

MINUTES – AUGUST 3, 2015

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, Revels, Owen, and Dean were present. Ben Baxley, Town Manager, and Laurie Yarbrough, Town Clerk, were present. Town Attorney Doug Hoy, Police Chief Ron Parrish, Public Works Director Rob Elliott, Planning Director Brandon Parker, Josh Johnson with AWCK, Ed Dallape and Robin Terry with Partnership Property Management, Librarian Jessica Arnold, and several citizens were in attendance. Alderwoman Revels gave the Invocation, led by the Pledge of Allegiance.

Public Comments

Larry Harvey stated he was applying for an apartment at the Azalea Circle Apts. and had some concerns, so he called Alderwoman Revels and Alderman Dean for help. He thanked them for their help.

Ben Baxley, Town Manager, introduced the new Gibsonville Library Supervisor, Jessica Arnold.

Jessica Arnold thanked everyone for their help and welcoming her.

Approval of Agenda

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

Approval of Minutes

Alderman Owen, seconded by Alderman Shepherd, made a motion to approve the minutes of July 6, 2015. The motion passed unanimously.

Update from Kathleen Rose, CCIM, of Rose Associates

Ben Baxley, Town Manager, stated on April 13, 2015 Kathleen Rose, CCIM, of Rose Associates, presented a proposal for a Downtown District Real Estate Market Analysis and Economic Development Strategy. He stated she was present to give the Board an update.

Kathleen Rose, CCIM, of Rose Associates, stated she wanted to update the Board on the Downtown District Real Estate Market Analysis and Economic Development Strategy. She stated she would be back in September or October for a final report. She stated the Downtown Analysis Process was Investigation, Immersion, Interaction, and Ideation. She stated she had interviewed several individuals including staff, elected officials, stakeholders, property owners, and business owners to gather their input. She stated the town had a lot of assets, such as regional location, downtown, train/depot, mills, historic homes, and available properties. She stated the next step would be to agree to guiding principles, completion of analysis, and the implementation.

Azalea Circle Update - Ed Dallape with Partnership Property Management

Ed Dallape with Partnership Property Management and Azalea Circle Apartments Management introduced the new Property Manager, Robin Terry. He stated FY ending June 30, 2015 they did meet budget goals. He stated the reroofing was completed, there were some HVAC units, cabinets, and refrigerators replaced. He stated one future project would be asphaltting. He stated they would be seal coating and striping parking lot this year. He stated they would be replacing the wood fence with a white vinyl fence.

Alderwoman Revels asked were all the window replaced that needed to be.

Mr. Dallape stated most of the windows were done; this project was spread out to 2022.

Alderman Owen asked about roofs leaking.

Mr. Dallape stated they had one report of a roof leaking and it was an HVAC leaking; not the roof.

Alderman Owen stated they had received complaints about emergency lights not working.

Mr. Dallape yes, they were looking at improving these.

Alderwoman Revels asked was emergency contact information posted at the door of the Apartment Manager.

Mr. Dallape stated yes, they were posted and he had given out business cards also.

Alderwoman Revels stated she had recently attended a workshop on scams on the elderly. She asked was he interested in offering a workshop on this.

Mr. Dallape stated yes he would be.

Alderwoman Revels asked did the apartments have any vacancies.

Mr. Dallape stated yes one - two bedroom.

USDA Sewer Rehabilitation Engineering Contract

Ben Baxley, Town Manager, stated USDA had approved the format of the Sewer Rehabilitation Engineering Contract. This is a 90 page document and was available for review in the Town Manager's office. He stated the Town Attorney had reviewed the Contract. The Town Manager recommended approval of the Engineering Contract.

Josh Johnson with AWCK stated this was the next step in the USDA Sewer Rehabilitation Engineering Contract. He stated USDA had approved the format of the contract.

Alderman Owen asked the Town Attorney did he concur with the Town Engineer.

Doug Hoy, Town Attorney, stated yes, the Town Engineer had answered his concerns.

Mr. Baxley stated he had talked with the LGC and they recommended the Board approve a Declaration of Intent to Reimburse so the funds could be taken from the General Fund and moved to the Sewer Capital Project Fund; when the USDA loan was received the General Fund would be reimbursed.

