

**TOWN OF SELMA
REGULAR COUNCIL MEETING
JUNE 14, 2016**

PRESENT: Mayor Cheryl Oliver, Mayor Pro-Tem Jackie Lacy, Councilmembers Tommy Holmes, William Overby, and Mark Petersen, Town Manager Jon Barlow, and Town Attorney Alan “Chip” Hewett.

OTHER STAFF PRESENT: Planning Director Julie Maybee, Fire Chief Phillip McDaniel, Police Chief Richard Cooper, Finance Officer Karen Johnson, and Interim Town Clerk Brenda Thorne.

CONVOCATION: Mayor Oliver called the meeting to order at 6:00 p.m. in the Selma Jernigan Building and declared a quorum present.

Steve Reed of *The Selma News* offered the invocation.

PLEDGE TO FLAG: Mayor Pro-Tem Jackie Lacy led in the pledge of allegiance to the flag.

APPROVAL OF AGENDA: Mayor Oliver requested that item 11b. Acknowledgement of Renovations, Waffle House and American Legion Hut be moved to item 5c; and add 13c, Potential Matter of Pending Litigation.

Town Manager Barlow stated that there were two items, 9a and 9b that were related to the Ricks Road CDBG Project. He said that he received today more budget information from the Wooten Company, and Monica Chevalier was present to review that with Council. Mr. Barlow stated that it would be 9.b.1, Budget Details Related to the Ricks Road CDBG Project.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve the agenda as amended. Motion carried unanimously.

CONSENT AGENDA:

Minutes

Amended April 12, 2016 Minutes – Pages 29 & 30
Work Session Meeting – April 28, 2016
Regular Council Meeting – May 10, 2016
Work Session Meeting – May 26, 2016

A motion was made by Councilmember Mark Petersen and seconded by Mayor Pro-Tem Jackie Lacy to approve the Consent Agenda as presented. Motion carried unanimously.

**RECOGNITIONS/
PRESENTATIONS –
Recognition of Fire
Department, EMS and
Sysco Staff:**

Mayor Oliver stated that recently there was a freak accident at Sysco, and was kept from being a fatal accident by the quick actions of the Sysco Safety Team, Selma Fire Department, and Selma EMS.

Mayor Oliver read and presented a plaque to each group, which incorporated the following letter that was written by Mrs. Dusek.

May 30, 2016

John and Meredith Dusek
200 McCarthy Drive
Clayton, NC 27527

Mayor Oliver,

On May 20, 2016, my husband, John Dusek was working at the Sysco Plant in Selma, N.C. He started working with GCA on May 9, 2016. On that Friday he was being trained on the Sysco forklifts. He has a ton of experience with forklifts. He was a Forklift trainer at his past job at Walmart. He also used forklifts all the time in his 20 years in the Military. However, this Friday there was a very “freak” accident. All he remembers is backing up and correcting to being shoved under the steel shelving and was trapped between the shelving and the forklift.

He was found and all safety protocol for Sysco was employed. Your Selma Fire and Rescue were call in for an “entrapment”. When your Firemen and 1st Responders got to the accident, they had to use the jaws-of-life to cut the steel shelves to free my husband. He was then rushed by Selma EMS to Wake Med.

At Wake Med, he was assessed and found to have 3rd degree lacerations to his spleen, 2 fractured ribs, a hematoma to his liver and minimal kidney damage. He was rushed into surgery at 6 p.m. on Friday night to embolize his spleen. They had to place 3 coils in to stop the excess bleeding. I was told by the trauma surgeon that John was critical, but was in stable condition on Friday night at 9 p.m. He told me that the safety crew at Sysco, Fire Department and EMS were the reason my husband had minimal damage and was alive. He stated they followed protocol by the book to get him free and get him to the trauma center.

