

MINUTES – NOVEMBER 7, 2016

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, and Pleasants were present. Ben Baxley, Town Manager, and Laurie Yarbrough, Town Clerk, were present. Public Works Director Rob Elliott, Police Chief Ron Parrish, Town Attorney Doug Hoy, Mr. and Mrs. Roger Troutman, Planning Director Brandon Parker, Fire Chief Tony Roof, Lynn Straughn with USDA Rural Development, Kyle Smith & Troy King with AWCK, and several citizens were in attendance.

Invocation – Mayor Williams

Mayor Williams gave the invocation in Alderwoman Revels' absence.

Public Comments

Waymon Whitsett of 404 First St. stated there was a limb hanging from his neighbor's tree over on his property that was damaging his vehicle.

Doug Hoy, Town Attorney, stated he should notify the property owner of the dangerous limb. He stated if he is put on notice then he would be liable if there was damage.

Mr. Whitsett stated his neighbor threatened to sue him if he damaged his pecan tree.

Mr. Hoy recommended Mr. Whitsett talk with an attorney.

Mayor Williams agreed he should talk with an attorney; the Town was not liable.

Ben Baxley, Town Manager, stated he had talked with Mr. Whitsett about the tree. He stated he had Public Works go out and they did not have a problem with the tree.

Mayor Williams stated at the last meeting the Board recognized Mrs. Moize Moore who had just turned 100. He stated sadly she had passed away.

Approval of Agenda

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

Approval of Minutes

Alderman Owen, seconded by Alderman Pleasants, made a motion to approve the minutes of October 3, 2016. The motion passed unanimously.

Discussion of Golf Cart Ordinance – Continued

Mayor Williams stated this discussion was continued at the last meeting. He stated the Town Manager had presented a draft Golf Cart Ordinance and at the last meeting the Board directed the Town Manager to prepare a revised draft based upon the input from the Board and Police Chief. A revised draft of the Golf Cart Ordinance was presented for the Board's review.

Alderman Owen recommended take out possess liability insurance and require seatbelts from the proposed ordinance.

Alderman Dean stated he called an insurance company and golf cart insurance would be less than \$50 a year.

Mayor Williams asked the Board to keep in mind that the Town would need to inspect the golf carts.

Ben Baxley, Town Manager, asked for input from the Police Chief.

Ron Parrish, Police Chief, stated golf carts were not designed to drive on the highway; they were designed to drive on the golf course. He stated as he recommended at the last meeting, that the Board not take out any safety issues from the proposed ordinance.

Alderman Pleasants stated his issue was with the Town's liability. He stated if they did not have an ordinance and someone got caught riding a golf cart they could be issued a citation. He stated the liability could be costly to the Town.

Alderman Shepherd agreed.

Mayor Williams stated he had talked with people and they think the Town does not need this ordinance.

Alderman Owen, seconded by Alderman Dean, made a motion to approve the Golf Cart Ordinance, but take seatbelts out of ordinance. The motion was 2 to 2. Mayor Williams voted against the Golf Cart Ordinance; making the vote 2 to 3. The Golf Cart Ordinance was not passed.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion not to set a public hearing to consider the Golf Cart Ordinance. The motion was 2 to 2. Mayor Williams voted not to set the public hearing; making the vote 3 to 2; no public hearing on the proposed Golf Cart Ordinance will be set.

Approval of Wood St. Stormwater Improvements Project

Ben Baxley, Town Manager, stated while investigating stormwater complaints, a stormwater issue was found on Wood St. He stated the Town received bids for the Wood St. project; low bid was P & S Grading, LLC in the amount of \$49,249.50. He stated staff was recommending approval of the project and the contract be awarded to P & S Grading, LLC in the amount of \$49,249.50.

Kyle Smith with AWCK stated the project involved the preservation of a stream crossing in the street right of way; which included extending the culvert, slop back banks, and install pipe. He stated this would stop the erosion.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to approve the Wood St. Stormwater Improvements Project and award bid to P & S Grading, LLC in the amount of \$49,249.50. The motion passed unanimously.

FY 2016-2017 Budget Ordinance Amendment #3

Ben Baxley stated the FY 2016-2017 Budget Ordinance Amendment #3 was needed to cover the Wood St. Stormwater Improvements Project and survey costs; which increased the General Fund budget by \$58,000.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to approve FY 2016-2017 Budget Ordinance Amendment #3. The motion passed unanimously.

**TOWN OF GIBSONVILLE, NORTH CAROLINA
2016-2017 BUDGET ORDINANCE AMENDMENT #3**

BE IT ORDAINED by the Board of Aldermen of the Town of Gibsonville, North Carolina, a meeting was held this the 7th day of November, 2016 that the following fund revenues and departmental expenditures together with certain restrictions and authorizations be amended.

SECTION I. GENERAL FUND

	FY 2016- 2017		FY 2016- 2017
Anticipated Revenues	<u>Current Budget</u>	Amendment <u>Increase/Decrease</u>	<u>Revised Budget</u>
Taxes, Current Year	2,415,000	-	2,415,000
Taxes, Prior Years	26,700	-	26,700
Motor Vehicle Tax	325,000	-	325,000
Penalties & Interest	15,000	-	15,000
Cemetery	13,000	-	13,000
Recreation	66,000	-	66,000
	-3-		
Sanitation Service Charge	223,000	-	223,000
Interest on Investments	7,500	-	7,500
Fire District Tax (Guilford)	12,000	-	12,000
Library		-	

	500		500
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
Miscellaneous	16,069	-	16,069
GHA	2,340	-	2,340
Stormwater Fee	28,000	-	28,000
Solid Waste Disposal Tax	4,300	-	4,300
Intangible: Sales Tax (Alamance Co.)	735,652	-	735,652
Intangible: Sales Tax (Guilford Co.)	417,926	-	417,926
Utility Franchise	422,000	-	422,000
Beer & Wine	31,500	-	31,500
Powell Bill Funds	187,000	-	187,000
Insurance Proceeds	5,094	-	5,094
<i>Appropriated General Fund Balance</i>	<u>320,132</u>	<u>58,000</u>	<u>378,132</u>
<i>Total Anticipated Revenues</i>	<u>5,346,413</u>	<u>58,000</u>	<u>5,404,413</u>

Authorized Expenditures

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
Governing Board	67,016	-	67,016
<i>Administration</i>	<i>1,093,737</i>	<i>58,000</i>	<i>1,151,737</i>
Police	1,520,510	-	1,520,510
Fire	736,840	-	736,840
Public Works Administration	243,523	-	243,523
Streets	500,680	-	500,680
Powell Bill	170,100	-	170,100
Sanitation	306,343	-	306,343
Recreation	502,160	-	502,160
Library	138,004	-	138,004
Cemetery	17,500	-	17,500
Contingency	<u>50,000</u>	<u>-</u>	<u>50,000</u>
<i>Total Authorized Expenditures</i>	<u>5,346,413</u>	<u>58,000</u>	<u>5,404,413</u>

SECTION II. WATER & SEWER

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
Anticipated W&S Revenues			

Water Revenues

Water Service Fees	800,255		800,255
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	4,050	-	4,050
<i>Total Anticipated Water Revenues</i>	<u>900,655</u>	<u>-</u>	<u>900,655</u>

Sewer Revenues

Sewer Service Fees	2,001,745		2,001,745
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	4,950	-	4,950
<i>Total Anticipated Sewer Revenues</i>	<u>2,113,345</u>	<u>-</u>	<u>2,113,345</u>

<i>Total Anticipated W&S Revenues</i>	<u>3,014,000</u>	<u>-</u>	<u>3,014,000</u>
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Authorized W&S Expenditures

Water Expenditure	900,655	-	900,655
Sewer Expenditures	2,113,345	-	2,113,345
<i>Total Authorized Expenditures</i>	<u>3,014,000</u>	<u>-</u>	<u>3,014,000</u>

SECTION III. PERPETUAL CARE FUND

<i>Anticipated Revenues</i>	2,700	-	2,700
<i>Authorized Expenditures</i>	2,700	-	2,700

SECTION IV. 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 2016-2017. This rate is based on a total valuation of property of \$550,324,654 and an estimated collection rate of 98.58%.

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 2016-2017 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 November, 2016.

Attest:

Mayor of Gibsonville, NC

Town Clerk of Gibsonville, NC

Set Public Hearing for Amendment to Riparian Buffer Protection Ordinance

Ben Baxley, Town Manager, stated the N.C. General Assembly had revised the Jordan Lake Rules several times since its adoption in 2009; the Riparian Buffer Protection Rule is part of this. He stated the Town needed to revise its Riparian Buffer Protection Ordinance in order to comply with recent rule changes. The changes involved amending the Table of Uses in Chapter 155.31. He stated staff recommended amending the Riparian Buffer Protection Ordinance and set the public hearing for the December 5, 2016 meeting.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to set the Hearing for Amendment to Riparian Buffer Protection Ordinance for December 5, 2016. The motion passed unanimously.

USDA Rural Development Loan Commitment for Sanitary Sewer Rehabilitation Project

Lynn Straughn, USDA Rural Development Specialist, presented the Loan Commitment for the Sanitary Sewer Rehabilitation Project. The loan is for \$2,272,000 for 40 years with the first payment due in June 2019; the Town will be contributing \$50,000 . The proposed project is for the rehabilitation of approximately 12,250 linear feet of collection lines, replacement of approximately 790 linear feet of collection lines, rehabilitation of 32 manholes, replacement of 58 manholes, and smoke testing and videoing in next priority areas for determining other potential issues of collection lines within the Town’s sewer system. She asked for the Board’s approval to proceed with the loan and obligate funds on the behalf of the Town of Gibsonville.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to approve the Loan Commitment and Loan Resolution with USDA Rural Development. The motion passed unanimously.

BE IT RESOLVED

That the TOWN OF GIBSONVILLE accepts the conditions set forth in a Letter of Conditions dated NOVEMBER 7, 2016, and RUS Bulletin 1780-27, "Loan Resolution (Public Bodies)" for the SANITARY SEWER REHABILITATION PROJECT:

That the MAYOR AND CLERK be authorized to execute all forms necessary to obtain a loan from USDA Rural Development, including, but not limited to the following forms:

- | | |
|----------------------|--|
| RUS Bulletin 1780-27 | Loan Resolution |
| Form RD 1942-46 | Letter of Intent to Meet Conditions |
| Form RD 400-1 | Equal Opportunity Agreement |
| Form RD 400-4 | Assurance Agreement |
| Form RD 1940-1 | Request for Obligation of Funds |
| Form RD 1910-11 | Applicant Certification Federal Collection Policies |
| Form AD-1047 | Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions |
| Unnumbered Form | Certificate of Compliance with Federal, State, and Local Laws and Regulatory Commission Regulations |

That if the interest rate charged by USDA Rural Development should change between this date and the date of actual approval, MAYOR AND CLERK be authorized to execute new forms reflecting the current interest rate and revised payments as required by USDA Rural Development.

That TOWN OF GIBSONVILLE elects to have the interest charged by USDA Rural Development to be the lower of the rate in effect at either the time of loan approval or loan closing.

The TOWN OF GIBSONVILLE hereby agrees to abide by the mitigation requirements in the Letter of Conditions.

This resolution is to become a part of the official minutes of the TOWN OF GIBSONVILLE meeting held on NOVEMBER 7, 2016.

MOTION MADE BY Alderman Mark Shepherd AND
SECONDED BY Alderman Ken Pleasant THAT
THE RESOLUTION BE APPROVED.

MOTION PASSED 4 FOR AND 0 AGAINST

BY: Leonard Williams
LEONARD WILLIAMS, MAYOR



ATTEST: 11-7-16 BY: Laurie Yarbrough
(Date) LAURIE YARBROUGH, TOWN CLERK

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ _____

under the terms offered by the Government; that the Mayor

and _____ of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

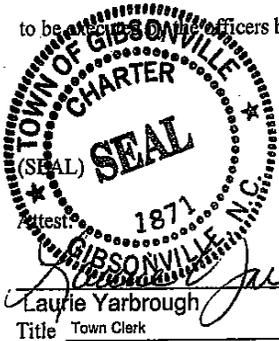
The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yes 4 Nays 0 Absent 1

IN WITNESS WHEREOF, the Town Council _____ of the

Town of Gibsonville _____ has duly adopted this resolution and caused it

to be _____ officers below in duplicate on this 2016 , 7th day of November



By Leonard Williams
 Title Mayor

Reports

a. Manager

Ben Baxley, Town Manager, gave an update on the Community Center project; continuing with site work and rough in on utilities; looking at completion date of May 2017. He stated there would be a Veteran's Breakfast at the Senior Center on November 11, 2016, the Lighting of the Green would be on November 18, 2016, and the Gibsonville Merchant's Hall of Fame would be on November 28, 2016. He stated he had presented the Boar with the USDA Rural Development Report on the Azalea Circle Apartments Financial Statement and it looked good. He updated the Board on the Abbey Glen Bridge stating the rock hammer was not adequate for the rock so they would be blasting; this was an update from the Contractor.

Alderman Shepherd, seconded by Alderman Pleasants, made a motion to adjourn. The motion passed unanimously. The meeting adjourned at 7:45 pm.

Attest:

 Town Clerk

 Mayor

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE Town Council

OF THE Town of Gibsonville

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

To provide municipal services to residents

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Town of Gibsonville

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

Two Million Two Hundred Seventy-Two Thousand & 00/100

pursuant to the provisions of General Statute 160-A; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.