

The Smithfield Town Council met in regular session on Tuesday, August 1, 2017 at 7:00 p.m. in the Council Chambers of the Smithfield Town Hall, Mayor M. Andy Moore presided.

Councilmen Present:

Emery Ashley, Mayor Pro-Tem
Marlon Lee, District 1
J. Perry Harris, District 2
Travis Scott, District 3 (left at 9:05 pm)
John A. Dunn, At-Large
Stephen Rabil, At-Large

Councilmen Absent

Roger A. Wood, District 4

Administrative Staff Present

Michael Scott, Town Manager
John Blanton, Fire Chief
Lenny Branch, Public Works Director
Ted Credle, Public Utilities Director
Gary Johnson, Parks & Rec Director
Tim Kerigan, Human Resources/PIO
Steve Medlin, Interim Planning Director
R. Keith Powell, Chief of Police
Greg Siler, Finance Director
Shannan Williams, Town Clerk

Present:

Bob Spence, Town Attorney

Administrative Staff Absent

Mayor Moore called the meeting to order at 7:00

The invocation was given by Councilman Scott followed by the Pledge of Allegiance.

APPROVAL OF AGENDA:

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Rabil, to move Public Hearing #1 *Conditional Use Permit Request - Suburban Apartments (CUP 17-06) to Public Hearing #3* due to the applicant not being able to attend until 7:30 pm. Unanimously approved.

Councilman Scott made a motion, seconded by Mayor Pro-Tem Ashley, to move Business Item #7 *Consideration and Approval of a financing agreement with KS Bank, Inc. for the purchase of the Fire Truck and approval of Resolution #608 (13-2017)* to the Consent Agenda. Unanimously approved

Councilman Scott made a motion, seconded by Councilman Lee, to add to the Business Items *Consideration and Approval to accept the SAFER Grant (Staffing for Adequate Fire and Emergency Response) for the purpose of hiring 3 new additional Firefighters and adoption of Resolution # 609 (14-2017)*. Unanimously approved.

Councilman Harris made a motion, seconded by Councilman Lee, to add to the Business Items *Consideration and Approval to eliminate resident rates for Youth Team Sports and Kinder – Sports Programs under Parks and Recreation*. Councilman Harris, Councilman Lee, Councilman Scott and Councilman Rabil voted in favor of the motion. Mayor Pro-Tem Ashley and Councilman Dunn voted against the motion. Motion passed 4-2.

Councilman Dunn made a motion, seconded by Councilman Rabil to add a Closed Session pursuant to NCGS 143-318.11 (a) (3) & (5). Unanimously approved.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Rabil, to approve the agenda as amended. Unanimously approved.

PRESENTATIONS:

1. Police Department 2016 Officer of the Year – Miguel Renteria

Chief of Police R. Keith Powell addressed the Council on the Smithfield Police Department's 2016 Officer of the Year. This employee was nominated by secret ballot, completed by every member of the department. The officer receiving the most votes is then reviewed by a recognition committee consisting of four Lieutenants and the Captain of Patrol. The committee then makes a recommendation for Officer of the Year to the Police Chief, who has the final say as to this award. The Officer of the Year for the Smithfield Police Department, 2016 is Officer Miguel Renteria.

Officer Renteria is a member of Patrol Team "A". Officer Renteria started his law enforcement career on February 21, 2015 with the Smithfield Police Department. He attended Basic Law Enforcement Training at Johnston Community College. Officer Renteria has been extremely dedicated to the department and its mission during 2016. Officer Renteria gives freely of his personal time to attend various community events such as speaking with high school students about their next step in life. He is always willing to come in to assist other officers with interpreting if the need arises, as well as other agencies. He is a major asset of the department in the fact that he is bridging the gap with the Hispanic residents and the department. Officer Renteria always goes above and beyond in the performance of his duties and working with his fellow co-workers.

Mayor Moore presented Officer Miguel Renteria with a plaque identifying him as the 2016 Police Officer of the Year.

2. Appearance Commission Annual Report

Vice Chairperson Peggy Scott presented the Appearance Commission's Annual Report to the Council. Mrs. Scott informed the Council in 2016-2017, sidewalks were replaced on South 3rd Street, lighting was repaired at the African American Monument on Front Street and the Library's landscaping and lighting was completed. She expressed her appreciation to Town staff, Councilman Harris, and to Mr. Jim George for their support.

(Attached by reference and made a part of these official minutes is a copy of the Appearance Commission's Annual Report)

PUBLIC HEARINGS:

1. Amendment to Town of Smithfield Unified Development Ordinance

Councilman Lee made a motion, seconded by Councilman Dunn, to open the Public Hearing. Unanimously approved.

Senior Planner Mark Helmer addressed the Council on amendments to the Unified Development Ordinance (UDO). Mr. Helmer explained the Town of Smithfield Planning Department enlisted the services of Holland Consulting Planners to revise and update the Town of Smithfield's existing Unified Development Ordinance. The purpose of this update was to: Coordinate UDO with overall Town Code, modernize regulations, address regulatory deficiencies, provide a user-friendly document, provide effective enforcement, coordinate UDO with concurrent projects and provide graphics to aid in understanding of the UDO.

A Unified Development Ordinance Committee was formed consisting of elected officials, advisory board members and community leaders. The committee reviewed the document, conducted 16 meetings totaling 22 hours of discussion and received public comment throughout the review process. The committee's diligent study and input into the creation of the document has produced a truly worthy ordinance.

The Unified Development Ordinance Committee, at its May 30th, 2017 meeting, unanimously voted to recommend approval of the revised Unified Development Ordinance.

