

The Smithfield Town Council met in regular session on Tuesday, June 4, 2024 at 7:00 p.m. in the Council Chambers of the Smithfield Town Hall, Mayor M. Andy Moore presided.

Councilmen Present:

Roger Wood, Mayor Pro-Tem
Marlon Lee, District 1
Sloan Stevens, District 2
Travis Scott, District 3
Dr. David Barbour, District 4
John Dunn, At-Large
Stephen Rabil, At-Large

Councilmen Absent

Administrative Staff Present

Michael Scott, Town Manager
Ted Credle, Public Utilities Director
Jeremey Daughtry, Fire Chief
Lawrence Davis, Public Works Director
Andrew Harris, Finance Director
Pete Hedrick, Chief of Police
Gary Johnson, Parks & Rec Director
Tim Kerigan, Human Resources
Shannan Parrish, Town Clerk
Stephen Wensman, Planning Director

Also Present

Robert Spence, Jr., Town Attorney

Administrative Staff Absent

CALL TO ORDER

Mayor Moore called the meeting to order at 7:00 pm.

INVOCATION

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

APPROVAL OF AGENDA:

Councilman Scott made a motion, seconded by Councilman Dunn, to approve the agenda with the following amendments. Unanimously approved.

Add to the Presentations:

- 1. Consideration and request for approval to adopt Resolution No. 751 (12-2024) requesting that a section of US Interstate 95 be named in honor of Carl Lamm.

Remove from the Consent Agenda and Add to the Business Items:

- 7. Consideration and request for approval to award a bid in the amount of \$50,400.00 to JDR Lawn Care for Ground Maintenance Services

PRESENTATION:

1. Consideration and request for approval to adopt Resolution No. 751 (12-2024) requesting that a section of US Interstate 95 be named in honor of Carl Lamm.

Mayor Moore explained the purpose of the resolution was to request that a section of I-95 be named in honor of long-time radio broadcaster Carl Lamm. Mayor Moore read the following resolution into the record.

**TOWN OF SMITHFIELD
Resolution No. 751 (12-2024)
Requesting that a Section of US Interstate 95
be named in Honor of Mr. Carl Lamm**

WHEREAS, the State of North Carolina and the United States Federal Highway System have programs whereby sections of roadways may be named for leaders in their communities; and

WHEREAS, Carl Lamm has been a distinguished and dedicated member of the Smithfield community, contributing significantly to the cultural, social, and economic development of our town for many decades; and

WHEREAS, Carl Lamm's tireless efforts in local broadcasting have brought vital news, entertainment, and community information to the residents of Smithfield and surrounding areas through his long and illustrious career at WTSB Radio; and

WHEREAS, Carl Lamm has been recognized for his outstanding service and commitment to the community, earning numerous awards and accolades that highlight his dedication and impact on the lives of many; and

WHEREAS, the Town of Smithfield seeks to honor Carl Lamm's legacy and ensure that his contributions are remembered and appreciated by future generations; and

WHEREAS, naming a section of US Interstate I-95 in his honor is a fitting tribute to a man who has traversed many miles in service to his community.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Smithfield, North Carolina, as follows:

1. Dedication: The Town of Smithfield formally requests that the North Carolina Department of Transportation designate the section of US Interstate I-95 from Smithfield, NC to Four Oaks, NC as the "Carl Lamm Highway."
2. Signage: Appropriate signage shall be erected at suitable intervals along this section of the highway to inform travelers of this designation and to honor Carl Lamm's contributions.
3. Implementation: The Town Manager is hereby directed to communicate this resolution to the North Carolina Department of Transportation and to take all necessary actions to facilitate the implementation of this designation.
4. Commendation: The Town of Smithfield extends its heartfelt commendation and gratitude to Carl Lamm for his unwavering dedication and service to our community.

Councilman Dunn made a motion, seconded by Mayor Pro-Tem Wood to adopt Resolution No. 751 (12-2024) requesting that a section of US Interstate 95 be named in honor of Carl Lamm. Unanimously approved.

PUBLIC HEARING:

1. **FY 2024-2025 Budget: In accordance with NCGS 159 -12 (b), before adopting the budget ordinance, the Town Council shall hold a public hearing at which time any persons who wish to be heard on the budget may appear before the board**

Mayor Pro-Tem Wood made a motion, seconded by Councilman Dunn, to open the public hearing. Unanimously approved.