It is great to report to you that John is recovering at home. He was released from ICU, yes ICU, on Tuesday, May 24 by 12 noon. We give GOD all the glory for having the right people at the right time and seeing to it that John would come home to me and our 3 children. They are 10, 3, and 1! We have just been out of the military a little under a year now. He being in good physical condition is also another reason he has been able to recover so quickly.

We as a family went to see the Fire and Rescue crew to thank them for their service to our family and to our country. John is also a volunteer Fireman for Archer’s Lodge Fire Department. He will be able to go back to his full work duty and fire duty in about 6 weeks. I am truly grateful for your Fire and Rescue Departments! I know you all do not always get to see or hear the good side of things, but I wanted to make sure that you do hear from us.

Blessings,

John, Meredith, Hannah-Grace, Ian, and Hopelynn Dusek

Ms. Tobey McNeece of Sysco Foods stated that they have only had a few incidents of an emergency situation. She said that in every situation, the EMS and Fire Department had responded within five minutes. Ms. McNeece stated that you do not find that anywhere. She said that the Town should be proud of the people that are working for its emergency response teams.

Mr. Roy Willard of Sysco Foods stated that the Selma Police Department responded within three minutes and were instrumental in assisting. He thanked Police Chief Cooper and his staff for their assistance as well.

Mayor Oliver stated that a plaque would also be made for the Police Department.

Recognition of Retiring Employee, Richie Peedin:

Mayor Oliver read the following resolution for retiring employee Richie Peedin.

Recognition of Nearly 29 Years of Service

Richard M. Peedin

RESOLUTION OF APPRECIATION

WHEREAS, Richard “Richie” Peedin is retiring on July 1, 2016 as Electric Line Technician III for the Town of Selma, North Carolina, after nearly 29 years of faithful service; and

WHEREAS, Richie Peedin began his tenure with the Town of Selma on August 27, 1987 in the Water and Sewer Department as a Water Treatment Operator, and in subsequent years, served in our Public Works Department as Street Maintenance III and Street Maintenance Crew leader, and in the Electric Department as Power Line Technician I, II, and III; and

WHEREAS, His retirement will create a loss of an extremely knowledgeable, competent, and experienced employee as well as the absence of a respected co-worker; and

WHEREAS, the Mayor and Town Council of the Town of Selma express to Richie Peedin their deep appreciation and gratitude for the service rendered by him to the Town of Selma over the past years.

NOW, THEREFORE, BE IT RESOLVED that I, Mayor Cheryl L. Oliver and the Town Council of the Town of Selma, North Carolina, express to Richard M. Peedin our deepest appreciation and gratitude for the dedicated service rendered during his nearly 29-year tenure with the Town of Selma and offer him our very best wished for success, happiness, prosperity, and good health in his future endeavors.

DULY ADOPTED THIS 14TH DAY OF JUNE 2016.

Acknowledgement of Renovations, Waffle

Mayor Oliver stated that she wanted to acknowledge renovations and improvements around Town. She said that they try to thank people

**House and American
Legion Hut:**

for making further investments in the Town of Selma, because everyone benefits from it.

Mayor Oliver stated she wanted to mention that American Legion Post 141 had renovated a former Boy Scout Hut on Green Street, which would be serviceable to the American Legion Post, and they provide others the opportunity to use the building. She said that the Waffle House had been totally renovated, and had a brand new staff. Mayor Oliver stated that the Waffle House representatives see this as a wonderful location, and wanted to make this one of the best locations in the United States. She said that at Ormond's Plaza, there have been some facade changes and additions that were attractive. Mayor Oliver stated that she appreciated the effort that had gone on.

**OPEN FORUM/CITIZENS'
REQUEST –**

**Silvia Danielsons – Vick
Park Community Project
Proposal, Girl Scout Troop
#963:**

Ms. Danielsons was not present to address Council.

