Mr. Fleming explained, the town will need to hold a public hearing for public input on the proposed water & sewer development fees. Staff recommended the public hearing be held at the June 4, 2018 board meeting.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to set June 4, 2018 for the public hearing on the water system and sewer system development fees. The motion passed unanimously.

Appointment to the PTAC Link Transit Board

Ben Baxley, Town Manager, stated at the last meeting the board briefly discussed the town’s appointments to the PTAC Link Transit Board. He stated currently Neil Bromilow and Veronica Revels served on the board representing the town. He stated they both have agreed to continue to serve.

Alderman Pleasants, seconded by Alderman O’Toole, made a motion to reappoint Neil Bromilow and Veronica Revels to the PTAC Link Transit Board. The motion passed unanimously.

Budget Ordinance Amendment #9

Ben Baxley, Town Manager, stated Budget Ordinance Amendment #9 was to account for \$580 received from book sales at the Gibsonville Public Library.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to approve Budget Ordinance Amendment #9. The motion passed unanimously.

**TOWN OF GIBSONVILLE, NORTH CAROLINA
2017-2018 BUDGET ORDINANCE AMENDMENT #9**

BE IT ORDAINED by the Board of Aldermen of the Town of Gibsonville, North Carolina, a meeting was held this the 7th day of May, 2018 that the following fund revenues and departmental expenditures together with certain restrictions and authorizations be amended.

SECTION I. GENERAL FUND

	FY 2017-2018	Amendment	FY 2017-2018
Anticipated Revenues	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
Taxes, Current Year	2,701,961	-	2,701,961
Taxes, Prior Years	29,700	-	29,700
Motor Vehicle Tax	316,961	-	316,961
Penalties & Interest	12,000	-	12,000
Cemetery	13,000	-	13,000
Recreation	76,000	-	76,000
Sanitation Service Charge	240,000	-	240,000
Interest on Investments	7,500	-	7,500
Fire District Tax (Guilford)	12,000	-	12,000
<i>Library</i>	<i>1,500</i>	580	<i>2,080</i>
Transfer Perpetual Care	2,700	-	2,700
Sale of Fixed Assets	5,000	-	5,000
Guilford County Funds	55,500	-	55,500
Code Enforcement/Planning	8,000	-	8,000
Brush/White Goods Pickup Fees	1,500	-	1,500
Transit Card Revenue	200	-	200
Miscellaneous	45,250	-	45,250
GHA	2,340	-	2,340
Stormwater Fee	29,000	-	29,000
Solid Waste Disposal Tax	4,500	-	4,500

Intangible: Sales Tax (Alamance Co.)	824,000	-	824,000
Intangible: Sales Tax (Guilford Co.)	423,000	-	423,000
Utility Franchise	380,000	-	380,000
Beer & Wine	30,000	-	30,000
Federal Drug Funds	4,323	-	4,323
Insurance Proceeds	670	-	670
Downtown Revitalization Grant	160,000	-	160,000
Governor's Crime Commission Grant	19,650	-	19,650
Appropriated Recreational Cap. Reserve	34,000	-	34,000
Powell Bill Funds	189,000	-	189,000
Appropriated General Fund Balance	360,410	-	360,410
Total Anticipated Revenues	5,989,665	580	5,990,245

Authorized Expenditures

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
Governing Board	73,116	-	73,116
Administration	1,251,641	-	1,251,641
Police	1,737,610	-	1,737,610
Fire	840,868	-	840,868
Public Works Administration	210,916	-	210,916
Streets	506,553	-	506,553
Powell Bill	136,600	-	136,600
Sanitation	311,110	-	311,110
Recreation	727,859	-	727,859
Library	134,221	580	134,801
Cemetery	18,170	-	18,170
Contingency	41,000	-	41,000
Total Authorized Expenditures	5,989,665	580	5,990,245
	-		-

SECTION II. WATER & SEWER

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
Anticipated W&S Revenues			
<u>Water Revenues</u>			
Water Service Fees	824,263	-	824,263
Tapping Fees	450	-	450
Meter Setting	10,000	-	10,000
Reconnection Fees	40,000	-	40,000
Miscellaneous Revenues	9,900	-	9,900
Development Fees	36,000	-	36,000
Internet Convenience Fees	6,300	-	6,300
Loan Proceeds	152,000	-	152,000
Total Anticipated Water Revenues	1,078,913	-	1,078,913
<u>Sewer Revenues</u>			
Sewer Service Fees	2,061,797	-	2,061,797
Tapping Fees	550	-	550
Meter Setting	10,000	-	10,000
Reconnection Fees	40,000	-	40,000
Miscellaneous Revenues	12,100	-	12,100
Development Fees	44,000	-	44,000
Internet Convenience Fees	7,700	-	7,700
Total Anticipated Sewer Revenues	2,176,147	-	2,176,147
Total Anticipated W&S Revenues	3,255,060	-	3,255,060