Town Manager Michael Scott presented the FY 2024-2025 to the Town Council.

Budget Summary:

- General Fund: Almost \$20 million
- Electric Fund: About \$18 million
- Water and Sewer Fund: Approximately \$11.2 million

Key Points:

- Property Tax: Remains stable at 57 cents per \$100 of tax valuation. This rate has been unchanged since 2003. For comparison, Johnston County's rate is 69 cents, 12 cents more than Smithfield's.
- Electric Fees and Charges: Increased by about 6%.
- Sewer Fees: Increased proportionately based on the wholesale increase charged by the county, also about 6%.
- Sanitation Fees: Increased by 55 cents for yard waste due to higher tipping fees.

Fund Balance and Capital Expenditures:

- General Fund: \$1.3 million in capital expenditures.
- Electric Fund: Over \$1 million.
- Water and Sewer Fund: About \$2.2 million.
- Medical Insurance Provider: Changed to Blue Cross Blue Shield from Cigna, resulting in a 5% savings over projected increases.
- Police Department: Approved a \$10,000 increase for police positions. Awaiting results of a salary study from Robertson Miller. Funds for salary increases are included in the budget.
- New Equipment: Includes police cars (\$110,000) and a new UTV for Greenway patrol (\$21,000).

Additional Highlights:

- Fire Department: Replacing a fire engine, setting aside funds each year, with \$230,000 allocated this year. Architectural plans for a third fire station at \$75,000. Additional extrication tools at \$45,000.
- Public Works: Annual street resurfacing funded by \$400,000 in power bill funds. New vac trailer at \$80,000 for stormwater management.
- General Services: Repaving of Sunset Cemetery (\$220,000).
- Parks and Recreation: Construction plans for the Soccer Complex (\$210,000), baseball diamond repairs (\$40,000), and parking lot repairs (\$25,000). Bleacher replacement at the Schrag, costing \$50,000, with \$25,000 funded by the school system.

Enterprise Funds:

- Waterline Improvements: \$400,000 for Smithfield waterline improvements, \$150,000 for South Smithfield water improvements, \$100,000 for inflow and infiltration reduction, \$200,000 for lift station repair, \$300,000 for additional AMI next grid meters, \$200,000 for waterline upgrades, and \$350,000 for a new VAT truck for wastewater.
- Electric Department: Ongoing voltage conversion (\$500,000) and delivery point improvements mandated by Duke Progress Energy (\$300,000). Second half of a bucket truck purchase (\$200,000).

Personnel Changes:

- Added two public works general maintenance employees, one full-time code enforcement officer (eliminated two part-time positions), one assistant town manager position, and significant funding for part-time summer assistants for grounds maintenance.

No Additional Debt:

- No new debt added to any funds. Continued savings for future expenditures such as a new fire engine and a bucket truck.

Tax Rate and Utility Fees:

- No change in the property tax rate.
- Increases in electric and sewer rates by 6% each, and a 55-cent increase in yard waste fees.

Growth Management:

- Managing growth is crucial due to new developments requiring police, fire protection, and sanitation services.
- Ongoing stormwater management efforts with current funding through the general fund.
- Planning for a third fire station and applying for a federal grant to cover its cost.
- Continued development of parks and recreation facilities with phased implementation to manage costs.
- Addressing sanitary sewer capacity issues until 2025 and exploring the creation of a water and sewer authority.

Personnel Needs:

- Prioritizing personnel needs to manage growth and maintain services.

Revenue and Fund Balance:

- Property tax revenue and sales tax revenue have been increasing steadily.
- Fund balances for the general, electric, and water and sewer funds are healthy and well-managed.

Budget Changes:

One change to the proposed budget: The town's workers compensation insurance came in \$21,924 higher than estimated. This amount will be equally divided among the general, water and sewer, and electric funds by adjusting the contingency line items accordingly.

The presentation concluded with an invitation for questions from the council.

Mayor Moore asked if the Council had any questions. There were none

Mayor Moore asked if anyone in attendance wished to speak on the matter. No one responded.

Mayor Pro-Tem Wood made a motion, seconded by Councilman Dunn, to close the public hearing. Unanimously approved.

Councilman Scott requested that the Council reconsider the 6% increase in residential electric rates and only increase those rates by 3%. The Town Manager responded that increasing the residential rates by 3% instead of the recommended 6% would cause a deficit of \$117,000 in expected revenues. To balance the budget, the voltage conversion budget would be adjusted from \$500,000 to \$400,000.

Councilman Scott further stated the Council recognized the need to adjust salaries for police personnel and he asked that other employee salaries remained a priority. The Town Manager responded that staff had not received the results of the salary study, but there were funds in the budget for increases.

Councilman Scott stated the Council had received an email about the Planning Board members stipend. He asked that the Council consider increasing that stipend by \$25 to \$75 per meeting. Councilman Barbour expressed his opposition to increasing the stipend for Planning Board members. He noted that other municipalities do not provide compensation to their board members and pointed out that within the Town of Smithfield, only the Planning Board and Board of Adjustment members receive compensation, while other advisory boards do not.

Councilman Rabil asked that \$1,000 be included in the budget for Recovery Alive. Councilman Barbour responded he was not in favor of funding ministries within a church

Mayor Pro-Tem Wood made a motion, seconded by Councilman Stevens to adopt the FY 2024-2025 Budget and Fee Schedule as proposed by the Town Manager. Mayor Pro-Tem Wood, Councilman Stevens, Councilman Barbour and Councilman Dunn voted in favor of the motion. Councilman Lee, Councilman Scott and Councilman Rabil voted against the motion. Motion passed 4 to 3.

CITIZEN'S COMMENTS:

- Anna Wallace raised concerns to the Town Council regarding speeding on South Second Street and Church Street, highlighting that numerous accidents have occurred in this area.
- Alisa Bizzell voiced her concerns to the Town Council about speeding on MLK Jr. Drive. She remarked that the situation has gotten out of control and stressed the need for action before someone gets hurt. Bizzell also recounted witnessing a police SUV speeding down the road, questioning the potential consequences if it were to hit someone or a school bus

CONSENT AGENDA:

Mayor Pro-Tem Wood made a motion, seconded by Councilman Dunn, to approve the following items as listed on the Consent Agenda:

1. Minutes
 - a. April 16, 2024 – Regular Meeting
 - b. April 22, 2024 – Recessed Meeting
 - c. April 29, 2024 – Recessed Meeting
2. Special Event: Rocktoberfest – Approval was granted to allow the Downtown Smithfield Development Corporation to hold an event in the 100 block of South Third Street on Saturday, October 12, 2024 from 10:00 am until 6:00 pm. Also approved was the closure of the 100 block of South Third Street, amplified sound, food trucks, beer/wine sales and vendor sales.
3. Special Event: Holiday Bazaar – Approval was granted to allow the owners of the Twisted Willow to hold an event in the 100 block of South Third Street on Saturday, November 9, 2024 from 9:30 am until 3:00 pm. Also approved was the closure of the 100 block of South Third Street, amplified sound, and vendor sales.
4. Approval was granted to promote a Firefighter I to the rank of Firefighter II.
5. Approval was granted to promote an Assistant Aquatic Center Supervisor to the position of Aquatic center Supervisor.
6. Approval was granted to promote a Water/Sewer Utility Line Mechanic to the position of Pump Station Mechanic.
7. Bid was awarded to WithersRavenel, Inc. in the amount of \$19,000.00 for surveying services for improvements to pump station no.11.

8. New Hire Report

<u>Recently Hired</u>	<u>Department</u>	<u>Budget Line</u>	<u>Rate of Pay</u>
Aquatic Center Supervisor	P&R - Aquatics	10-60-6220-5100-0200	\$24.29/hr. (\$50,523.20/yr.)
Equipment Operator	PW – Sanitation	10-40-5800-5100-0200	\$16.11/hr. (\$33,508.80/yr.)
Firefighter I	Fire	10-20-5300-5100-0200	\$19.19/hr. (\$41,910.96/yr.)
Part-Time Athletic Staff (2)	P&R – Recreation	10-60-6200-5100-0210	\$10.00/hr.
Part-Time Code Enforce. Asst.	Planning	10-10-4900-5100-0200	\$15.00/hr.
Part-Time SRAC General Staff(4)	P&R – Aquatics	10-60-6220-5100-0210	\$12.00/hr.
Part-Time SRAC Instructor	P&R – Aquatics	10-60-6220-5100-0230	\$15.00/hr.
Police Officer	Police	10-20-5100-5100-0200	\$22.26/hr. (\$49,773.36/yr.)
Pump Station Mechanic	PU – Water/Sewer	30-71-7220-5100-0200	\$17.81/hr. (\$37,044.80/yr.)
Utility Line Mechanic (2)	PU – Water/Sewer	30-71-7220-5100-0200	\$17.37/hr. (\$36,129.60/yr.)
Volunteer Firefighter (2)	Fire	10-20-5300-5100-0200	

<u>Current Vacancies</u>	<u>Department</u>	<u>Budget Line</u>
Electric Line Technician	PU – Electric	31-72-7230-5100-0200
Police Officer (13)	Police	10-20-5100-5100-0200

BUSINESS ITEMS:

1. Buffalo Road Rezoning Request (CZ-23-01)

Town Manager Michael Scott informed the Council that the applicant requested to have this item tabled until the July 9, 2024 Council meeting.

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Wood to table the Buffalo Road Rezoning Request (CZ-23-01) until the July 9, 2024 Town Council meeting. Unanimously approved.

2. Consideration and request for approval to grant Johnston County additional easement space to allow for maintenance of a force main

Public Utilities Director Ted Credle explained he was requesting the Council's approval for granting an additional easement to Johnston County Public Utilities for the sanitary sewer force main that crosses the Smithfield water plant property.

In 2020, during the water plant improvement project, the town granted the county a new easement for the force main from their sewer pump station located behind the water plant. This easement took a new route across the low-lying wooded area behind the water plant, with several turns to avoid wetlands. The county is responsible for maintaining this easement, including tree limb and grass maintenance.

The original route, which avoided the wetlands, created a V shape in the line. A temporary construction easement was also part of the original grant. The 90-degree turn in the force main, which avoids disturbing Buffalo Creek, is where the county now requests additional easement. This new easement, approximately 1,400 square feet, would be used for access and maintenance of the existing force main line.

This request does not affect operations at the water plant and helps avoid disturbing the wetlands. The staff supports this request and asks the Council to approve the additional easement.

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Wood, to approve the additional easement to Johnston County Public Utilities for the sanitary sewer force main. Unanimously approved.

3. Discussion concerning the establishment of a Stormwater Utility Fee

Planning Director Stephen Wensman provided an overview of the current status regarding stormwater management and funding. He explained this has been an ongoing issue for years. In July 2019, the Stormwater Management Action Plan was presented to the Town Council, which included findings and recommendations for forming a Stormwater Advisory Committee (SWAC).

In February 2021, SWAC recommended a \$3 ERU fee based on a level two service for the town's stormwater program. At that time, Mr. Wensman presented options ranging from a robust program to a minimal one. The committee chose a middle-of-the-road program, and the \$3 fee would cover the costs.

In August 2022, the Council adopted Resolution 709 to develop and implement a new stormwater utility with a stormwater enterprise fund, accepting NC DEQ stormwater infrastructure investment funding. This included \$500,000 for an impervious study and mapping the town's stormwater infrastructure, which is a state requirement.

In September 2023, the Council adopted Resolution 738, accepting an additional \$500,000 from the NC DEQ for an impervious study and infrastructure mapping. A company was currently mapping the infrastructure. The impervious study was complete, showing the town's average residential impervious area as 4,111 square feet.

SWAC's mission included reviewing funding options, leading to their recommendation. We are mandated by the state to have a stormwater program, which includes tasks like reviewing stormwater for developments, street cleaning, and pipe maintenance. These activities have significant costs, which are currently underfunded by the general fund budget.

The level two service program was initially estimated at \$630,000 in 2021, likely closer to \$1 million today. Using real impervious numbers from the study, we calculated that to fund a \$1 million program, a \$6 ERU fee would be necessary. Each residential unit would be charged \$6 per month, with commercial properties billed based on their impervious footprint.

Stormwater fees can be collected via utility bills or property taxes, and our finance department is exploring both options. Next steps include determining the desired ERU value, adopting an ordinance to create a stormwater utility, and deciding on the preferred collection method.

Councilman Scott questioned what type of infrastructure the company was mapping. Mr. Wensman responded they were mapping all stormwater related infrastructure.

Councilman Barbour asked whether the ongoing study would provide a complete assessment of the costs and necessary actions to bring the stormwater system up to proper functioning. He noted that the current system was clearly not working, as even a small amount of rain reveals its deficiencies. Councilman Barbour also inquired about the possibility of using a one-time debt issuance to fund the necessary repairs and then paying off that debt over a period of years. He emphasized that their primary question was whether the study would identify all the required improvements to ensure the system functions correctly.

Mr. Wensman responded by explaining that there was currently a capital improvement program addressing known stormwater needs. He mentioned that some state grant funding was being used to tackle significant projects, such as the stormwater issues at the Second and Fourth Street. The ongoing state-mandated mapping project was likely to identify additional repair costs that will need to be added to the capital project list. He emphasized the need to prioritize all stormwater projects on this list, as different flooding issues affect various parts of town and different people. He noted that the stormwater utility is intended to be a long-range plan to generate the capital needed to address these issues.

Mayor Moore acknowledged the significance of the issue, noting that as the town continues to grow and more impervious surfaces are added, water will move faster through smaller pipes, leading to new issues in areas previously unaffected. He expressed full agreement on the need to continuously identify and address these problems. Since no action was requested at this meeting, Mayor Moore suggested scheduling a

separate meeting dedicated to focusing on the stormwater issues and giving them the necessary attention.

No action was taken by the Council.

4. Consideration and request for approval to award a bid in the amount of \$50,400.00 to JDR Lawn Care for Ground Maintenance Services

Mayor Moore acknowledged that Councilman Scott asked that this item be removed from the consent agenda. He asked if Councilman Scott had specific questions about the item.

Councilman Scott noted that JDR Lawn Care was based over sixty miles away and asked the Public Works Director if he had reservations about that and if he had checked their references. Public Works Director Lawrence Davis responded that the company had recently moved their business closer to Smithfield and he had checked references and all stated JDR Lawn Care's work was exceptional.

Councilman Scott stated the Town's current contractor had also submitted a bid. He further stated that the current contractor had been performing the Town's lawn maintenance for over ten years. He further stated the difference between both contracts was only \$152 a month.

Councilman Scott made a motion, seconded by Councilman Stevens, to award the contract in the amount of \$52,228.00 to Lane Lawn Care stating that Lane Lawn Care was the current contractor and he was local to Smithfield. Unanimously approved.

Councilmembers Comments:

- Mayor Pro-Tem Wood informed the Council that he attended the ribbon cutting of the Jackie Ray Robinson walking trail near Smith Collins Park and the grand opening of the pickleball courts at Community Park.
- Councilman Scott provided an update on the Johnston County Water/Sewer Authority steering committee.
- Councilman Barbour expressed his appreciation to Parks and Recreation Director Gary Johnson and the Parks and Recreation staff for all their hard work.
- Mayor Moore highlighted that the town has not raised taxes since he joined the board, despite maintaining a high level of service. Acknowledging there is still room for improvement, he emphasized the council's commitment to making the right decisions for the town. He expressed gratitude for the hard work and dedication put into the budget, thanking Mike and the entire staff. He commended the fire department for their outreach efforts in installing smoke detectors, which was greatly appreciated by citizens.

Town Manager's Report:

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

- Members of Congressman Wiley Nickles Office would be in the Council Chambers on Wednesday to meet with constituents.
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- Congressman Wiley Nickle would be presenting a check to the Smithfield Police Department for a federal grant for body worn cameras on Monday, June 10, 2024

Closed Session: Pursuant to NCGS 143-318.11 (a) (3)

Councilman Dunn made a motion, seconded by Mayor Pro-Tem Wood to go into Closed Session pursuant to the aforementioned statute. Unanimously approved at approximately 8:33 pm.


Reconvene in Open Session

Councilman Barbour made a motion, seconded by Mayor Pro-Tem Wood, to reconvene the meeting in Open Session. Unanimously approved at approximately 9:14 pm

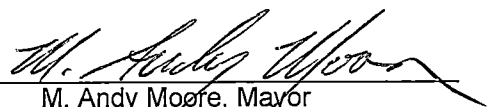
Adjourn

Councilman Barbour made a motion, seconded by Councilman Dunn to adjourn the meeting until. The meeting adjourned at approximately 9:15 pm.

ATTEST:


Shannan L. Parrish, Town Clerk




M. Andy Moore, Mayor