**Angela Bryan, Four Oaks,
NC, Animal Welfare and
Tethering Ordinance
Request:**

Angela Bryan of 2305 Oak Forest Road, Four Oaks, NC stated that the reason she was before Council was to ask Town Council to consider placing anti-tethering into the Town's ordinance. She said that she had been working with Outreach in Johnston County for over eleven years, and had retired from the Johnston County Sheriff's Department 18 months ago. She said that normally, the tethering of dogs around houses was so that law enforcement could not get in. Ms. Bryan asked Council to stop the tethering. She said that there were groups available to help people put up fences.

Mayor Oliver stated that Council would follow up on the ordinance request at one of their work sessions.

PUBLIC HEARINGS –

**Review and Consideration
of a Rezoning Request by
Swiss Haven Partners,
LLC for Property Located
at 1650 Oak Street, Selma
from General Business
(GB) to Heavy Industrial
(I-2):**

Planning Director Maybee stated that the protocol this evening was to open the public hearing, staff report, public comments for and against, close the public hearing, consider a consistency statement, and a motion to approve or deny the request.

Planning Director Maybee stated that this request was filed by Jim York with Swiss Haven Partners, LLC.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to open the public hearing. Motion carried unanimously. 6:27 p.m.

BRENDA W. THORNE, Interim Town Clerk

Planning Director Maybee stated that Jim York of Swiss Haven Partners filed an application to rezone 1.89-acre lot located at 1650 West Oak Street, Selma. She said that Mr. York requested that the rezoning be changed from General Business (GB) to Heavy Industrial (I-2). Ms. Maybee stated that the lands to the north were zoned General Business, lands to the east were Heavy Industrial, lands to the south were General Business, and lands to the west were zoned R-10 and R-20. She said that the Future Land Use Map shows this lot as being located in an area that is zoned Industrial. Ms. Maybee stated that the lot had already been developed with a commercial vacant building on the property, an existing impervious surface, water and sewer was in the vicinity, the access was developed for an industrial use and would have to be approved by NCDOT.

Planning Director Maybee stated that the Planning Board considered this request at their April 25, 2016 meeting, and unanimously voted to approve this rezoning request.

Mr. Daniel Herring of 5121 Kingdom Way, Raleigh, NC stated that he was a commercial real estate broker with NAI Carolantic Realty, and was representing both the buyer and seller on this transaction. He said that this property not only fits the future use for Selma, but also has received Planning Board approval. Mr. Herring stated that much of the area around this property was in Heavy Industrial. He said that this only helps to further the Future Use. Mr. Herring thanked Council for their consideration.

A motion was made by Councilmember William Overby and seconded by Mayor Pro-Tem Jackie Lacy to close the public hearing. Motion carried unanimously. 6:30 p.m.

Planning Director Maybee stated that staff recommends approval of the rezoning request. She said that in looking at Exhibit #1 in regards to the consistency statement that this proposed rezoning would be consistent with Selma's Future Land Use Plan. Ms. Maybee stated that the amendment is reasonable and in the public's interest for the following reasons:

- the property is adjacent to land zoned I-2;
- there is water and sewer in the vicinity;
- any proposed use would need to comply with state and local laws; and
- the property is uniquely positioned for the development of wholesale, manufacturing, processing, production, and other industrial activities.

Planning Director Maybee stated that she had included a draft ordinance for Council consideration (Exhibit #2). Ms. Maybee recommended that Council take the consistency statement under advisement as presented by staff.

Councilmember Petersen stated that the Planning Board recommended approval. He asked what the vote was.

Planning Director Maybee stated that it was unanimous.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve the draft consistency statement:

The Selma Town Council conducted a public hearing on the application of Swiss Haven Partners, LLC, to rezone the property located at 1650 Oak Street, Selma from a General Business (GB) to a Heavy Industrial Zoning District (I-2).

After deliberation, the Selma Town Council has determined that the proposed action is consistent with Selma's Future Land Use Plan (comprehensive plan) and the amendment is reasonable or public interest for the following reasons: (1) the property is adjacent to lands zoned I-2; (2) water and sewer are in the vicinity; (3) any proposed land use would need to comply with State/local laws; and (4) the property is uniquely positioned for development of wholesale, manufacturing, processing/production, and other industrial activities.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve the following ordinance amendment assigning the I-2 Zoning District to approximately 1.89 acres owned by East Second Street #700, Limited Partnership to 1650 West Oak Street, Selma. Motion carried unanimously.

