

MINUTES – JANUARY 19, 2015

The Board of Aldermen of the Town of Gibsonville met at 7:00 pm for an agenda meeting in the Town Hall. The meeting was called to order by Mayor Williams. Alderpersons Shepherd, Revels, Pleasants, 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, Ricky Wade, Recreation Director Mike Dupree, Josh Johnson with AWCK, David Stoughton, Shawn Dowell, and several residents were in attendance.

Public Comments

George Clancey, Boonewood Dr. resident, spoke in favor of the USDA Rural Development Loan for Sewer Rehabilitation Project. He stated this was a quality of life issue and the Town was taking care of its infrastructure. He asked the Board to apply for the federal loan of taxpayer's dollars and spend the money; it was worth it.

Approval of Agenda

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

Public Hearing and Input Meeting for USDA Rural Development Loan for Sewer Rehabilitation Project

Josh Johnson with AWCK stated USDA required the Town to hold a public hearing and input meeting to allow public comment on the proposed loan for the sewer rehabilitation project. He presented an overview of the project. He stated the primary problem was rain water; Town of Gibsonville had a significant infiltration and inflow problem. He explained that during the wet season, even when it's not actively raining, sewer flows go up, this is due to infiltration; ground water seeping into the collection system. He stated I/I is expected in a sewer system; but elevated inflow and infiltration creates high flows which in turn leads to high wastewater treatment costs and sanitary sewer overflows. He stated Gibsonville's I/I problem had been studied for years: in 1976 with the Alamance County I/I Analysis – from the Clean Water Act, Gavel and Dorn Flow Monitoring in 2010 and 2011, AWCK smoke testing and videoing of the downtown area of the system in 2014, Gavel and Dorn conducted Flow Monitoring in 2010 throughout the system and in selected areas in 2011, and 2010 Study showed that the Town had significant I/I problems in the northern half of the system. Mr. Johnson stated that the Travis Creek Outfall line showed a 60 GPM constant flow that was not present at the top of the outfall line; this was attributable to infiltration, downtown areas all had high peaking factors, showing infiltration and inflow. He stated the condition of the lines within the sewershed were 50+ year old clay lines, 50+ year old brick manholes, 50+ year old cast iron or clay sewer services, there was extensive cracking in many sewer mains, most joints were in poor shape. brick manholes were generally leaking and in poor condition, and there were many leaking sewer laterals. He stated out of 14,000' of sanitary sewer 2,237' needed rehabilitation, 790' needed to be replaced, and out of 71 manholes - 57 needed to be rehabbed or replaced. He stated the cost would be as follows: Investigation Cost: \$30,000, estimated cost of \$220,000 for replacement costs and \$360,000 for rehabilitation costs. He estimated reductions in I/I to range from 20% to 80% depending on the conditions and the types of construction. He stated projects that address sewerlines, sewer manholes, and sewer laterals showed the greatest reductions and these were also the most expensive projects. He stated projects that rehabilitated laterals showed a larger reduction than projects that did not. He stated addressing the Travis Creek Outfall should significantly reduce infiltration to outfall. He gave the board four alternatives. He recommended Alternative B which would address all previously identified repairs and rehabilitation, rehabilitate the Travis Creek outfall line, investigate the rest of downtown sewersheds, after project - monitor flow from primary downtown area and determine reduction, evaluate need for another large rehab project, and address I/I, expected reduction in I/I, and fiscally responsible. Mr. Johnson stated the loan would be for \$2,320,000 for 40 years at a 3.125% interest rate.

Alderman Pleasants asked what was the difference in rehab and replace.

Mr. Johnson explained the lines were so damaged they could not be replaced; he recommended rehab and repair; the life span would be 50+ years.

Mayor Williams stated this was a public hearing to listen to public input. He asked for public comments. He stated the cost, annual payment, would be \$101,000 a year. He asked did they have other areas with problems.

Mr. Johnson stated they would investigate all areas, he felt they would find other problem areas. He stated they could not fix all areas with this project but it would reduce sewer costs substantially.