Alderman Revels, seconded by Alderman Shepherd, made a motion to approve the Declaration of Intent to Reimburse. The motion passed unanimously.

TOWN OF GIBSONVILLE, NORTH CAROLINA DECLARATION OF OFFICIAL INTENT TO REIMBURSE

This declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of the Town of Gibsonville, North Carolina (the "Issuer") with respect to the matters contained herein.

1. **Expenditures to be Incurred.** The Issuer anticipates incurring expenditures (the "Expenditures") for a USDA Sewer System Rehabilitation project (the "Project").

2. **Plan of Finance.** The Issuer intends to finance the costs of the Project with the proceeds of debt to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.

3. **Maximum Principal Amount of Debt to be Issued.** The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is \$409,500.00.

4. **Declaration of Official Intent to Reimburse.** The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

5. **Internal Disclosure of Intent to Reimburse the Town's General Fund with Loan Proceeds.** The Issuer will transfer a maximum amount up to \$409,500 from the Town's General Fund to the Town's Sewer Capital Project Fund to fund said project until loan proceeds are received. Once loan proceeds are received, the Town's Sewer Capital Project Fund will transfer previously transferred monies back to the General Fund. Said project will occur over multiple years.

Adopted this 3rd day of August 2015.

Mayor

Attest:

Town Clerk

Resolution for Approving Financing Terms for the Purchase of Garbage Truck

Ben Baxley, Town Manager, stated four proposals for financing of the garbage truck were received. He recommended approval of the Resolution Approving Financing Terms with BB&T at an interest rate of 1.78%; \$283,000 over five years.

Mayor Williams asked how much did the town pay for the last garbage truck.

Rob Elliott, Public Works Director, stated the last garbage truck was \$240,000. He explained it was less in cost because they were able to piggy back the bid on the truck and this truck was an upgrade.

Mr. Baxley stated they did utilize the purchasing programs to save money.

Alderwoman Revels asked if cash flow was consistent with first payment being due in January.

Mr. Baxley stated yes.

Alderman Shepherd, seconded by Alderwoman Revels, made a motion to approve the Resolution for Approving Financing Terms for the Purchase of the Garbage Truck with BB&T. The motion passed unanimously.

Resolution Approving Financing Terms

WHEREAS: The Town of Gibsonville, North Carolina (the "Town") has previously determined to undertake a project for the purchase of a 2015 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 Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated July 28, 2015. The amount financed shall not exceed \$283,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.78%, and the financing term shall not exceed five (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 BB&T 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.

Approved this _____ day of _____, 2015.

By: _____
(Town Clerk)

By: _____
(Town Manager)

SEAL

Springwood Ave./Cedar St. Water Improvements Project Update

Ben Baxley, Town Manager, stated the town was in the process of acquiring a loan and seeing if approval from the LGC was required; which could take two months. The Town Manager was recommending that \$350,000 be transferred from the General Fund to the Water & Sewer Fund in an effort to continue with the project. Mr. Baxley recommended approval of the Declaration of Official Intent to Reimburse; the intent was to reimburse the transferred funds by financing proceeds pending the LGC's approval.

Alderwoman Revels asked the Town Manager had he talked with the LGC about this project.

Mr. Baxley stated yes he had talked with Amy Edmondson with the LGC; the LGC would have to approve the actual loans.

Josh Johnson with AWCK stated he had talked with the contractor and the start date would be early September.

Alderman Shepherd, seconded by Alderman Owen, made a motion to approve the Declaration of Official Intent to Reimburse. The motion passed unanimously.

**TOWN OF GIBSONVILLE, NORTH CAROLINA
DECLARATION OF OFFICIAL INTENT TO REIMBURSE**

This declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of the Town of Gibsonville, North Carolina (the "Issuer") with respect to the matters contained herein.

1. **Expenditures to be Incurred.** The Issuer anticipates incurring expenditures (the "Expenditures") for a Springwood Avenue and Cedar Street water line replacement project (the "Project").

2. **Plan of Finance.** The Issuer intends to finance the costs of the Project with the proceeds of debt to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.

3. **Maximum Principal Amount of Debt to be Issued.** The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is \$350,000.00.