**AN ORDINANCE AMENDING THE SELMA ZONING MAP
ASSIGNING THE I-2 ZONING DISTRICT TO APPROXIMATELY
1/89 ACRES OWNED BY EAST SECOND STREET #700, LIMITED
PARTNERSHIP**

WHEREAS, approximately 1.89 acres of property located at 1650 W. Oak Street, Selma, N.C., Johnston County, is located in the Town of Selma's Extraterritorial Jurisdiction; and

WHEREAS, this property is currently assigned the following zoning designation: General Business (GB); and

WHEREAS, in April 2016, the Selma Planning Board recommended rezoning this lot to Industrial (I-2); and

WHEREAS, in accordance with Selma’s Zoning Ordinance, required newspaper public hearing notices were published; a public hearing notification sign was posted; applicants/property owners were notified; adjacent property owners were notified; the Selma Planning Board considered and forwarded a recommendation on the rezoning request to the Town Council; and a public hearing was held by the Selma Town Council. Moreover, the Council has made and approved consistency statement findings.

NOW, THEREFORE, BE IT ORDAINED BY THE SELMA TOWN COUNCIL,

Section 1. The official Zoning Map of the Town of Selma is amended to change the following area to be zoned Industrial (I-2):

- a. Property owned by East Second Street #700, Limited Partnership, located at 1650 W. Oak Street, Selma, N.C. and identified as TAG #14054014I, with a calculated area of 1.89 acres.

Section 2. This ordinance shall be effective upon adoption.

DULY ADOPTED THIS THE 14TH DAY OF JUNE 2016.

**Review and Consideration
of an Amendment to
Selma’s Municipal Code,
Chapter 17 – Development
Regulations, Article V –
Subdivisions, Section 17-99
– Residential Cluster
Development:**

Planning Director Maybee stated that protocol for this public hearing request would be the same as the previous request except for this being a text amendment. She said that at the last Council meeting, staff was advised to re-advertise for a general public hearing notice. Ms. Maybee that the purpose of the public hearing was to consider cluster subdivisions in the R-20 and R10 zoning districts. She said that the main thing about this proposal is to allow for the more efficient use of land. Ms. Maybee stated that in looking at this, cluster subdivisions would be subject to a special use permit, and would have to comply with the subdivision requirements. She said that this was just the ordinance to enable this to happen. Ms. Maybee stated that each case would need to be considered on a case-by-case basis. She said that the minimum lot size for a cluster subdivision is ten acres unless otherwise approved by Council. Ms. Maybee stated that in the R-20 zoning district, the lot size is a minimum of generally in traditional zoning is two homes per acre or 20,000 square feet. She said that with a cluster subdivision, they are able to reduce the lot size, but the density per lot size stays the same. Ms. Maybee stated that if they have ten acres, the amount of homes that could be placed on that would be 20 homes. She said that there would be more open space, which would have to be maintained. Ms. Maybee stated that the streets would need to be public, there would need to be setback requirements, and a septic system approved by Johnston County Environmental Health. She said that the Director advised that there was a minimum of 20,000 square feet was required for a septic system. Ms. Maybee stated that there were alternate systems. She said that this was one of the questions raised at the prior meeting. Ms.

Maybee stated that their minimum size would be 20,000 square feet. She said that they would have to look at a specific site to see if water and sewer were available, and what were the other options. Ms. Maybee stated that the overall density stays the same. She said that the other thing included in this provision was that only stick built homes would be permitted in a cluster subdivision. Ms. Maybee stated that she included a draft consistency statement (Exhibit 1), and would be glad to help with that as far as the findings. She said that the Planning Board considered this request at their March 28th meeting, and by a 5 to 0 vote, they recommended that cluster subdivisions not be allowed at this time. Ms. Maybee stated that this was just another way to subdivide land. Ms. Maybee reviewed with Council a map identifying the R-20 and R10 zoning districts where cluster subdivisions could possibly go. She said that this ordinance would allow this to be as an option when developing a piece of land. Ms. Maybee stated that with the Future Land Use Plan, the areas that are zoned R-10, a majority of it is zoned residential.

Mayor Pro-Tem Jackie Lacy asked if it had to be ten acres.

Planning Director Maybee stated that it was ten acres unless Council decided something otherwise. She said that she thought that would have to come into consideration when they look at each individual proposal.

Mayor Pro-Tem Jackie Lacy asked if each proposal would have to be a special use permit.

Planning Director Maybee stated that it would with adjacent property owners being notified prior to the meeting and advertised in the newspaper. She said that this was for stick build homes and would provide for the more efficient use of land resources. Ms. Maybee stated that this would place the lots closer together, but would have open space around it. She said that a subdivision concept plan would have to be submitted, and follow the subdivision process. Ms. Maybee stated that it would go first to the Planning Board, then to utilities, and they would make a recommendation that would come before Council.

Councilmember Overby questioned the ten acres, and if they were talking about the zoning in the ETJ and Selma town limits.

Planning Director Maybee stated that was correct unless Council decided to look at an application for something less than ten acres. She said that it says ten acres, but Council could approved something otherwise.

Mayor Pro-Tem Lacy asked about the number of houses.

Planning Director Maybee stated that it depended on the density in that zoning district.

Councilmember Petersen explained that to Mayor Pro-Tem Lacy that if there was a ten acre property zoned R-20, by zoning the density would be one house per 20,000 square feet (approximately 2 houses per acre) times 10 acres would be 20 houses maximum on that ten acres. He said that if Council approved this for something less than ten acres, such as a five acre plot for example and zoned R-20, they would be able to put ten houses there. Councilmember Petersen stated that it was specific to the zoning.

A motion was made by Councilmember William Overby and seconded by Councilmember Tommy Holmes to open the public hearing. Motion carried unanimously. 6:42 p.m.

Anna Baxley of 415 Pecan Drive, Selma, stated that she, as well as many of her neighbors, was against the rezoning to allow cluster homes in Selma. She said that she was all for growth, but not for this specific kind of growth. Ms. Baxley stated that she had the pleasure of attending the Selma Visioning meeting. She said that they discussed the direction of Selma for the next 20 to 30 years. Ms. Baxley stated that many ideas were mentioned to make Selma a top destination for families, business owners, and tourists. She said that she felt that cluster homes would be counterproductive to the intent of the direction you needed to enact the vision for Selma for the next 20/30 year plan rollout. Ms. Baxley stated that Selma was already home to many high-density housing sites, which are not properly maintained or managed. She said that Selma's infrastructure was in need of updating (examples given: Ricks Road and Noble Street). Ms. Baxley stated that there is flooding in her neighborhood, and was not sure that she was not sure the infrastructure would be ready for those number estimates into Selma. She said that was something that needed to be considered as well. Ms. Baxley stated that Selma needed to focus on quality and not quantity. She said that in the terms of being a potential homebuyer, they purchased their home about two years ago site unseen and were very lucky. Ms. Baxley stated that looking in the area at a distance, if there had been a bunch of cluster homes or more multi-family units in the area, they would not have purchased the home. She said that was just something to be considered.

Mayor Pro-Tem Jackie Lacy asked if they were to do cluster homes on this side of Highway 301, if that would affect her opinion.

Ms. Baxley stated that she thought that anywhere in Selma would be wrong, unless perhaps it was a retiree community by the Harrison Center. She said that could be up for discussion, because of all the activities and resources that are located in that area. Ms. Baxley stated that she thought that would be the only area.

Mike Littleton of 501 Bennett Drive, Selma stated that he had been a resident of Johnston County for 50 years, and had been a resident or lived in the Selma vicinity for over 25 years. He said that his home is right in front of a park and could look out his back door and see an empty lot. Mr. Littleton stated that he had heard about this about a month ago, in which some of his neighbors were in an uproar about. He said that he had studied it and the more he thought about it, determined it was a very bad idea. He said that he echoes the sentiments of this neighbor that previously spoke. Mr. Littleton stated that in the way it was presented to him, it would be ideal for upper class retirees to come to Selma, and make this their home. He said that he did not think this was a feasible thing to consider. Mr. Littleton stated that he did not believe people think about coming to Selma to retire. He said that was his opinion. Mr. Littleton stated that he was against it. He said that he looking out his back door could see a small lot. Mr. Littleton stated that it had already been said that the ten acres was up to Council. He said that this Council could stand by it strong; however, it does not say that the Council down the road would adhere to that. Mr. Littleton stated that he hoped that they would consider that, and thanked Council for the opportunity to speak.

The following letter was received from Robert and Shirley Gillett of 429 Pecan Drive, Selma:

The idea of cluster homes is presented to us with a beautiful picture of a neat little community of compact small homes clustered together with expanses of surrounding land with gardens, woods play areas, and other natural appointments. A community within a community. The underbelly might not be such a beautiful rendition.

Note that the new code requires a Homeowners Association.

The homeowners own their own homes, but are bound together by a Homeowners Association, which must manage the total development. Some of these responsibilities might include collection of fees from the individual homeowners to maintain sewer systems, water systems, and collect real estate taxes. There must be a well-functioning management organization within these clusters to keep the infrastructure in good repair and to meet all municipal, state, and government standards. These costs will be the homeowners' responsibility. This is not the simple Homeowners Association that we know now in Johnston County that collects dues to keep the entrance to the development pretty.

There is no guarantee that after development, the state may step in and require that an alternative sewer or water system initially approved, must be replaced and the development be connected to the town or county sewer system. It appears we are just applying a temporary fix, which avoids immediate cash outlays to expand and repair the present infrastructure. These costs will no doubt reappear in the future.

The main advantage of the cluster home is to the developer, and to the Town. The developer can spend less on the development of the land and the Town can minimize the cost for sewer, water, lighting, and streets. All of these costs will be passed on to the homeowner with the initial investment in the home. Long-term maintenance of the property and infrastructure is shared by the homeowners within the cluster, which may produce a less fragrant odor in the future.

Selma, lift the hood and take a long look at what you are proposing.

We are not in favor of Cluster Homes!

Robert & Shirley Gillett, 429 Pecan Drive, Selma, N.C.

Mr. Anthony Baxley of 415 Pecan Drive, Selma stated that he lived in Clarksville, T.N., military town, and bought a piece of property with an open backfield. He said that open backfield later became cluster homes. Mr. Baxley stated that it drew down the value of his home tremendously. He said the infrastructure was great and the houses were well done. Mr. Baxley stated that there was a lot of money put into something that did not gain anything. He said that many of the houses were foreclosed on, because they were trying to sell them for the exact same price that he had purchased his house at. Mr. Baxley stated that he was not saying that was going to happen here, but it was hard to bring in cluster homes close to single family homes and sell them as upper end homes, especially if there are other homes around that area that are not keeping their homes looking nice.

A motion was made by Councilmember Mark Petersen and seconded by Councilmember Tommy Holmes to close the public hearing. Motion carried unanimously. 6:52 p.m.

Planning Director Maybee stated that staff's recommendation is as it was at the prior public hearing. She said that she would like to discuss the consistency statement based on that. Ms. Maybee stated that the proposed text amendment was consistent with the Town of Selma's Future Land Use Plan, because it would promote efficient land use in the R-10, R-20, and a planned unit development. She said that it was staff's opinion that it was not in the public's interest at this time based on the comments that were presented at the public hearing. