

MINUTES OF SPECIAL MEETING HELD AUGUST 13, 2018

SPECIAL MEETING The Granite Falls Town Council held a Special Meeting on Monday, August 13, 2018 at 6:00 p.m. in the Council Chambers of the Administrative Building.

PRESENT The following members of the governing body were present: Mayor Barry Hayes, Council Members Larry Knight, Jim Mackie, Mike Mackie, Martin Townsend and Tracy Townsend.

ABSENT The following member of the governing body was absent: Dr. Caryl B. Burns.

STAFF PRESENT The following staff members attended the meeting: Town Manager Jerry Church, Town Clerk Paula Kirby, Town Planner Greg Wilson, Administrative Assistant Kara Calloway, Assistant Police Chief Brine Branham, Parks and Recreation Director Chad Raby, and Athletic Program Specialist Isaac Poythress.

VISITORS Rob Howard, Clarence Lockamy, representing the Wooten Company, John Corpening, ElectriCities Vice Chairman Jim Gallagher, Charmaine Gallagher, Leslie Hodge, Michael Hice, Keith Stallings, and Ila Stallings.

NEWS MEDIA No news media attended the meeting.

MEETING CALLED TO ORDER Mayor Barry Hayes called the meeting to order and welcomed everyone present.

INVOCATION Reverend Howard Fleming, First United Methodist Church, led in prayer.

PLEDGE OF ALLEGIANCE Mayor Barry Hayes led the Pledge of Allegiance.

SPECIAL PRESENTATIONS/INTRODUCTIONS/RECOGNITIONS

Granite Falls Parks and Recreation Director Chad Raby recognized Athletic Program Supervisor Isaac Poythress who was promoted from Athletic Program Specialist on July 4, 2018.

APPROVAL OF AGENDA Mike Mackie made a motion the Council approve the agenda as presented. Martin Townsend seconded the motion, with a unanimous affirmative vote.

APPROVAL OF MINUTES FROM THE REGULAR TOWN COUNCIL MEETING HELD JULY 16, 2018 Martin Townsend made a motion the Council approve the minutes from the Regular Town Council meeting held July 16, 2018 as presented. Tracy Townsend seconded the motion, with a unanimous affirmative vote.

TOWN ATTORNEY REPORT Town Attorney Bruce Cannon did not have a report.

PUBLIC COMMENT PERIOD

ElectriCities Vice Chairman Jim Gallagher introduced himself to the Council. He is also a Gastonia Council Member. He thanked the Council members for being public officials and for taking time out of their busy schedules to serve. Mr. Gallagher is planning to run for the Chairman of ElectriCities position.

PUBLIC HEARINGS

PUBLIC HEARING ON REZONING PETITION #3-2018 CALLED TO ORDER

Mayor Barry Hayes called to order a public hearing on Rezoning Petition #3-2018, submitted by Rob Howard, for four (4) separate properties on Laurel Street across from the Town Public Works Facility. The Council called for the public hearing at the July 16, 2018 Council meeting following the presentation of the petition by Town Planner Greg Wilson.

The properties are owned by four (4) different owners and each property is approximately ½ acre. One of the parcels is currently vacant and the other three properties are occupied by one residential duplex per property. The properties are currently zoned R-15, Single Family Residential and the request is to rezone these properties to R-8, Medium-High Density Residential District. The R-8 District allows for multi-family residential (including duplexes) as a permitted use, while the R-15 District does not. The Planning Board voted unanimously to recommend that the Town Council approve the Petition for Rezoning #3-2018 as submitted. This request is consistent with the Granite Falls Horizons: Land Development Plan.

Michael Hice speaks Michael Hice, resident of 19 Laurel Street and owner of adjacent property, informed the Council that he was not in favor of adding more duplex apartments.

Leslie Hodge speaks Leslie Hodge, owner of 13 & 15 Laurel Street, also informed the Council that she was not in favor of adding more duplex apartments.

Rob Howard speaks Rob Howard informed the Council that he has spoken with the property owner beside the vacant lot and she has no problem with adding a duplex apartment.