4. **Declaration of Official Intent to Reimburse.** The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

5. **Internal Disclosure of Intent to Reimburse the Town's General Fund with Loan Proceeds.** The Issuer will transfer a maximum amount up to \$350,000 from the Town's General Fund to the Town's Water and Sewer Fund to fund said project until loan proceeds are recieved. Once loan proceeds are received, the Town's Water and Sewer Fund will transfer previously transferred monies back to the General Fund.

Adopted this 3rd day of August 2015.

Mayor

Attest:

Town Clerk

FY 2015-2016 Budget Ordinance Amendment #2

Ben Baxley, Town Manager, stated the FY 2015-2016 Budget Ordinance Amendment #2 reflected the purchase of the garbage truck (\$8,000 additional cost), Eagle Scout project (\$2500), Water Improvements Project (\$350,000), and Sewer System Rehabilitation Project (\$409,500). He recommended approval of the FY 2015-2016 Budget Ordinance Amendment #2.

Alderman Shepherd, seconded by Alderwoman Revels, made a motion to approve the FY 2015-2016 Budget Ordinance Amendment #2. The motion passed unanimously.

**TOWN OF GIBSONVILLE, NORTH CAROLINA
2015-2016 BUDGET ORDINANCE AMENDMENT #2**

BE IT ORDAINED by the Board of Aldermen of the Town of Gibsonville, North Carolina, a meeting was held this the 3rd day of August, 2015 that the following fund revenues and departmental expenditures together with certain restrictions and authorizations be amended.

SECTION I. GENERAL FUND

A. Revenues	FY 2015-2016	Amendment	FY 2015-2016
	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
Taxes, Current Year	2,323,432	-	2,323,432
Taxes, Prior Years	30,700	-	30,700
Motor Vehicle Tax	309,000	-	309,000
Penalties & Interest	15,000	-	15,000
<u>Local Revenues</u>			
Cemetery	13,000	-	13,000
Recreation	66,000	-	66,000
Sanitation Service Charge	210,000	-	210,000
Interest on Investments	7,500	-	7,500
Fire District Tax (Guilford)	14,000	-	14,000
Library	500	-	500
Transfer Perpetual Care	2,700	-	2,700
Sale of Fixed Assets	3,000	-	3,000
Guilford County Funds	55,500	-	55,500
Code Enforcement/Planning	8,000	-	8,000
Brush/White Goods Pickup Fees	1,500	-	1,500
Miscellaneous	10,000	-	10,000
GHA	2,340	-	2,340
Stormwater Fee	26,000	-	26,000
Solid Waste Disposal Tax	4,300	-	4,300
<u>State Shared Revenue</u>			
	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
Intangible: Sales Tax (Alamance Co.)	706,225	-	706,225
Intangible: Sales Tax (Guilford Co.)	351,575	-	351,575
Utility Franchise	310,000	-	310,000
Beer & Wine	31,000	-	31,000
Powell Bill Funds	185,000	-	185,000
<i>Loan Proceeds</i>	<i>275,000</i>	<i>8,000</i>	<i>283,000</i>
Appropriated Powell Bill Fund Balance	259,600	-	259,600
<i>Appropriated General Fund Balance</i>	<i>249,000</i>	<i>759,500</i>	

			1,008,500
Total General Fund Revenues	5,469,872	767,500	6,237,372

B. Expenditures Authorized by Departments

Department

Governing Board	69,686	-	69,686
Administration	990,372	-	990,372
Police	1,365,530	-	1,365,530
Fire	667,022	-	667,022
Public Works Administration	187,196	-	187,196
Streets	505,137	-	505,137
Powell Bill	444,600	-	444,600
Sanitation	576,938	8,000	584,938
Recreation	477,609	2,500	480,109
Library	115,782	-	115,782
Cemetery	20,000	-	20,000
Contingency	50,000	(2,500)	47,500
Transfer to Sewer Capital Project Fund	-	409,500	409,500
Transfer to Water & Sewer Fund	-	350,000	350,000
Total General Fund Expenditures	5,469,872	767,500	6,237,372
	-		-