Alderwoman Revels asked when they went out for bids was it possible that it could exceed 2.3 million.

Mr. Johnson stated yes it could. He stated he did an engineering estimate; he felt pretty good about the estimate. He stated if this happened they would go back to USDA.

Barbara Williams stated the prime rate went up; may want to look into this.

Mr. Johnson stated the 3.125 was good through 3/31/16; if the rate went down the Town would get the lower rate.

Mrs. Williams asked would they get the money up front or would it be partial pay outs.

Mr. Johnson stated it would be partial payments; they would have to submit payment requests.

George Clancey recommended the Town proceed with the project.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to close the public hearing. The motion passed unanimously.

Economic Development Incentive Policy Discussion

Ben Baxley, Town Manager, stated at the January 4, 2016 meeting the Town Manager presented a draft economic development incentive policy for the Board's review and discussion. The Town Attorney had reviewed the policy with staff and recommended some changes. He stated the Board had received a revised policy for their consideration. He highlighted the recommended changes. He stated this policy would create jobs and help with investments of buildings and equipment. He stated this policy would be between the Town of Gibsonville and new or existing industry or business and would allow for financial incentive based on criteria in the policy. He stated if the Board wished to consider the policy as presented he asked that the Town Manager be allowed to adjust payback period; page 2, L.

Mayor Williams stated the payback was ten years.

Doug Hoy, Town Attorney, stated they were looking at the payback period.

Mayor Williams stated he did not like that it applied to big business, could it apply to small business.

Mr. Hoy stated it could, they were exploring the possibilities.

Mayor Williams stated the Town Manager and Town Attorney had done a lot of research, he recommended approval of the policy.

Alderman Shepherd, seconded by Alderwoman Revels, made a motion to approve the Economic Development Incentive Policy to include the incentive proposal the Town Manager requested; Page 2 Section L, allow Town Manager to adjust payback period. The motion passed unanimously.

FY 2015-2016 Budget Ordinance Amendment #5

Ben Baxley, Town Manager, stated the FY 2015-2016 Budget Ordinance Amendment #5 transferred funds from the Contingency line item to the Police Department line as follows: General Fund Expenditures included an increase of \$18,200 in Police line item to cover legal and investigation fees related to a personnel matter and a decrease of \$18,200 in Contingency line item to transfer to the Police line item.

Alderman Dean stated he would like to explain about the investigation. He stated he never asked for an investigation. He stated he went to the Town Manager and the Mayor about concerns he had; he never asked for an investigation.

Alderman Shepherd, seconded by Alderwoman Revels, made a motion to approve FY 2015-2016 Budget Ordinance Amendment #5. The motion passed unanimously.

TOWN OF GIBSONVILLE, NORTH CAROLINA 2015-2016 BUDGET ORDINANCE AMENDMENT #5

BE IT ORDAINED by the Board of Aldermen of the Town of Gibsonville, North Carolina, a meeting was held this the 19th day of January, 2016 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

FY 2015-2016

Amendment

5,930,278

5,930,278

B. Expenditures Authorized by Departments**Department**

Governing Board	69,686	-	69,686
Administration	990,372	-	990,372
<i>Police</i>	<i>1,368,136</i>	18,200	<i>1,386,336</i>
Fire	667,022	-	667,022
Public Works Administration	187,196	-	187,196
Streets	545,137	-	545,137
Powell Bill	444,600	-	444,600
Sanitation	584,938	-	584,938
Recreation	480,409	-	480,409
Library	115,782	-	115,782
Cemetery	20,000	-	20,000
<i>Contingency</i>	<i>47,500</i>	(18,200)	<i>29,300</i>
Transfer to Sewer Capital Project Fund	409,500	-	409,500
Transfer to Water & Sewer Fund	-	-	-
Total General Fund Expenditures	5,930,278	-	5,930,278
	-		-

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	-	-	-
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		-	

	<u>3,132,077</u>		<u>3,132,077</u>
	-		-
SECTION III. PERPETUAL CARE FUND			
A. Revenues	2,700	-	2,700
B. Expenditures	2,700	-	2,700
	-		-

SECTION IV. SEWER CAPITAL PROJECT FUND

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

Amended this the 19th day of January, 2016.

Attest:

Mayor

Town Clerk

Tax Releases

<u>Acct#.</u>	<u>Name</u>	<u>Value Reduced</u>	<u>New Value</u>	<u>Actual Taxes</u>	<u>Release \$</u>
<u>BS</u>					
596444	James Smith	29,280	0	0.00	152.32 listed in another county
633701	Susan Euliss	42,364	42,364	216.05	216.05 elderly exemption
544793	Ron Haverland	5,730	30,760	156.87	32.95 billed for 3 boats only owns 2
<u>RC</u>					
1017923	Steven Shoe	40,600	40,600	207.06	207.06 disabled exemption

*Tax Releases are billing errors and value corrections made by Guilford or Alamance County; the Town gets its property values from Guilford and Alamance County Tax Departments. These are released by Guilford or Alamance County tax departments and then given our tax department to be released by our board.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to approve the tax releases. The motion passed unanimously.

Items for February 1, 2016 Meeting:

Community Center USDA Loan Commitment – Katrina Travis, USDA Area Specialist

Ben Baxley, Town Manager, stated Katrina Travis with USDA will be at the February 1, 2016 meeting to provide the USDA loan commitment for the Community Center and request that the Board accept, if they wish, to move forward with the project. The loan is for \$1,213,000 for 40 years at a 3.125% interest rate.

Alderwoman Revels asked would this require a public hearing.

Mayor Williams stated it did not require a public hearing but he did state that at the last meeting. He stated he would contact the individual that asked about the public hearing and explain this to him.

Downtown Marketing Analysis & Development Strategy Report - Kathleen Rose with Rose Associates

Ben Baxley, Town Manager, stated Kathleen Rose would present the Downtown Marketing Analysis & Development Strategy Report.

Discussion of Parking in Walnut Crossing

Ben Baxley, Town Manager, stated the Town Manager and Board had received an email from Diana Muller, President of Walnut Crossing HOA, requesting the Town address vehicle parking on left side to curb in the Walnut Crossing subdivision. He stated she was asking the Board to address the parking problem. He stated to change parking would require an Ordinance change. The Town Manager advised Mrs. Muller this would be on the February 1, 2016 agenda.

Mayor Williams stated he was not sure they needed to change the ordinance for one part of town.

Petition to add Stop Signs in Walnut Crossing

Ben Baxley, Town Manager, stated Diana Muller, President of Walnut Crossing HOA, had concerns with the previous stop signs being removed in the Walnut Crossing subdivision. The Town Manager has requested the Walnut Crossing HOA submit a petition by the majority of the residents requesting stop signs be reinstalled. The Town Manager advised Mrs. Muller this would be on the February 1, 2016 agenda.

Reports

a. Manager

Ben Baxley, Town Manager, stated Harold Owen and Jessica Arias with Burlington Animal Services would be at the February 15, 2016 meeting to ask for the Board's support with the new animal facility.

Mayor Williams asked how much was the Town's part.

Mr. Baxley stated \$8,000 to \$9,000; the Town currently contributed \$19,000 to \$20,000 a year.

Alderwoman Revels asked how was this calculated.

Mr. Baxley stated by population. He stated the next Planning Board meeting was January 21, 2016 and the Downtown Design Committee would meet on January 26, 2016.

b. Mayor

Mayor Williams stated he attended the Martin Luther King Jr. breakfast in Burlington this week and he got to talk with Governor Pat McCorry. He stated they talked about bonds passing for infrastructure and if this passed it would help the Town. He reminded Board members about the Board Retreat on February 27, 2016. He asked Board members to get with the Town Manager if they had any ideas on things they wished to discuss at the Retreat.

Alderman Pleasants, seconded by Alderman Shepherd, made a motion to adjourn. The motion passed unanimously. The meeting adjourned at 8:00 pm.

Mayor

Attest:

Town Clerk