Authorized W&S Expenditures

Water Expenditure	1,078,913	-	1,078,913
Sewer Expenditures	2,176,147	-	2,176,147
Total Authorized Expenditures	<u>3,255,060</u>	<u>-</u>	<u>3,255,060</u>
	-	-	-

SECTION III. PERPETUAL CARE FUND

Anticipated Revenues	2,700	-	2,700
Authorized Expenditures	2,700	-	2,700
	-	-	-

SECTION IV. TAX RATE ESTABLISHED

An ad valorem tax rate of \$0.53 per \$100 at full valuation is hereby established as the official tax rate for the Town of Gibsonville for the fiscal year 2017-2018. This rate is based on a total valuation of property of \$575,538,354 and an estimated collection rate of 97.25%.

SECTION V.

Charges for services and fees by Town Departments are levied in the amounts set forth in the Fee Schedule (See Attachment A).

SECTION VI. SPECIAL AUTHORIZATION - BUDGET OFFICER

A. Budget Officer shall be authorized to reallocate departmental appropriations among various object of expenditures as he believes necessary.

B. The Budget Officer shall be authorized to effect interdepartmental transfers, in the same fund, not to exceed 10% of the appropriated monies for the department whose allocations is reduced. Notation of all such transfers shall be made to the Board on the next succeeding Financial Report.

C. He may make interfund loans for a period of not more than 60 days.

D. Interfund transfers, established in the budget document may be accomplished without recourse to the Board.

SECTION VII. RESTRICTION - BUDGET OFFICER

A. Interfund transfer of monies, except as noted in Section VI. Shall be accomplished by the Board authorization only.

B. The utilization of any contingency appropriations shall be accomplished only with Board authorization.

SECTION VIII. UTILIZATION OF BUDGET ORDINANCE

This Ordinance Amendment and the Budget Document shall be the basis of the financial plan for the Gibsonville Municipal Government during the 2017-2018 fiscal year. The Budget Officer shall administer the budget and shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the budget. The accounting section shall establish records which are consonance with the Budget and this Ordinance and the appropriate statute of the State of North Carolina.

Amended this the 7th day of May, 2018.

Attest:

Mayor of Gibsonville, NC

Town Clerk of Gibsonville, NC

FY 2019 Recommended Budget Presentation

Ben Baxley, Town Manager, thanked the HR Officer, Finance Officer, and all the department heads for their help getting to this point. He presented the FY 2019 Recommended Budget. He stated the Recommended FY 2019 Budget was balanced at \$9,882,295. This was an increase of \$634,870 or 6.9 percent above the FY 2018 Budget of \$9,247,425. The budget was comprised of the General Fund, Water & Sewer Fund, and Perpetual Care Trust Fund. The Recommended FY 2019 General Fund Budget was \$6,495,660; an increase of \$505,995 or 8.4 percent above the FY 2018 General Fund Budget of \$5,989,665. The Recommended FY 2019 Water & Sewer Fund Budget was \$3,383,935; a increase of \$128,875 or 4.0 percent above the FY 2018 Water & Sewer Fund Budget of \$3,255,060. The Recommended FY 2019 Perpetual Care Trust Fund Budget was \$2,700; was the same amount as the FY 2018 Perpetual Care Trust Fund Budget of \$2,700. He stated the Recommended FY 2019 Budget maintained the same property tax rate of 53 cents per \$100 valuation as the FY 2018 Budget (no property tax rate increase). He stated the following was included in the FY 2019 Recommended Budget: **General Fund** revenue sources: Property Taxes \$2,795,000, Sales Tax \$1,335,000, Fund Balance appropriation of \$586,721 to purchase capital items, complete capital projects, and fund the Town's participation in Link Transit; Utility Franchise Taxes \$390,000; Motor Vehicle Taxes \$330,000; Sanitation Fees \$288,000; Bill Allocation \$189,000; and Powell Bill Appropriated Fund Balance \$175,000.