The Town of Smithfield Planning Board, at its July 13th, 2017 meeting, unanimously voted to recommend approval of the revised Unified Development Ordinance with the follow conditions of approval:

1. Existing language allowing alternate advisory board members be retained in the revised Unified Development Ordinance.
2. Eliminate the need for a majority vote when a Board of Adjustment member seeks to be excused from voting in quasi-judicial matters. This request is believed to be inconsistent with the North Carolina General Statutes and is not recommended by staff and, no change has been made in the current draft of the revised UDO dated 7/19/2017.

Dale Holland of Holland Consulting Planners expressed his appreciation to the Town for allowing his firm to assist with the revision. Mr. Holland explained the committee was charged with producing an ordinance that was user friendly and more business friendly. The final draft was well organized and easier to read. Mr. Holland explained some of the changes which are as follows:

- Conditional Use Permit: The term for these permits would now be Special Use Permits. The term conditional use implies the Council had the ability to apply conditions to an application which was not the case. Conditional Use and Special Use under State Statute have the exact same meaning.
- Signage: In 2015, the Supreme Court rendered a decision mandating that signage be message neutral. The Town cannot refer to sign based on the name of the sign, but only the type of the sign. In the UDO, all signs are referred to by type.
- Landscaping Requirements: Graphics were included to make this section easier to read and understand. In the UDO, buffer yards were eliminated, there was a slight reduction in the vegetative requirements and a licensed landscape contractor can also prepare and submit landscape plans.
- Manufactured Home Parks: Substantially increased the requirements for manufactured home parks. In the UDO, manufactured home parks will be required to have open space, street paving along with other more stringent requirements.
- Legislative changes: There were many legislative changes. Some new items in the UDO are Granny Pods and telecommunications.

Mayor Pro-Tem Ashley stated that while the committee may have met for twenty-two hours, more time was spent reviewing the material. He expressed his appreciation to Mr. Holland and stated that he and his firm provided great advice and service.

Mayor Pro-Tem Ashley informed the Council the committee added a section whereby the Planning Board is required to meet quarterly to review the UDO. This will ensure that the ordinance will stay active and up to date.

Mayor Pro-Tem Ashley informed the Council that another significant change was quasi-judicial hearings. He explained the School of Government had issues with conducting multiple quasi-judicial hearings. They suggested the Council, the Planning Board or the Board of Adjustment hear these type of cases because it could be an unfair process for the applicant. Mayor Pro-Tem Ashley stated it was the opinion of the committee to have the Council hear all quasi-judicial matters. Mr. Holland explained there is more of a chance for a flaw in the process if more than one board hears the case.

Councilman Harris stated that part of the problem was the ordinance has not been enforced. He explained the Town has this UDO and it needs to be enforced. He was unsure if enforcement could be effectively accomplished with a part-time Code Enforcement Officer. Councilman Harris further stated the Town's UDO was not as restrictive as other communities.

Mayor Pro-Tem Ashley informed the Council of another issue discussed was the process of recusing oneself. He explained that the Planning Board's recommendation was to allow members of the Board

of Adjustment to recuse oneself without a formal vote. Mr. Holland replied that had to change because if the Board of Adjustments are dealing with quasi-judicial matters, there must be a formal vote to be recused.

Mayor Moore asked if there was anyone in attendance who wished to speak on this matter. There was no one that wished to speak.

Mayor Moore asked the Council if there were any other questions or statements. There were no additional questions or comments from the Council.

Mayor Moore expressed his appreciation to Mayor Pro-Tem Ashley and Councilman Dunn for serving on the committee. He recognized those member who were in attendance and thanked them for serving on the committee.

Councilman Harris made a motion, seconded by Councilman Scott, to close the Public Hearing. Unanimously approved .

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Dunn, approve the UDO with the one change concerning the recusal requirement for the Board of Adjustment as it was originally recommended to the Planning Board. Unanimously approved.

2. Amendment to the Town of Smithfield's Code of Ordinances

Councilman Harris made a motion, seconded by Councilman Rabil, to open the Public Hearing. Unanimously approved.

Fire Chief John Blanton addressed the Council on amending the Code of Ordinances to allow for outdoor fires. Chief Blanton explained the Fire Department was seeking approval to amend the current ordinance Sec. 7-31 Open Fires – Prohibited, and Sec. 7- 32 Outdoor barbecues exempt, to allow for the use of approved fire-pits, barbecue grills, and outdoor fire places since these outdoor appliances were gaining in popularity. In accordance with NCGS 160A- 364 a public hearing was required to gain public input on amending the Town of Smithfield's Code of Ordinance.

Mayor Moore asked if there was anyone in attendance who wished to speak on this matter. There was no one that wished to speak.

Mayor Moore asked the Council if there were any other questions or statements. There were no additional questions or comments from the Council.

Councilman Harris made a motion, seconded by Councilman Rabil, to close the Public Hearing. Unanimously approved.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Rabil, to approve amending the Town of Smithfield's Code of Ordinances as follows: Unanimously approved.

ORDINANCE # 491-2017

An ORDINANCE TO AMEND THE TOWN OF SMITHFIELD CODE OF ORDINANCES, CHAPTER 7,
FIRE PREVENTION AND PROTECTION
ARTICLE II. – FIRE DEPARTMENT,
Sec. 31. – OPEN FIRES SEC. 32 – OPEN FIRES - OUTDOOR APPLIANCES

WHEREAS, Section 7-31 of the Town of Smithfield's Code of Ordinances currently prohibits outdoor fireplaces and fire pits use for cooking or recreational use within the Town limits; and

WHEREAS, The Smithfield Fire Department has requested that the Ordinance be amended to allow for outdoor fireplaces and fire pits use for cooking or recreational.

