

MINUTES – SEPTEMBER 8, 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, Pleasants, 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, Ed Dallape and Robin Terry with Partnership Property Management, and Fire Chief Tony Roof. Mayor Williams gave the Invocation, led by the Pledge of Allegiance.

Proclamation 9/11 Moment of Remembrance – September 11, 2015

Mayor Williams read a Proclamation Proclaiming a “Moment of Remembrance” on September 11, 2015. He presented the Police Chief and Fire Chief with copies of the Proclamation. He asked that they sound sirens and ring bells for one minute at 8:46 am on Friday, September 11, 2015, in honor of those who lost their lives and loved ones fourteen years ago on that day.

PROCLAMATION

PROCLAIMING A “Moment of Remembrance” on **SEPTEMBER 11, 2015** IN THE TOWN OF GIBSONVILLE

WHEREAS, people across our great Nation and the entire Globe, collectively witnessed an event of immense tragedy on September 11, 2001, when terrorist attacks took the lives of almost 3,000 innocent people on American soil; and

WHEREAS, the events of that day instantly transformed the lives of Americans, through both personal experience and an unfamiliar sense of individual and national vulnerability; and

WHEREAS, an unprecedented, historic, nexus of Americans arose from the tragedy, unifying the Country in an outpouring of national pride, selflessness, generosity, courage, and service; and

WHEREAS, many first responders and civilians, tirelessly and courageously participated in dangerous rescue and recovery efforts, risking or forfeiting their lives for the safety of others; and

WHEREAS, the brave men and women who serve in our nation’s military were called up to leave their families and risk their lives to fight and defend America; and

WHEREAS, Friday, September 11, 2015, will be the 14th anniversary of the 9/11 tragedy;

NOW, THEREFORE, I, Leonard M. Williams, Mayor of the Town of Gibsonville, do hereby proclaim a “Moment of Remembrance” on

SEPTEMBER 11, 2015 **IN THE TOWN OF GIBSONVILLE**

FURTHERMORE, I call our Town’s first responders, houses of worship, businesses, schools and citizens alike, to join our nation in sounding sirens and ringing bells for one minute at 8:46 am on Friday, September 11, 2015, in honor of those who lost their lives and loved ones fourteen years ago on that day.

This the 8th day of September, 2015.

Mayor

Attest:

Town Clerk

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

Alderman Owen, seconded by Alderman Pleasants, made a motion to approve the minutes of August 3, 2015 and August 17, 2015. The motion passed unanimously.

Discussion of Financing Agreement for Springwood Ave./Cedar St. Water Improvements Project – Public Hearing

Ben Baxley, Town Manager, stated this was a Public Hearing to discuss Financing of the Springwood Ave./Cedar St. Water Improvements Project. The Town is looking at financing \$350,000 at 2.25% for ten years. The Town is seeking the Local Government Commission's approval of financing for this project.

Alderman Shepherd, seconded by Alderman Owen, made a motion to close the Public Hearing. The motion passed unanimously.

a. Resolution Authorizing the Filing of An Application for Approval of Financing Agreement for Springwood Ave./Cedar St. Water Improvements Project

Ben Baxley, Town Manager, recommended approval of the Resolution Authorizing the Filing of An Application for Approval of Financing Agreement for Springwood Ave./Cedar St. Water Improvements Project.

Alderman Shepherd, seconded by Alderman Owen, made a motion to approve the Resolution Authorizing the Filing of an Application for Approval of a Financing Agreement Authorized by North Carolina General Statute 160A-20 for the Springwood Ave./Cedar St. Water Improvements Project. The motion passed unanimously.

RESOLUTION # 2015 – 4

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the Town of Gibsonville, North Carolina desires to make waterline improvements on Springwood Avenue and Cedar Street in the Town (the "Project") to better serve the citizens of Gibsonville; and

WHEREAS, The Town of Gibsonville desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the Board of Aldermen of Gibsonville, North Carolina, meeting in regular session on the 8th day of September, 2015, make the following findings of fact:

1. The proposed contract is necessary or expedient because the Town desires to provide adequate and reliable water service to the citizens and customers of Gibsonville.
2. The proposed contract is preferable to a bond issue for the same purpose because the cost of issuance in the amount of \$350,000 is significantly less expensive than a bond issue and will result in a more reasonably priced project. The loan is necessary because the Project cannot be paid from current available appropriations and an unappropriated fund balance.
3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose based on received bids.
4. The Town of Gibsonville's debt management procedures and policies are good because policies are carried out in strict compliance with the law and adequate debt management will continue to be provided as directed by the Local Government Commission.
5. The increase in taxes necessary to meet the sums to fall due under the proposed contract will be 0 cents per \$100 valuation and is not deemed to be excessive.
6. The Town of Gibsonville is not in default in any of its debt service obligations.
7. The attorney for the Town of Gibsonville has rendered an opinion that the proposed Project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.
8. The probable net revenues of the Project to be financed will be sufficient to meet the sums to fall due under the proposed contract.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Town Manager is hereby authorized to act on behalf of the Town of Gibsonville in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This Resolution is effective upon its adoption this the 8th day of September, 2015.

The motion to adopt this Resolution was made by Alderman Shepherd, seconded by Alderman Owen, and passed by a unanimous vote.

Mayor

ATTEST:

Town Clerk

b. Resolution Approving Financing Terms for Springwood Ave./Cedar St. Water Improvements Project

Ben Baxley, Town Manager, stated proposals for financing the Springwood Ave./Cedar St. Water Improvements Project were sent to six banks; three proposals were received. He stated Fidelity Bank was the lowest at financing \$350,000 at 2.25% for ten years. He recommended approval of the Resolution Approving Financing Terms for the Springwood Ave./Cedar St. Water Improvements Project.

Alderman Owen, seconded by Alderman Pleasants, made a motion to award financing to Fidelity Bank and approve the Resolution Approving Financing Terms for the Springwood Ave./Cedar St. Water Improvements Project. 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 financing of water improvements (the "Project"), and the Town Manager 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 Fidelity Bank ("Fidelity Bank"), in accordance with the proposal dated July 28, 2015. The amount financed shall not exceed \$350,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.25%, and the financing term shall not exceed ten (10) 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 Fidelity 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 part thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 8th day of September, 2015.

Mayor

Attest:

Town Clerk

FY 2015-2016 Budget Ordinance Amendment #3

Ben Baxley, Town Manager, stated the Gibsonville ABC Board annually contributes money to the Town. He stated the ABC Board has contributed \$2,006.00 to the Gibsonville Police Department which would be used for the DARE/Community Policing activities. He recommended approval of the FY 2015-2016 Budget Ordinance Amendment #3.

Alderman Shepherd, seconded by Alderman Owen, made a motion to approve FY 2015-2016 Budget Ordinance Amendment #3. The motion passed unanimously.

**TOWN OF GIBSONVILLE, NORTH CAROLINA
2015-2016 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 8th day of September, 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 |
| <i>Miscellaneous</i> | <i>10,000</i> | <i>2,006</i> | <i>12,006</i> |
| GHA | 2,340 | - | 2,340 |
| Stormwater Fee | 26,000 | - | 26,000 |
| Solid Waste Disposal Tax | 4,300 | - | 4,300 |

State Shared Revenue

| | <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>283,000</i> | <i>-</i> | <i>283,000</i> |
| Appropriated Powell Bill Fund Balance | 259,600 | - | 259,600 |
| Appropriated General Fund Balance | <u>1,008,500</u> | <u>-</u> | <u>1,008,500</u> |
| <i>Total General Fund Revenues</i> | <u>6,237,372</u> | <u>2,006</u> | <u>6,239,378</u> |

B. Expenditures Authorized by Departments

Department

| | | | |
|-----------------------------|------------------|--------------|------------------|
| Governing Board | 69,686 | - | 69,686 |
| Administration | 990,372 | - | 990,372 |
| <i>Police</i> | <i>1,365,530</i> | <i>2,006</i> | <i>1,367,536</i> |
| Fire | 667,022 | - | 667,022 |
| Public Works Administration | 187,196 | - | 187,196 |
| Streets | 505,137 | - | 505,137 |
| Powell Bill | 444,600 | - | 444,600 |
| Sanitation | 584,938 | - | 584,938 |
| Recreation | 480,109 | - | 480,109 |
| Library | 115,782 | - | 115,782 |
| Cemetery | 20,000 | - | 20,000 |
| Contingency | 47,500 | - | 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 | 6,237,372 | 2,006 | 6,239,378 |
| | - | | - |

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 | - | - | - |
| 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 |
| | - | | - |

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 8th day of September, 2015.

Attest:

Mayor

Town Clerk

Tax Releases

Ben Baxley, Town Manager, stated the following tax releases needed to be approved.

| <u>Acct#.</u> | <u>Name</u> | <u>Value Reduced</u> | <u>New Value</u> | <u>Actual Taxes</u> | <u>Release \$</u> |
|---------------|-----------------|----------------------|------------------|---------------------|---|
| BS | | | | | |
| 470040 | Jack Troxler | 82,286 | 25,000 | 127.50 | 419.65 house burnt down 2014, new value for land only |
| 439593 | Charles Learned | 14,739 | 101,719 | 518.76 | 75.18 value lowered by county |
| 578059 | Kevin Yarger | 5500. | 0 | 0 | 28.05 no longer in Gibsonville |
| 644512 | William Holt | 2490 | 0 | 0 | 12.70 listed in Vance County |
| 558895 | Russell Remy | 7750. | 0 | 0 | 39.53 moved to Beaufort County |
| 558895 | Russell Remy | 8360 | 0 | 0 | 55.73 (2014) moved to Beaufort county |
| 594282 | James Mitchell | 2440 | 0 | 0 | 12.44 sold before Jan. 1 |

*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 Owen, made a motion to approve the tax releases. The motion passed unanimously.

Request for Privilege License Reimbursement Discussion – Continued

Mayor Williams stated this was continued for further discussion.

Ben Baxley, Town Manager, stated Q&Q Biz, LLC had requested the Town refund a prorated amount for the Privilege License Tax they paid on 11-24-14. Q & Q Biz, LLC is a Sweepstakes business that operated from 11-24-14 to 1-15-15 before they were shut down by various law enforcement agencies. The amount they originally paid was \$7,000 and the prorated amount requested is \$5,330.26.

Alderman Owen stated did they not know they were taking a chance.

Doug Hoy, Town Attorney, stated seven days earlier there was a case from the Court of Appeals making these businesses illegal. He stated the town did not know of the Court’s decision. He stated criminal citations were issued in late January 2015 and as of this date they had not been tried in court.

Alderman Shepherd recommended this be continued until the courts get a ruling.

Alderman Pleasants asked how would this be handled if it were another type of business.

Mr. Baxley stated the Town Ordinance reads privilege licenses are non-refundable.

Mr. Hoy stated they would have to be a provision in the ordinance allowing refunds. He stated the Town Manager had set aside the money taken in for this; it had not been used.

Mayor Williams stated Burlington had a case similar to this and they lost. He stated Graham had a case pending.

Mr. Hoy stated in the Graham case there was question of the amount charged.

Mayor Williams stated he looked at the cost to go to court; it would be more than \$5,000 if it went to court.

Alderwoman Revels stated her position was she still did not want to give the money back.

Reports

a. Manager

Rob Elliott, Public Works Director, gave an update on the street paving project. He stated the street paving was complete; which included paving on Timbergate Dr., Pineview Dr., and Longleaf Dr. He stated NCDOT had begun resurfacing on Hwy. 100.

b. Mayor

Mayor Williams stated he had heard a complaint on the patching; he would ask the resident to call the Public Works Director.

c. Board Members

Alderwoman Revels stated the Transportation Advisory Committee would have their first meeting on September 29, 2015; Neil Bromilow was the Town’s representative and she was the Alternate member.

Mayor Williams stated May Hill, HR Officer, had recently lost her Mother; he asked everyone to keep May Hill and her family in their prayers.

Closed Session

Alderman Shepherd, seconded by Alderman Owen, made a motion to go out of regular session into Closed Session pursuant to N.C.G.S. §143-318.11(a) (1) & (2) Closed Sessions to prevent disclosure of information that is privileged or confidential pursuant to the Laws of the State of North Carolina/the United States or not considered a public record within the meaning of Chapter 132 of the General Statutes as it relates to personnel information and to consult with the Town Attorney and Jackson Lewis, P.C. of Raleigh, N.C. in order to preserve the attorney-client privilege between the attorney and the public body which privilege is hereby acknowledged, all of which concern the potential disclosure of protected personnel information. The motion passed unanimously.

Alderman Shepherd, seconded by Alderwoman Revels, made a motion to go out of Closed Session and into regular session. The motion passed unanimously.

Mayor Williams stated there was no action taken in Closed Session.

Alderman Shepherd, seconded by Alderwoman Revels, made a motion to adjourn. The motion passed unanimously. The meeting adjourned at 8:40 pm.

Attest:

Town Clerk

Mayor