The following fee increases and additional fees were recommended: *Sanitation Fee*: \$1.00 increase to add part-time labor for solid waste collection services (includes garbage, large items, brush, and metal collection). \$1.00 generates approximately \$36,000 in revenue; *Street Plan Review and Periodic Construction Observation Fee*: For all streets, the fee includes construction plan review and permitting and record drawings review and mapping. In addition, the fee includes inspecting sub-grade, base courses, and asphalt; sidewalks, and curb and gutter: \$2.00 per lineal centerline foot of street; *Storm Sewer Line Plan Review and Periodic Construction Observation Fee*: For all storm sewer lines, the fee includes construction plan review and permitting and record drawings review and mapping. In addition, the fee includes periodic construction observation of backfill and trench compaction and line video review: \$1.00 per lineal foot of storm sewer line; *Stormwater Management Review and Periodic Construction Observation Fee*: For all Stormwater Management plans and devices, the fee includes construction plan review, permitting and periodic construction observation of constructed stormwater devices: \$1,000.00 per device with one half payable at the time of plan submittal. **Water and Sewer Fund** revenue sources: Sewer Sales: \$2,103,033; Water Sales: \$840,748; Water & Sewer Loan Proceeds: \$150,866; Water & Sewer Retained Earnings Appropriation: \$147,000; Water & Sewer and Reconnection Fees: \$80,000. He stated the following rate increases and additional fees were recommended: *Water and Sewer rates*: 2 percent increase in water rates (9 cents per 1,000 gallons for in-town customers and 18 cents per 1,000 gallons for out-of-town customers) and 2 percent increase in sewer rates (23 cents per 1,000 gallons for in-town customers and 46 cents per 1,000 gallons for out-of-town customers and \$1.07 for sewer only (flat rate). The City of Burlington charges the Town of Gibsonville for water sold and sewer (wastewater) treated. The Town's rate increases are needed to cover the recommended increases by the City of Burlington (they are recommending a 2 percent increase in water rates and a 2 percent increase in the sewer rates) and purchase capital items. Inflow & Infiltration (I&I) (water entering into the sewer system) creates wastewater collection problems and significantly increase operational costs for the Town (approximately \$150,000 – \$300,000 annually). I&I activities include investigating and inspecting sewer lines and meters, identifying top priority problems, and then making repairs and rehabilitating lines to reduce I&I. The Town's sanitary sewer rehabilitation project is expected to be completed in FY 2019 and it is expected to improve I&I issues. *Water Line Plan Review and Periodic Construction Observation Fee*: For all water lines, the fee includes construction plan review and permitting and record drawings review and mapping. In addition, the fee includes periodic observation of backfill and trench compaction and coordinating pressure testing and line disinfection: \$1.50 per lineal foot of water line. *Sanitary Sewer Line Plan Review and Periodic Construction Observation Fee*: For all sanitary sewer lines, the fee includes construction plan review and permitting and record drawings review and mapping. In addition, the fee includes periodic construction observation of backfill and trench compaction and coordinating sewer line and manhole testing and line video review: \$1.50 per lineal foot of sanitary sewer line. *Water and Sewer Services Plan Review and Periodic Construction Observation Fee*: For all water and sewer services, from the main line tap to the property line, including plan review and periodic construction observation of backfill and trench compaction: \$100.00 per lot or \$50.00 for each residential service or \$200.00 for each water service larger than 1 inch or sewer service larger than 4 inch. In addition, \$500.00 for fire lines supplying building sprinkler systems (includes the Town providing the owner/developer with flow data from the water system). *Sanitary Sewer Lift Station Review and Periodic Construction Observation Fee*: For all Sanitary Sewer Lift Station plans and force mains, the fee includes construction plan review and permitting and record drawings review and mapping. In addition, the periodic construction observation backfill and compaction around structures and the coordinating pressure testing of the force main. In addition, the Town will be trained for the operation of the sewer lift station and present at startup of the constructed facility: \$5,000.00 per device with one half payable at the time of plan submittal. **Utility Capital Reserve Fund**:

The Utility Capital Reserve Fund will be created as a direct result of implementing the General Assembly's House Bill 436 and adopting System Development Fees. These fees will replace the current water and sewer development fees and as required by the statute, must be deposited into a capital reserve fund. The following recommended FY 2019 Budget Expenditures were included: **General Fund**: \$350,000 for street improvements; Capital project will be funded through Powell Bill Fund Balance in the amount of \$175,000 and General Fund Balance in the amount of \$175,000; \$157,308 to purchase two replacement vehicles and one additional vehicles for an additional position for the police department (vehicles will be funded through Fund Balance); \$90,000 to purchase at least 28 sets of turnout gear for the fire department (equipment will be funded through Fund Balance); \$62,500 to complete building renovations at Town Hall Annex and the police department area above Town Hall (Capital project will be funded through Fund Balance); \$50,000 General Fund contingency allocation; \$38,000 to participate in Link Transit (participation will be funded through Fund Balance); \$24,000 to purchase a Celebrite Unit for the police department (equipment will be funded through Fund Balance); \$22,600 to purchase a portion of one mini excavator for the street department (equipment will be funded through loan proceeds); \$15,333 to purchase a portion of a one ton service truck for the street department (vehicle will be purchased through loan proceeds); \$15,500 to update the Town's Land Development Ordinance (item will be funded through operating revenue); \$11,580 to purchase a Toro Z-Master 60" mower for the parks and recreation department (equipment will be funded through Fund Balance); and \$10,179 for new debt service payments for one vehicle and equipment (debt service payments will be funded through operating revenue). **Water & Sewer Fund**: \$147,000 to complete the Main Street Waterline Extension project that was started in Fiscal Year 2018; \$75,000 to purchase a new main line sewer camera system (equipment will be funded through loan proceeds); \$45,200 to

purchase a portion of one mini excavator for the water & sewer department (equipment will be funded through loan proceeds); \$42,170 for new debt service payments for one vehicle and equipment (debt service payments will be funded through operating revenue); and \$30,666 to purchase a portion of a one ton service truck for the water & sewer department (vehicle will be purchased through loan proceeds). **Personnel:** \$64,000 (salary/ benefits) for one new full-time police officer position, \$27,000 for part-time labor (25 hours per week) in the sanitation department, and \$10,000 for part-time labor (16 hours per week) in the street department. Also, included was \$60,100 for a 2 percent across-the-board salary adjustment (both General Fund and Water & Sewer Fund), \$32,800 for an up to a 2 percent merit pay (both General Fund and Water & Sewer Fund), and \$18,500 for a 4 percent increase in health insurance (both General Fund and Water & Sewer Fund).

Alderman Pleasants questioned the \$157,380 to replace two police vehicles, he recommended if this was divided by three it would be \$54,000 over a three year period. He asked about the \$18,000 for active shooter kits; the amount requested did they have a long shelf life.

Police Chief Ron Parrish stated he thought it was a 50 year shelf life.

Mr. Baxley stated the active shooter kits were removed, asked for eleven kits.

Alderman Shepherd stated he would need to see the police vehicle figures in writing.

Mr. Baxley stated he had a priority list from the board and he used that as a tool.

Alderman Pleasants stated included was a 2% salary adjustment and a 2% merit; he asked the Town Manager did he feel this would be done fairly.

Mr. Baxley stated everyone would not get the merit.

Alderman Owen agreed with 2% so the town did not get behind on salaries as in the past.

Alderman O'Toole agreed, stating it was much cheaper to retain than to retrain.

Mayor Williams stated they needed to take a close look at development and the tax base. He asked that Alderman Pleasants get with the Town Manager on his recommendation.

Mr. Baxley agreed that he and Alderman Pleasants look at this.

Mayor Williams recommended that the board set the public hearing on the budget at the May 21, 2018 meeting for the June 4, 2018 meeting.

Reports

a. Manager

Ben Baxley, Town Manager, stated Elon-Gibsonville Shred Event would be May 12th.

b. Mayor

Mayor Williams stated the town used to get \$6,000 to \$7,000 from the State for the Senior Center. He asked the Town Manager to check on this. He stated on May 16th the Guilford County Historic Properties would hear the request from the Lindley Historical site.

Alderman Shepherd asked was it only part of the Lindley building.

Mayor Williams stated yes only part of the building.

Kathy King, Sullivan Ct. resident, asked about the rezoning on Burlington Ave; she was confused.

Brandon Parker, Planning Director stated residents were getting confused with the two rezoning on Burlington Ave. He explained this was the Sasser building; there was a church there currently. He stated the other rezoning was the residence and acreage next door that had been postponed. He invited anyone with any questions or concerns to give him a call.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to adjourn. The motion passed unanimously. The meeting adjourned at 7:57 pm.

Mayor

Attest:

Town Clerk