PUBLIC HEARING CLOSED ON REZONING PETITION #3-2018 Mayor Barry Hayes closed the public hearing on Rezoning Petition #3-2018.

NEW BUSINESS/ACTION ITEMS

REZONING PETITION #3-2018 APPROVED The Council considered Rezoning Petition #3-2018 for four (4) separate properties on Laurel Street across from the Town Public Works Facility. The properties are owned by four (4) different owners and each property is approximately ½ acre. One of the parcels is currently vacant and the other three properties are occupied by one residential duplex per property. The properties are currently zoned R-15, Single Family Residential and the request is to rezone these properties to R-8, Medium-High Density Residential District.

Martin Townsend made a motion the Council approve Rezoning Petition #3-2018 which the Granite Falls Town Council does hereby find and determine that the adoption of the ordinance rezoning the following described property is reasonable, in the public interest and compatible with adjacent land uses. The Granite Falls Town Council further determines that the requested Zoning Map Amendment is consistent with the adopted Granite Falls Horizons: Land Development Plan, which encourages both the development of residential land that can be served by existing infrastructure and the provision of an adequate mix of housing options, including multi-family housing. Jim Mackie seconded the motion, with a unanimous affirmative vote. A copy of Rezoning Petition #3-2018 is attached and is hereby made a part of these minutes.

REZONING ORDINANCE #342 APPROVED The Council considered Rezoning Ordinance #342 for four (4) separate properties on Laurel Street across from the Town Public Works Facility. The properties are owned by four (4) different owners and each property is approximately ½ acre. The properties are currently zoned R-15, Single Family Residential and the request is to rezone these properties to R-8, Medium-High Density Residential District.

As a reminder, Rezoning Ordinances are not required under NC General Statutes, however the passing of the formal ordinance gives the Town an additional mechanism to track rezoning activity and serves as the formal document that repeals former zoning ordinances or resolves conflict when there are zoning disputes.

Jim Mackie made a motion the Council approve Ordinance #342 as presented. Tracy Townsend seconded the motion, with a unanimous affirmative vote. A copy of Ordinance #342 is attached and is hereby made a part of these minutes.

ABC FINANCIAL STATEMENT The Granite Falls ABC Board submitted the unaudited financial statement for the fiscal year ended June 30, 2018 for the Council's review and comments. A copy of financial statement is attached and is hereby made a part of these minutes.

ABC EXPENDITURE STATEMENTS The principals of the local schools submitted their expenditure statements for the quarter ended June 30, 2018 for the Council's review and

comments. Copies of the expenditure statements are attached and are hereby made a part of these minutes.

BUDGET AMENDMENT #17 FY 2017-2018 APPROVED Finance Officer Marsha Harbison requested the Council approve Budget Amendment #17 for fiscal year 2018.

Increase General Fund Budgeted Revenue – ABC School Receipts	\$6,319.00
Increase General Fund Budgeted Expense – ABC Distribution to Schools	\$6,319.00

Martin Townsend made a motion the Council approve Budget Amendment #17 FY 2018-19 as presented. Larry Knight seconded the motion, with a unanimous affirmative vote.

DISTRIBUTION OF ABC FUNDS TO LOCAL SCHOOLS APPROVED The Granite Falls ABC Store had another good year financially in 2018. Based on the unaudited financial statements for fiscal year 2018, the ABC Store generated enough profits to make distributions to local schools for the sixth year in a row. The Council was requested to authorize the distribution of 4th quarter ABC funds of \$6,319.13 to the schools as follows:

Granite Falls Elementary School	36%	\$2,274.89
Granite Falls Middle School	36%	\$2,274.89
Dudley Shoals Elementary School	28%	\$1,769.35

Mike Mackie made a motion the Council approve the distribution of ABC funds as requested. Martin Townsend seconded the motion, with a unanimous affirmative vote.

BUDGET TRANSFERS FOR FY 2017-2018 APPROVED The Council was requested to approve budget transfers to close out year-end expenses for the Downtown Wi-Fi Project, the Water & Sewer Asset Inventory & Assessment Project, and the CWSRF Project. These transfers were as follows:

Transfer Funds from General Fund to Wi-Fi Project

General Fund Economic Development	\$17,760.62
General Fund Administration Transfer Out	\$17,760.62

Transfer Funds from Water & Sewer Fund to AIA Project

Water & Sewer Fund Engineering	\$15,565.96
Water & Sewer Fund Transfer Out	\$15,565.96

Transfer Funds from the CWSRF Project Fund to the Water & Sewer Fund

Water & Sewer Fund Receivables	\$715,230.77
Water Sewer Transfer In	\$715,230.77

Jim Mackie made a motion the Council approve the budget transfers as requested. Mike Mackie seconded the motion, with a unanimous affirmative vote.

FINAL BUDGET 2017 – 2018 APPROVED The Council was requested to approve the final budget for the fiscal year ended June 30, 2018. The Town’s auditors, Martin Starnes & Associates will start the annual audit on Monday, August 27, 2018.

	2017 – 2018	2017– 2018
<u>General Fund</u>	<u>Approved Budget</u>	<u>Final Amended Budget</u>
Administrative	\$778,350	\$1,265,719
Police	\$1,178,700	\$1,232,658
Fire	\$616,350	\$643,291
Street	\$803,200	\$808,200
Sanitation	\$187,000	\$187,000
Recreation	\$620,400	\$703,718
Total General Fund	<u>\$4,184,000</u>	<u>\$4,840,586</u>
Water & Sewer Fund	<u>\$2,528,400</u>	<u>\$2,695,489</u>
Electric Fund	<u>\$7,022,800</u>	<u>\$7,154,277</u>
Total All Funds	<u>\$13,735,200</u>	<u>\$14,690,352</u>

Martin Townsend made a motion the Council approve the final budget as requested. Tracy Townsend seconded the motion, with a unanimous affirmative vote.

FINANCIAL REPORT The financial dashboard for the month ended July 31, 2018 was presented for the Council’s review. This report represents 8% of the current 2018 – 2019 fiscal year budget. Also presented for the Council’s review was an analysis of current year sales tax revenue versus prior year and budgeted revenue. Copies of these reports are attached and are hereby made a part of these minutes.

NCLM VOTING DELEGATE The Council needs to select a voting delegate and, if possible, an alternate voting delegate to vote on the Town’s behalf at the NC League of Municipalities Annual Conference which will be held in Hickory, NC, September 19th - 21st. Mayor Hayes selected Council Member Jim Macke as the voting delegate and Council Member Larry Knight as the alternate voting delegate.

CONTRACT AWARDED FOR STANDBY GENERATION EQUIPMENT AT SEVEN WASTEWATER TREATMENT PUMP STATIONS Progressive Engineering Consultants, Inc. (Progressive) solicited formal bids for the purchase of standby generation equipment to provide backup power supply at seven Wastewater Treatment Pump Stations. Progressive conducted a public bid opening of the informal bids on Thursday, July 26, 2018 at 2:00 p.m. in the Town Office Conference Room.

After the bid opening, Progressive reviewed the bids for compliance with all bid specifications to make a recommendation to the Council for consideration. Progressive

recommends that the Council award the contract for the generators to Nixon Power Services for \$182,672.00.

The purchase and installation of the seven generators was included in the 2018-2019 budget and was included in the Capital Improvement Plan (CIP) as projects E49, E50, E51, E52, E54, E55, & E56 at an estimated cost of \$280,000.00 including installation costs (Estimated engineering costs were \$10,000.00, estimated purchase costs were \$200,000.00, and estimated installation costs were \$70,000.00).

Mike Mackie made a motion the Council award the contract for the seven generators, to be used to provide backup power supply for the Wastewater Treatment Pump Stations, to the lowest responsive, responsible bidder, Nixon Power Services, for \$182,672.00 and authorize the Town Manager to sign all documents required for the purchase of the generators. Tracy Townsend seconded the motion, with a unanimous affirmative vote. A copy of the bid sheet is attached and is hereby made a part of these minutes.

ADDITIONS TO THE TOWN OF GRANITE FALLS CAPITAL IMPROVEMENT PLAN APPROVED

At the July 16, 2018 Council meeting, NC Senator Warren Daniel and NC Representative Destin Hall informed the Council that the Town of Granite Falls would receive a one-time \$50,000 allocation from the 2018-2019 state budget for ADA projects at the Recreation Center. Town Staff determined two new projects to recommend for use of these funds. Parks and Recreation Director Chad Raby explained these new projects. The first project is to remove the existing sidewalk at Field #1 and the Tennis Courts, which is not ADA compliant, and replace the sidewalk with an ADA compliant sidewalk with two access ramps which will provide better access to the new ADA compliant restrooms. The estimated total cost of this project is \$38,000 which is shown on Capital Improvement Plan (CIP) R-46. Town Staff recommends that the Town use the remaining funds, plus \$4,000 in miscellaneous capital outlay funds included in the approved 2018-2019 Town budget, to purchase additional ADA compliant playground equipment for toddlers 2 to 5 years old. The estimated total cost of this project is \$16,000 which is shown on CIP R-47.

Town Staff also recommends that the Council approve the addition of CIP R-45 for a pool slide for the Recreation Center. The projected cost of the slide is \$27,200 and if approved, would be included as a project in the proposed PART-F application that the Council will consider tonight. The Recreation Advisory Board unanimously recommended that the Council approve these additions to the Town CIP.

Martin Townsend made a motion the Council approve the additions as requested. Mike Mackie seconded the motion, with a unanimous affirmative vote. Copies of the additional CIP project requests are attached and are hereby made a part of these minutes.

BUDGET AMENDMENT #1 – 2018-2019 APPROVED Since the Council approved the additions to the CIP for the one-time \$50,000 allocation from the 2018-2019 state budget,

they will need to approve Budget Amendment #1 2018-2019 to approve the revenue and expense for the allocation.

Increase General Fund Miscellaneous Grant Revenue	\$50,000.00
Increase Recreation Department Capital Outlay	\$50,000.00

Martin Townsend made a motion the Council approve adding projects R-45, R-46, & R-47 to the Town of Granite Falls CIP & to approve budget amendment #1 - 2018-2019 as presented. Mike Mackie seconded the motion, with a unanimous affirmative vote.

APPLICATION FOR N.C. PARKS AND RECREATION TRUST FUND (PART-F GRANT) FOR THE TOWN OF GRANITE FALLS RECREATION CENTER ACTIVITIES EXPANSION PROJECT APPROVED

Parks and Recreation Director Chad Raby requested permission to apply for a PART-F Grant to add a new picnic shelter between the playgrounds (CIP-R36 \$25,000.00), add new adult outdoor exercise equipment (CIP R-37 \$75,000.00), add a new splash pad (CIP R-38 \$230,000.00), add two new additions to the walking track that are ADA accessible sidewalks (CIPs R-39 & R-40 \$130,000.00), and add a new pool slide (CIP R-45 \$27,200.00) Director Raby explained the renovation projects and the PART-F Grant timeline. The PART-F Grant requires Town matching funds on a dollar for dollar basis, and the estimated cost of these projects is \$487,200.00 (\$243,600.00 - 50% Grant, \$243,600 - 50% Town Match). Due to the timing of the grant cycle and the estimated completion date for these projects, matching funds would be required in fiscal 2020 and fiscal 2021. The Recreation Advisory Board met on Monday, August 6, 2018 and unanimously approved seeking Council approval of the application for the PART-F Grant.

Martin Townsend made a motion the Council approve the application as requested. Tracy Townsend seconded the motion, with a unanimous affirmative vote. Copies of the CIP project requests are attached and are hereby made a part of these minutes.

AWARDING OF CONTRACTS FOR THE CONSTRUCTION OF TWO INDOOR AND TWO OUTDOOR ADA COMPLIANT RESTROOMS AT THE SHUFORD RECREATION CENTER AUTHORIZED

The Council previously approved the updated Capital Improvement Plan (CIP) and the 2018-2019 Fiscal Year budget which included CIP R-26 for \$52,000.00 for two ADA compliant restrooms near the Veterans Monument and CIP R-27 for \$75,000.00 for two ADA compliant restrooms in the Recreation Center. The \$127,000.00 total estimated costs for these restrooms will be partially offset by an \$80,000.00 grant from the Connect NC Bond. These projects fall into the informal bid range for construction projects of \$30,000.00 to \$500,000.00.

Jim Mackie made a motion the Council authorize Town Manager Jerry Church to solicit informal bids for the restrooms, award the bid to the lowest responsive, responsible bidder, and to sign all documents required for the construction of the restrooms contingent upon the total cost of the contracts being less than \$140,000.00 (127,000.00 *110%) Mike Mackie

seconded the motion, with a unanimous affirmative vote. A copy of the CIP project request is attached and is hereby made a part of these minutes.

LOAN THROUGH THE NORTH CAROLINA DRINKING WATER STATE RESERVE FUND (DWSRF) FOR THE REPLACEMENT OF THE FINISHED WATER LINE FROM THE WATER TREATMENT FACILITY TO LAUREL STREET APPROVED

The North Carolina Drinking Water State Reserve Fund (DWSRF) has NC Connect Bond funds available for grants or loans for public water systems. On April 16, 2018, Council approved the application for a DWSRF grant and/or loan for approximately \$500,000 to replace the finished water line from the Water Treatment Facility to Laurel Street. The 8-inch ductile iron line was installed in 1942 and would be replaced by a 12-inch water line that would increase pump rates at the Water Treatment Facility and finished water flow into the Town's water distribution system. The finished water line replacement project is project WD3 in the Town Capital Improvement Plan (CIP) and is scheduled for completion in fiscal year 2020.

The Town received notice of award of a \$500,000.00 low interest loan to complete this project and needs to decide to accept or turn down the loan. If the Town decides to proceed with the loan for the project, the loan must also be approved by the Local Government Commission (LGC). The Loan is for 20 years with a maximum interest rate of 1.93% with a 2% loan fee payable after the bids are received. The net future cost of the \$500,000.00 loan at 1.93% is \$607,443.72 and the net future cost of a \$500,000.00 loan at 4% is \$735,817.50. The net future value of the \$10,000.00 grant fee paid today is \$22,787.68. The numbers show that the Town would be better off by \$105,586.10 (\$735,817.50 (Borrowing at 4%) – 607,443.72 (Borrowing at 1.93%) - \$22,787.68 the future value of \$10,000.00 spent today) to borrow the money through the low interest loan program. The debt service payment is only \$30,372.19 per year which would allow the Town to keep its Water/Sewer fund balance intact for large planned projects, such as automated meter reading, or unplanned emergencies.

Mike Mackie made a motion the Council approve accepting the low interest DWSRF loan for \$500,000.00 for 20 years at a maximum interest rate of 1.93% and approve the Town Manager to execute all documents required for the loan. Tracy Townsend seconded the motion, with a unanimous affirmative vote. Copies of the loan approval letter, the CIP project request, and the loan payment schedule are attached and are hereby made a part of these minutes.

RESOLUTION – PUBLIC POWER WEEK APPROVED

The Council considered a resolution declaring the week of October 7th – 13th as Public Power Week in Granite Falls. The Council was also requested to designate Tuesday, October 9th as “Customer Appreciation Day.” Town staff will serve cookies and beverages during regular business hours and would appreciate assistance from Council members. The Town of Granite Falls has owned its electrical distribution system since 1921. The electric system is an asset to the community that contributes to the well-being of our citizens by providing safe and reliable power, excellent customer service and economic development opportunities.

Martin Townsend made a motion the Council approve the resolution as presented and designate Tuesday, October 9th as “Customer Appreciation Day” as requested. Larry Knight seconded the motion, with a unanimous affirmative vote. A copy of the resolution is attached and is hereby made a part of these minutes.

RESOLUTION RECOGNIZING PATRIOT DAY, THE NATIONAL DAY OF SERVICE AND REMEMBRANCE AND THE NATIONAL MOMENT OF REMEMBRANCE OF THE 17TH ANNIVERSARY OF SEPTEMBER 11, 2001

APPROVED The Council was requested to consider a resolution recognizing Patriot Day, the National Day of Service and Remembrance and the National Moment of Remembrance on the 17th anniversary of September 11, 2001. To honor the victims and the heroic efforts of the first responders on September 11, 2001, Congress established a National Moment of Remembrance calling for a nationwide moment of silence to begin at 8:46 a.m. EDT on September 11, 2018 – the 17th anniversary of the attacks – and last for one minute.

Martin Townsend made a motion the Council approve resolution as presented. Mike Mackie seconded the motion, with a unanimous affirmative vote. A copy of the resolution is attached and is hereby made a part of these minutes.

BUDGET AMENDMENT #2 – 2018-2019 APPROVED During the 2018 Fiscal Year, Town Staff was not able to complete certain projects before the end of the fiscal year. Since these projects were not completed, the money designated for the projects went straight into fund balance. The Council was requested to approve the following budget amendments, to authorize expenditures to complete these projects in Fiscal Year 2018-2019:

Administration – Office security project including partitions at the payment counter, replace payment drop box & install awning over drive through window.

Increase Administration Maintenance & Repairs Building & Grounds	\$14,600.00
Increase Administration Capital Outlay	\$16,100.00
Increase General Fund Balance Used	\$30,700.00

Police – Exterior painting & building repairs, New interior door to communications area, new radios, new rifles, new handguns

Increase Police Maintenance & Repairs Building & Grounds	\$30,300.00
Increase Police Supplies Expense	\$23,100.00
Increase General Fund Balance Used	\$53,400.00

Street – Paving Projects

Increase Street Powell Bill Expenditures	\$172,400.00
Increase General Fund Powell Bill Fund Balance Used	\$172,400.00

Recreation – Roof Repairs or Replacement

Increase Recreation Maintenance & Repair Buildings & Grounds	\$16,000.00
Increase General Fund Balance Used	\$16,000.00

Electric – Replace Generator at Wastewater Treatment Facility	
Increase Electric Capital Outlay	\$100,000.00
Increase Electric Department Fund Balance Used	\$100,000.00

The Total impact of these amendments would be to increase the General Fund Balance Used by \$100,100.00, increase the Powell Bill Fund Balance Used by \$172,400.00, and increase the Electric Fund Balance Used by \$100,000.00.

Larry Knight made a motion the Council approve Budget Amendment #2-2018-19 as requested. Tracy Townsend seconded the motion, with a unanimous affirmative vote.

TOWN HOLIDAY SCHEDULE The Town of Granite Falls Administrative Office, the Recreation Center, and the Public Works and Electric Departments will be closed in observance of the following holidays:

Labor Day	Monday, September 3 rd
Veterans Day	Monday, November 12 th
Thanksgiving	Thursday, November 22 nd & Friday, November 23 rd
Christmas	Monday, Tuesday & Wednesday, December 24 th - 26 th

The Police and Fire Departments and the Water and Wastewater Facilities will be on duty as scheduled and those employees scheduled to work these holidays receive alternate time off with pay. Republic Services will pick up garbage and recycling on their regular schedule except for Christmas Day.

MANAGER UPDATE

Town Manager Jerry Church shall update the Council on the following:

1. Enclosed with the Council’s agenda package was a calendar of events through the end of August 2019. Revisions since the last calendar were highlighted in yellow. Upcoming events include the ElectriCities Annual Conference August 20-22, 2018 in Asheville, NC (Please see Town Clerk Paula Kirby about registering for this event), the Granite Falls Merchants Association Festival on Main on Saturday, September 15, 2018 from 2:00 p.m. until 8:00 p.m. and the NCLM Connect CityVision Annual Conference in Hickory, NC, September 19-21, 2018 (Reservations Required, See Paula).

Note: Members of the Town Council may attend events that are, or are not, sponsored by the Town but there will be no Council business conducted at any of these events in instances where a quorum of the Council may be present.

MEETING ADJOURNED Tracy Townsend made a motion the Council adjourn the meeting. Mike Mackie seconded the motion, with a unanimous affirmative vote.