NOW THEREFORE BE IT ORDAINED by the Town Council of the Town of Smithfield that Chapter 7, Fire Prevention and Protection, Article II. – Fire Department, Sec. 31 – Open Fires- Prohibited and Sec. 32 Approved Outdoor Appliances, is rewritten as follows

Sec. 7-31. - Open fires.

No open fires shall be permitted in the town for the purpose of burning leaves, trash or other combustible materials not included in 7-32. Private incinerators of metal or brick and mortar type construction shall be considered open burning and their use prohibited.

Sec. 7-32. Open Fires - Outdoor Appliances

The use of outdoor appliances, limited to fireplaces, fire-pits and barbecue grills, for the preparation of family meals and/or recreational heating purposes are exempt under this section. Only cut natural firewood, commercially available fire logs, and/or charcoal can be used in these approved outdoor appliances. Any outdoor appliance in use must be supervised by a competent adult and have a useable extinguishing device (fire extinguisher, water hose, etc.) within twenty-five (25) feet. Smoke conditions considered a nuisance to adjoining properties shall not be allowed. Open burning for agricultural and forestry purposes is exempt provided all burning is pursuant to North Carolina General Statute and/or the North Carolina Administrative Code.

This ordinance shall be effective upon adoption

Town Clerk Shannan Williams administered affirmations to those that wished to offer testimony during the Public Hearing

3. Conditional Use Permit Request by H. Harper Whitley: Suburban Apartments – (CUP 17-07)

Prior to the start of the Public Hearing, Mayor Moore asked that he be recused from conducting this hearing stating a potential conflict of interest because the applicant was his father-in-law.

Councilman Harris made a motion, seconded by Council Scott, to recuse Mayor Moore from participating in the Public Hearing. Unanimously approved.

Councilman Scott made a motion, seconded by Councilman Harris, to open the Public Hearing. Unanimously approved.

Senior Planner Mark Helmer addressed the Council on a request by H. Harper Whitley . The applicant was requesting a conditional use permit to construct and operate a 6 unit multi-family housing complex on property located within the B-3 (Business) zoning district. The property is located on the west side of the intersection of Fairway Drive and Stancil Street and is further identified as Johnston County Tax ID # 15089011. Mr. Helmer explained the property is approximately .42 acres in area and contains an existing 4200 square building. The existing building contains 6 office units and is served by a driveway on Pace Street and a driveway on Stancil Street. The parking lot is configured with a one way drive isle and 12 angled parking spaces. The site is currently landscaped, but replacement of dead and dying landscape material is recommended. A screened dumpster pad will be required. The proposed 6 unit multi-family housing complex is consistent with the recommendations of the Future Land Use Plan which recommends low density residential uses for this property. A 6 unit multi-family housing complex is a permitted use within B-3 (Business) zoning district with a valid conditional use permit. The site has adequate parking for the proposed use and minimal site improvements will need to be made for the project to meet minimum development standards. A 6 unit multi-family housing complex at this location should not pose a compatibility issue with surrounding land uses given that the project is small in scale and will be a low trip generator. There is an existing nonconforming free standing ground sign that may be refaced. Any changes beyond re-facing the existing sign cabinet will require the entire sign to come into compliance with current development regulations. An abandoned sign that is in disrepair will be required to be removed.

Senior Planner Mark Helmer has incorporated his entire record and provided it to Council in written form in the August 1, 2017 agenda packet.

The Planning Department recommends approval of the Conditional Use Permit for a 6 unit multi-family housing complex.

The Planning Board, at its June 1, 2017 meeting, unanimously voted to recommend approval of the conditional use permit to construct and operate a 6 unit multi-family housing complex on property located within a B-3 (Business) zoning district.

Mayor Pro-Tem Ashley asked the applicant if he was in agreement with the testimony provided by Mr. Helmer. Mr. Whitely responded he was in agreement with the testimony offered by Mr. Helmer.

Mayor Pro-Tem Ashley asked if there were any comments/questions from those that had been duly affirmed to offer testimony. There was none.

Mayor Pro-Tem Ashley asked if there were any questions from Council.

Mayor Pro-Tem Ashley questioned if the Planning Department had received objections from any of the neighbors. Mr. Helmer responded there was opposition at the Planning Board meeting concerning the visibility of dumpsters. Mr. Helmer assured the property owners that there would be adequate screening.

Councilman Harris made a motion, seconded by Councilman Rabil, to close the Public Hearing. Unanimously approved.

The Written Finding

Town Council of the Town of Smithfield decided the matter of this Conditional Use Permit Application by motion and vote on each of the following four findings of fact

Councilman Dunn made a motion, seconded by Councilman Rabil, to vote in the affirmative to all of the below four findings. Unanimously approved.

- **Finding One of Four: Agree**

Based on the evidence and testimony presented it is the finding of the Town Council that the application will not materially endanger the public health or safety if located where proposed and developed according to the plans as submitted and approved or is approved with the following stated conditions.

The Town Council finds that no factual evidence has been submitted to suggest that public health and safety would be jeopardized by allowing a change in use from office to residential.

- **Finding Two of Four: Agree**

Based on the evidence and testimony presented it is the finding of the Town Council that the application meets all required specifications and conforms to the standards and practices of sound land use planning and the Town of Smithfield Unified Development Ordinance or other applicable regulations or is approved with the following additional stated conditions.

The Town Council finds that the use can and will conform to Town of Smithfield Unified Development Ordinance to include dumpster screening and handicap accessible parking as required for the change in use from office to residential.

- **Finding Three of Four: Agree**

Based on the evidence and testimony presented it is the finding of the Town Council that the application will not substantially injure the value of adjoining or abutting property and will not be detrimental to the use or development of adjacent properties or other neighborhood uses or is approved with the following additional stated conditions.