SECTION II. WATER & SEWER FUND

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
A. Revenues Anticipated			
Water Rents	982,252		982,252
Utility Charges	1,649,036	-	1,649,036
Tapping Fees	1,000	-	1,000
Meter Setting	20,000	-	20,000
Reconnection Fees	70,000	-	70,000
Miscellaneous Revenues	19,789	-	19,789
Development Fees	40,000	-	40,000
Loan Proceeds	350,000	(350,000)	-
Transfer From General Fund		350,000	350,000
Total Water & Sewer Revenues	3,132,077	-	3,132,077
B. Expenditures			
W&S Expenditures	3,132,077	-	3,132,077
Total Water & Sewer Expenditures	3,132,077	-	3,132,077
	-		-

SECTION III. PERPETUAL CARE FUND

A. Revenues	2,700	-	2,700
B. Expenditures	2,700	-	2,700
	-		-

FY2015-201?

SECTION IV. SEWER CAPITAL PROJECT FUND

		<u>Increase/Decrease</u>	<u>New Budget</u>
A. Revenues Anticipated			
<i>Transfer From General Fund</i>	-	409,500	409,500
Total Sewer Capital P Fund Revenues	-	409,500	409,500
B. Expenditures			
<i>Engineering and Preliminary Investigation</i>	-	409,500	409,500
Total Sewer Capital Project Fund Expd.	-	-	409,500
	-		-

SECTION V. TAX RATE ESTABLISHED

An ad valorem tax rate of \$0.51 per \$100 at full valuation is hereby established as the official tax rate for the Town of Gibsonville for the fiscal year 2015-2016. This rate is based on a total valuation of property of \$523,714,384 and an estimated collection rate of 97.48%.

SECTION VI.

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

SECTION VII. 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 VIII. 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 IX. 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 2015-2016 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.

Adopted this the 3rd day of August, 2015.

Mayor

Attest:

Town Clerk

Sewer System Rehabilitation Project Ordinance

Ben Baxley, Town Manager, presented Capital Project Ordinance for the Sewer System Rehabilitation Project. He stated the ordinance identified and authorized the project; identified the revenue sources for financing, and made all the appropriations necessary to complete the project. He recommended approval of the Ordinance.

Alderman Owen, seconded by Alderman Shepherd, made a motion to approve the Sewer System Rehabilitation Project Ordinance. The motion passed unanimously.

**CAPITAL PROJECT ORDINANCE
SEWER SYSTEM REHABILITATION PROJECT**

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF GIBSONVILLE, NORTH CAROLINA, that pursuant to Section 13.2, Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted:

- Section 1. The Project authorized is Sewer System Rehabilitation Project.
- Section 2. The officials of the Town of Gibsonville are hereby directed to proceed with this program within the terms of the project.
- Section 3. The following revenues are anticipated to be available to the Town to complete the project:

Transfer from General Fund Balance	\$ 409,500
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- Section 4. The following amounts are appropriated for this project:

Engineering and Preliminary Investigation	\$ 409,500
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- Section 5. The Town Manger shall report on the financial status of this project as directed by the Board of Aldermen and will inform the Board of any unusual occurrences.
- Section 6. Copies of this project ordinance shall be made available to the Town Manager and the Finance Officer for direction in carrying out this project.
- Section 7. That this ordinance shall take effect upon passage.

This the 3rd day of August, 2015.

Leonard Williams, Mayor

ATTEST:

Laurie Yarbrough, Town Clerk

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Reports

a. Town Manager

Ben Baxley, Town Manager, stated the Saturday Concert Series went well and they had a record 26 vendors at Market Day. He stated the next Movie at the Caboose would be August 15th. He stated there was a new online bill pay for water bills that would allow customers to pay their bill and view their bill history online. He updated the Board on the Community Center stating he was working to complete the USDA application. He stated the Grand Opening of the Caboose was on July 27th; it went well and was well attended with several dignitaries and officials present.

b. Mayor

Mayor Williams stated he met with legislatures this week on bond issues such as HB 168 – Property Tax Exemption. He stated builders the bill would not permit builder to pay taxes on homes until they are sold. He stated the historic tax credit bill was up for debate; it needed to pass to help with the old school. He asked board members to talk with their legislatures.

Alderman Owen, seconded by Alderman Shepherd, made a motion to adjourn. The motion passed unanimously. The meeting adjourned at 8:08 pm.

Mayor

Attest:

Town Clerk