The adjacent properties will not be injured in value because the subject property has provided all necessary improvements to include buffering, landscaping, dumpster screening and adequate parking in accordance with the Town of Smithfield Unified Development Ordinance.

- **Finding Four of Four: Agree**

Based on the evidence and testimony presented it is the finding of the Town Council that the application would not adversely affect the adopted plans and policies of the Town of Smithfield, or violate the character of existing standards for development of the adjacent properties or is approved with the following additional stated conditions.

The Town Council finds that the proposed change in use is consistent with the purpose and intent, and will not violate the character of current development standards. Furthermore, the Town Council finds a change in use from an office and institutional land use to multi-family residential land use will not adversely affect any adopted plans to include small area plans or existing transportation plans for this area.

Record of Decision: Approval of Conditional Use Permit Application Number CUP-17-06

Councilman Harris made a motion, seconded by Councilman Dunn, based upon satisfactory compliance with the above four stated findings and fully contingent upon acceptance and compliance with all conditions as previously noted herein and with full incorporation of all statements and agreements entered into the record by the testimony of the applicant and applicant's representative, I move to approve Conditional Use Permit Application # CUP-17- 06. Unanimously approved.

CITIZENS' COMMENTS: None

CONSENT AGENDA:

Councilman Dunn made a motion, seconded by Councilman Harris, to approve the following items as listed on the Consent Agenda: Unanimously Approved

1. Approved the following Minutes:

July 11, 2017 – Regular Meeting
July 11, 2017 – Closed Session

2. Adopted Resolution #607 (12-2017) Requesting Greater Efforts to Avoid Flooding Impacts Within the Lower Neuse River Basin.

**TOWN OF SMITHFIELD
RESOLUTION # 607 (12-2017)**

**REQUESTING GREATER EFFORTS
TO AVOID FLOODING IMPACTS WITHIN THE LOWER NEUSE BASIN**

WHEREAS, the Neuse River Basin encompasses 74 municipalities and 19 reservoirs and drains land from 18 of North Carolina's counties covering approximately 6,234 square miles, totaling nearly 4 million acres; and

WHEREAS, roughly one-sixth of the state's population lives within the Neuse River Basin; and

WHEREAS, the Town of Smithfield which is along the Neuse River and has experienced severe flooding in 1996 due to Hurricane Fran which brought floodwaters exceeding flood stage; and

WHEREAS, in July 1997, the United States Army Corps of Engineers received authorization to conduct a study on flood risk management, environmental protection and restoration, and related purposes for the Neuse River Basin; and

WHEREAS, in September 1999, Hurricane Floyd caused a second round of flooding which devastated portions of eastern North Carolina located along the rivers, particularly the Neuse River and caused an estimated \$3 billion dollars' worth of damage, damaged more than 56,000 homes, and resulted in 1,500 floodwater rescues in eastern North Carolina; and

WHEREAS, the state and federal response to this catastrophe was the permanent displacement of homes, families, and businesses through a buy-out program which caused significant harm to the cities, counties, and communities affected where long-time neighbors, often generational, were forced to part ways to start new lives in new neighborhoods; and

WHEREAS, in 2012, the USACE presented findings from the study authorized in 1999 to the Civil Works Review Board and concluded that USACE lacked interest in Flood Risk Reduction at the time, citing: steps being taken by the North Carolina Department of Emergency Management (NCDEM) and Federal Emergency Management Agency (FEMA) to reduce flooding losses through floodplain mapping, emergency preparedness and response, risk communication and a flood-prone structure buy-out program; and

WHEREAS, the USACE report suggested the expenditure of more than \$38 million dollars for environmental restoration measures but failed to request any funds to reduce the risk of flooding for those living and working along the Neuse River; and

WHEREAS, in October of 2016, the Town of Smithfield was devastated as a result of flooding precipitated by Hurricane Matthew; and

WHEREAS, the estimated flood damage from Hurricane Matthew exceeded \$1.5 billion dollars resulting in damage to more than 100,000 homes, destroying entire towns and taking at least 28 lives; and

WHEREAS, the record setting flooding caused by Hurricane Matthew did not occur until several days after the hurricane had passed as accumulated rainfall in the higher elevations of the state made its way toward the coast; and

WHEREAS, the relatively flat terrain of eastern North Carolina slowed the fast moving waters coming from higher elevations causing a significant increase in both the depth and breadth of the Neuse River from Smithfield through Kinston as the river reached record heights and overflowed its banks, inundating a record number of properties with floodwater; and

WHEREAS, the recent impact of Hurricane Matthew to counties, municipalities, businesses, and residents located along the Neuse River indicate that the efforts taken by the NCDEM and FEMA were insufficient to prevent or significantly reduce the amount of damage sustained as a result of Hurricane Matthew; and

WHEREAS, it is now apparent that mapping, emergency preparedness and risk communication did little to prevent the damage incurred by Hurricane Matthew; and

WHEREAS, the use of flood control measures have proven successful as demonstrated by estimates calculated by the USGS such as the study that concluded that the installation of Falls dam reduced the frequency of flooding experienced as a result of Hurricane Fran from once every 10-25 years to once every 50-100 years; and

WHEREAS, the use of flood control measures could have prevented, or significantly reduced the extent of damage caused by Hurricane Matthew.

NOW THEREFORE, BE IT RESOLVED, THE MAYOR AND TOWN COUNCIL OF THE TOWN OF SMITHFIELD, do hereby request that the State of NC and the appropriate federal agencies

engage, develop and financially support greater efforts to avoid devastating damages to persons and property in the Lower Neuse Basin through the implementation of flood control measures and that specific consideration be given, but not limited, to (1) construction of flood control reservoirs along the Neuse River, (2) identification of alternative water supplies for the City of Raleigh that would allow lowering of Falls Lake during times of anticipated flooding, (3) additional mitigation by NCDOT to address significant stormwater impacts from highway construction and (4) active "snag, drag and dredge" operations within the Neuse River and its tributaries to reduce obstructions to flow and removal of materials that would impact the flood level of the River.

BE IT FURTHER RESOLVED that this Resolution shall be provided to members of the General Assembly representing the Town of Smithfield and to the Congressional delegation for the State of North Carolina.

3. Approval was granted to purchase AMI electric meters in the amount of \$85,439.77.
4. Alice Harris was appointed to serve a first term on the Appearance Commission.
5. Promotion: Approval was granted to promote an internal candidate to the position of Pump Station Mechanic in the Public Utilities – Water/Sewer Division.
6. Promotion: Approval was granted to promote an internal candidate to the position of Utility Line Crew Supervisor in the Public Utilities – Water/Sewer Division.

7. New Hire Report

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Planning Director (Part-time)	Planning	10-4900-0200	\$45/hr.
Police Officer I	Police	10-5100-0200	\$15.58/hr. (\$34,836.88/yr.)
Water Plant Operator	PU – WP	30-7200-0200	\$17.30/hr. (\$35,984.00/yr)

Current vacancies:

<u>Position</u>	<u>Department</u>	<u>Budget Line</u>
Planning Director	Planning	10-4900-0200
Police Officer	Police	10-5100-0200
Sanitation Equip. Operator	PW – Sanitation	10-5800-0200

8. Approval was granted to enter into a financing agreement with KS Bank, Inc. for the purchase of the Fire Truck and adoption of Resolution #608 (13-2017)

*Town of Smithfield
Resolution # 608 (13-2017)
Approving Financing Terms*

WHEREAS: The Town of Smithfield ("Town") has previously determined to undertake a project for the financing of a fire 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 KS accordance with the proposal dated July 21, 2017. The amount financed shall not exceed \$490,500, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.24%, and the financing term shall not exceed 12 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 KS 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 parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.*

BUSINESS ITEMS:

1. Economic Development Annual Report & Consideration and Approval of Continuing to engage Sanford Holshouser for Economic Development Consulting and Assistance

This item was tabled at the July 11, 2017 meeting

Rocky Lane of Sanford Holshouser provided the Council with an annual report. Mr. Lane explained that Smithfield was serious about economic development. He explained the Town needed to be prepared for growth. Mr. Lane explained that there have been some opportunities identified with the Community College, the Strategic Communication Plan is in its final stages, and there is an opportunity for a School of Government class to make the Old Town Hall building a class project in the fall.

Councilman Lee questioned a meeting involving Crystal Roberts. Councilman Lee stated that Ms. Roberts does not live in East Smithfield and she is not involved with East Smithfield. Mr. Lane responded that Ms. Roberts did not represent herself as representing East Smithfield, she just simply identified some needs in the community.

Mayor Pro-Tem Ashley questioned Mr. Lane's efforts and his continued roll. Mr. Lane responded that the intent was to be an extension of Economic Development Liaison Tim Kerigan because he has so

many duties with the Town. The goal was to assist Mr. Kerigan with whatever he needed. There are a lot of meetings and phone calls that are necessary to make things happen.

Councilman Harris made a motion, seconded by Councilman Rabil, to approve the request to continue to retain the services of Sanford Holshouser for Economic Development Assistance. Unanimously approved.

2. Consideration and approval of an increase in Sewer Rates due to a recent increase in rates adopted by the Johnston County Board of Commissioners.

Public Utilities Director Ted Credle addressed the Council on a proposed rate adjustment in sewer rates. Mr. Credle explained in 2015, the LGC raised questions regarding Water Fund health & balance. Analysis revealed that rates needed to be raised for fiscal health. In July of 2016, Council approved 6-year rate plan, in accordance with study performed by the Wooten Company. Water and sewer rates were raised in 2016. To ease transition, a tiered adjustment was needed every 2 years. The Town received notification from Johnston County that their rate study concluded they had to increase rates by approximately 6%. On June 26, 2017, the Johnston County Board of County Commissioners approved a rate increase for the County Utility Department services. The rate increase will effect all customers for Johnston County, including the Town of Smithfield. The Board of Commissioners approved a bulk water rate increase of over 6%, as well as, a sewer rate increase of over 6%. This is a cost the Town will have to pay on a monthly basis for sewer service. As the Town did not budget for this increase, it is proposed to increase sewer rates to cover this increased cost. Below is a table of actual and proposed increases. It is proposed to make this increase effective on September 1, 2017, in accordance with the County rate increase.

County Approved Rate Increase

	Current Rate	September 1, 2017 Rate	% Change
Sewer Flow	\$2.80/1,000 gallons	\$2.98/1,000 gallons	6.43
Transmission	\$0.48/1,000 gallons	\$0.51/1,000 gallons	6.25
Total	\$3.28/1,000 gallons	\$3.49/1,000 gallons	6.40

Proposed Town of Smithfield Rate Increase

	Current Rate	Proposed Rate	% Change
In-Town Residential	\$6.98/1,000 gallons	\$7.42/1,000 gallons	6.30
In-Town Non-Residential	\$7.76/1,000 gallons	\$8.26/1,000 gallons	6.44
Out-of-Town Residential	\$13.96/1,000 gallons	\$14.84/1,000 gallons	6.30
Out-of-Town Non-Residential	\$15.52/1,000 gallons	\$16.52/1,000 gallons	6.44

Councilman Scott questioned if the base charge would also increase. Mr. Credle responded only the commodity charge would increase.

Councilman Harris questioned the amount of an average monthly sewer charge. Mr. Credle responded the average sewer charge was based on 4,000 gallons of water therefore the bill would be \$39.24 a month. With the rate increase, the bill would be approximately \$41.00 a month.

Councilman Rabil questioned if this rate increase was only for the Town of Smithfield. Mr. Credle explained it was for all Johnston County customers.

Mayor Moore asked about irrigation meters. Mr. Credle responded that irrigation meters are only charged for water usage. There are no charges for sewer.

Mayor Pro-Tem Ashley stated the Council didn't have a choice other than to pass the increase on to its customers.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Dunn, to approve the increase in sewer rates to cover this increased cost by Johnston County. Unanimously approved.

3. Approval to amend an agreement with Johnston County for wholesale bulk water rates.

Public Utilities Director Ted Credle addressed the Council on a request to amend an agreement with Johnston County for wholesale bulk water rates. Mr. Credle explained in 2009, the Town of Smithfield and Johnston County entered into an agreement for the Town to sell water to the County. Since that time, the 2009 executed agreement has remained in effect. Recent growth in the County has created increased demand, resulting in a need for the County to buy more water from the Town. In review of the 2009 agreement, there were certain provisions that were no longer needed, or desirable, for either the Town or the County. As a result, the 2017 agreement was proposed to re-establish terms of the sale of water from the Town to the County. Mr. Credle further explained that the revised agreement would grant the County a 2.5 MGD allocation and the County may purchase additional allocation over the next two years for \$3.25/gallon. The price was set at \$2.00/1,000 gallons. The Town will take ownership of water main along US-70. The customers along this line would still be served by the County. Taking ownership of this line would allow the Town to have the ability maintain the line. The Town will install meters to determine sales which would be reconciled every quarter. This was a fifteen year agreement

Mayor Moore questioned the age and condition of the water line the Town would assume. Mr. Credle responded that he was unsure of the age and condition, but he would research that information for the Council.

Mayor Moore inquired about the rate and how it compared to other entities that sold water to Johnston County. Mr. Credle responded that \$2.00 is more in line with the other rates of \$2.03, \$2.05 and \$2.10 the county is purchasing water from other entities.

Mayor Moore asked how much it cost the Town to make water. Mr. Credle responded it cost between \$1.50 and \$1.70 to produce water.

Councilman Rabil questioned how much revenue would this generate. Mr. Credle responded approximately \$300,000.

Mayor Pro-Tem Ashley inquired if Mr. Credle was comfortable taking over the water line. Mr. Credle responded that he was comfortable, but to ease everyone's minds he would like to research the information for the Council. He would contact the County to ascertain any information they could provide concerning the water line.

Town Attorney Bob Spence stated that there were advantages to owning the line. From an attorney's point of view, the title had value.

Mayor Pro-Tem Ashley made a motion, seconded by Councilman Scott, to approve this contract subject to the satisfactory review of the maintenance records, construction records and inspection records by the Public Utilities Director and the Town Manager. Unanimously approved

4. Consideration and approval to add to the Town of Smithfield's Code of Ordinances Chapter 9, Licenses, Permits & Miscellaneous Business Regulation, Article VIII Wine, Fortified Wine, And Mixed Beverages On Sunday Mornings; Section 9-250

Town Manager Michael Scott addressed the Council on a request to amend the Town of Smithfield's Code of Ordinances. The Town Manager explained that Senate Bill #155 was ratified following the 2017 legislative session. Within this Senate Bill was a new section of Chapter 160A that reads as follows:"§ 160A 205.3. Hours of certain alcohol sales. In accordance with G.S. 18B 1004(c), a city

may adopt an ordinance allowing for the sale of malt beverages, unfortified wine, fortified wine, and mixed beverages beginning at 10:00 A.M. on Sunday pursuant to the licensed premises' permit issued under G.S. 18B 1001." The Town has since been approached by the Downtown Smithfield Development Corporation (DSDC) and the Greater Smithfield Selma Area Chamber of Commerce requesting the Town Council create a Town ordinance allowing for alcohol sales and consumption in accordance with NCGS 160A-205.3. The Town Manager informed the Council it was his recommendation to change the time from noon to 10:00 am

Councilman Rabil made a motion, seconded by Councilman Dunn, to approve Ordinance # 492 allowing for alcohol sales on Sunday at 10:00 am. Councilman Rabil, Councilman Dunn, Mayor Pro-Tem Ashley and Councilman Harris voted in favor of the motion. Councilman Scott and Councilman Lee voted against the motion.

Due to this being the first introduction of the ordinance amendment a super majority of the Council was needed. This was not achieved; therefore the ordinance amendment did not pass, but will be reconsidered at the September 5, 2017 meeting.

5. Consideration and approval of construction bid awards in the amount of \$104,908.54 for the remodel of the former Johnston Ambulance Service to allow for use as Smithfield Fire Station #2

Fire Chief John Blanton addressed the Council on bid awards for the remodeling of the Fire Station 2 site. Chief Blanton explained the Fire Department solicited bids from five different companies for the construction phase of the project. One response was received from Stephenson General Contractors. Three bids were solicited for site work. One response was received on time from J.P. Edwards. Another bid was submitted late. Three bids were solicited for signage and three bids were received.

Staff recommended Stephenson General Contractors to complete the construction phase of the project in the amount of \$72,763.00. Staff recommended J.P. Edwards Inc. to complete the site work in the amount of \$28,850.00. Staff recommended Smithfield Sign Design to install the sign in the amount of \$3,295.54.

Mayor Pro-Tem Ashley questioned why more bids were not submitted. Chief Blanton responded that most of the contractors are too busy to take on another project at this time.

Councilman Harris made a motion, seconded by Councilman Scott, to award the bid to Stephenson General Contractors to complete the construction phase of the project in the amount of \$72,763.00, to award the bid to J.P. Edwards Inc. to complete the site work in the amount of \$28,850.00 and to award the bid to Smithfield Sign Design to install the sign in the amount of \$3,295.54. Unanimously approved.

6. Consideration and Approval to purchase and install speed humps on Second Street and Southwood Drive

Chief of Police Keith Powell addressed the Council on a request by residents in the South Second Street Neighborhood. Chief Powell explained he had been approached by several residents about having a speed hump placed on South Second Street near Southwood Drive. The residents were complaining about individuals speeding down South Second Street. Residents were afraid their children or pets might accidentally run out into the street and be hit by a vehicle traveling too fast. Chief Powell had officers utilize their radar in the area to assess the speed of vehicles traveling in the area. Several citations were issued for speeding. The speeds of the vehicles traveling on South Second Street averaged between 32 to 47 MPH in a 25 MPH zone. Officers will continue to monitor traffic and issue citations as time allows. Individuals traveling Second Street are able to build up speed due to no traffic control being in this area. It was the recommendation of Chief Powell to install 2 additional stop signs at South Second and Parker Streets.

Councilman Harris made a motion, seconded by Councilman Scott, to approve the installation of two additional stop signs at the intersection of South Second and Parker Streets. Unanimously approved.

7. Consideration and Approval to appoint Michael Taylor or Michael Johnson to serve on the Planning Board as an In-Town Member filling a recent vacated seat.

Town Manager Michael Scott addressed the Council on an In-Town position of the Planning Board. The Town Manager explained that Michael Taylor and Michael Johnson submitted application for consideration. Michael Johnson currently serves on the Board of Adjustment which is the appeals board for the Planning Board. Michael Taylor does not serve on any other advisory board. It was staff's recommendation to appoint Mr. Taylor to the Planning Board.

Councilman Scott made a motion, seconded by Mayor Pro-Tem Ashley, to appoint Michael Taylor to the Planning Board as an In-Town Member. Unanimously approved.

8. Consideration and Approval to accept the Staffing for Adequate Fire and Emergency Response Grant (SAFER) for the purpose of hiring 3 new additional Firefighters and adoption of Resolution # 609 (14-2017)

Fire Chief John Blanton addressed the Council on a request to accept the Staffing for Adequate Fire and Emergency Response grant. Chief Blanton explained in January, the Council approved filing the application for the SAFER grant. At that time, staff requested three new personnel and the grant awarded the three personnel.

Town Manager Michael Scott stated that this was an outstanding opportunity for the Town. If approved by the Council, this request would go in effect at the end of January as was originally budgeted. The Town Manager explained the grant comes with a caveat should the Council desire to hire this personnel sooner than January, they could do so at any time with an amendment request to the grant agreement. In the event that the Council chose to hire the additional personal prior to January, it would cost approximately \$3600 a month that was not budgeted.

Councilman Harris questioned when the Fire Station 2 renovations were scheduled to be completed. Chief Blanton responded that everything should be completed by the end of October. Chief Blanton further responded that having the additional personnel on staff prior to the ISO inspection in November would be beneficial because during the last inspection two things the inspector commented on was staffing and station distribution.

Mayor Pro-Tem Ashley stated that the Council just went through the budget process. The Council did not have this request to take effect in October and it was not budgeted for until January. Mayor Pro-Tem Ashley stated he was in favor of it taking effect when it was approved in the budget.

Mayor Moore reminded the Council that although the Town was in a good financial situation, there were budgets for a reason. He cautions the Council to be mindful of decisions that were unbudgeted.

Councilman Scott stated that the Town would only incur the costs for three months and that the staffing was needed now for the new station and for the safety of the firefighters.

Councilman Scott made a motion, seconded by Councilman Dunn, to approve the request effective October to assist with the ISO inspection and approval of Resolution #609 (14-2017). Councilman Scott, Councilman Dunn, Councilman Harris, Councilman Lee and Councilman Rabil voted in favor of the motion. Mayor Pro-Tem Ashley voted against the motion. Motion passed 5 to 1.

**RESOLUTION # 609 (14-2017)
TOWN OF SMITHFIELD
ACCEPTANCE OF THE ASSISTANCE TO FIREFIGHTERS GRANT FOR STAFFING
AND ADEQUATE FIRE AND EMERGENCY RESPONSE (AFG SAFER)**

WHEREAS, the Smithfield Town Council is committed to protecting the health and safety of the public and firefighting personnel against fire and fire-related hazards; and,

WHEREAS, the Smithfield Town Council approved the submittal of a Federal Emergency Management Agency Assistance to Firefighters Grant for Staffing and Adequate Fire and Emergency Personnel application at its January 3, 2017 regular meeting; and

WHEREAS, on July 28, 2017, the Town was notified that it had been awarded the Assistance to Firefighters Grant for Staffing and Adequate Fire and Emergency Personnel in the total amount of \$468,450.00 for the hiring and fringe benefits of three additional firefighters. The Federal share of this grant is \$288,876.00 with the Town's contribution being \$179,574.00 over a three year period; and

WHEREAS, the Smithfield Town Council certifies it will comply with the Federal Emergency Management Agency's Terms and Conditions of the Assistance to Firefighters Grant for Staffing and Adequate Fire and Emergency Personnel; and

WHEREAS, the Town Manager is the Chief Financial Officer for the Town.

NOW, THEREFORE BE IT RESOLVED, by the Smithfield Town Council, authorizes the Town Manager to formally accept the terms and conditions of the Assistance to Firefighters Grant for Staffing and Adequate Fire and Emergency Personnel in the amount of \$288,876.00 dated July 28, 2017. The Town will contribute \$179,574.00 to the approved grant funds. The total amount of \$468,450.00 will be used for the hiring and fringe benefits of three additional firefighters for a three year period.

9. Consideration and Approval to eliminate resident rates for Youth Team Sports and Kinder – Sports Programs under Parks and Recreation.

Town Manager Michael Scott addresses the Council on the possibility of eliminating resident rates for youth team sports and kinder sports programs. The Town Manager explained Councilman Harris asked that this item be added to agenda. The proposed change would include the elimination of fees for the youth team sports and kinder sports programs. Existing SRAC fees would be unchanged. The elimination of these fees will decrease the General Fund Revenues by an estimated \$9,950 annually. It is likely these losses can be absorbed in the current budget due to sales tax revenues being conservatively decreased because of the possible reallocation that was presented in the legislature during budget preparation. PARTF Grant agreements require that if resident fees are zero dollars for programs, that nonresident fees must be an estimated average of other neighboring jurisdictions' nonresident fees for similar programs. Staff believes that with the reductions that were implemented for nonresidents effective July 1, 2017, that our approved nonresident rates for the Youth Team Sports and Kinder Sports programs are competitive and would not require changes to meet the ongoing PARTF agreements. One issue that may arise are residents who sign up their children for these programs, and then do not follow through and have their children attend. This may create scheduling conflicts and create some adjustments of the number of teams, after children are assigned to a specific team. This could be monitored during the first year of implementation with any Fee Schedule change recommendations being made during the FY 2018-19 budget process.

Parks and Recreation Director Gary Johnson explained that anytime you can have reduced rates it is great. Mr. Johnson expressed some concerns about being vested in the sport since it would be offered at no charge.

Town Manager Michael Scott requested that should the Council choose to eliminate these rates, staff would like to make it effective at such a time that people are not already registered.

Mayor Pro-Tem Ashley questioned why this was not discussed during the budget session. Councilman Harris responded that he recently spoke with the Town Manager concerning the resident rates for youth team sports and kinder sports programs. Councilman Harris explained that eliminating these rates could give young families an incentive to move into Smithfield. It could also afford underprivileged children in Town another opportunity to participate in these sports.

Mayor Pro-Tem Ashley stated he did not disagree with the concept, but it should have been discussed during the budget session. He asked Mr. Johnson's opinion on eliminating these fees. Mr. Johnson responded that he could see pros and cons to eliminating the fees.

Councilman Dunn questioned when this could be implemented as to not interfere with registration of a sport. Mr. Johnson responded that basketball registration would begin October 1 – October 15 so it would be best if fees were eliminated prior to October 1st.

Councilman Rabil questioned if Mr. Johnson thought this would be a benefit. Mr. Johnson responded he felt there would be some benefit, but believed it would ultimately hurt the nonresident participation.

Councilman Lee stated that there are a lot children in East Smithfield that would take advantage of these sports if they were free. He explained that everyone always talks about trying to keep children engaged and involved and eliminating fees would allow them to be a part of a sport. He agreed that this was a great idea.

Mayor Moore cautioned the Council about the impact to the budget this change would make. He stated this was a great concept.

Councilman Harris made a motion, seconded by Councilman Dunn, to direct staff to devise a detailed proposal on how eliminating resident fees for kinder sports and youth team sports would work and when it would take effect so as not to interfere with another sports registration. This proposal is to be discussed at the next monthly meeting. Unanimously approved.

Councilmembers Comments

- Councilman Lee express his appreciation to everyone that attended and participated in the Fun In the Park Event and everyone that was in attendance for the Community Meeting at the Family Life Center.
- Councilman Harris informed the Council that construction will begin on the Boat Ramp on August 15th.
- Mayor Pro-Tem Ashley questioned how much revenue was generated by yard waste and asked that fee be eliminated for all residents.

Town Manager's Report:

Town Manager Michael Scott gave a brief update to the Council on the following items:

- Family Life Center: We continue to await Spectrum Cable to complete the necessary construction to add phone and Internet cables within the building. A meeting is scheduled for August 8th at 6:00 at the Family Life Center to receive input from the Town's youth on the direction of the recreation center.
- Inclusion Park: The grading portion of the project continues, as does the cement work and the sidewalks that are nearing completion. RFP's are being prepared to bid the playground equipment. The Playground Committee is meeting on Wednesday, August 2nd to discuss and finalize the required playground equipment needed for the park area.
- Traffic Signals: NCDOT is prepared to evaluate the traffic signal cycles at Second Street and Market, as well as the other synchronized lights. Chief Powell has evaluated the traffic lights in question and their duration and they appear to be operating safely and within timed limits.
- Coffee With a Cop: The next Coffee with a Cop is scheduled for August 18th, Friday, at

McDonalds on Highway 70 West. The time is from 9:00 am to 11:00 am. Please stop in if you can.

- **Department Reports**

- A highlight of each department's monthly activities was given to the Council.

Closed Session: Pursuant to NCGS 143-318.11 (a)(3) to consult with the Town Attorney on a matter & (a) (5) to discuss potential property acquisition.

Councilman Dunn made a motion, seconded by Councilman Rabil, to go into closed session pursuant to NCGS 143-318.11 (a) (3) & (5). Unanimously approved at 9:30 pm.

Reconvene in Open Session:

Councilman Dunn made a motion, seconded by Councilman Rabil, to reconvene in open session. Unanimously approved at 10:17 pm.

Adjourn

Councilman Rabil made a motion, seconded by Councilman Dunn, to adjourn the meeting. The meeting adjourned at approximately 10:17 pm.

M. Andy Moore, Mayor

ATTEST:

Shannan L. Williams, Town Clerk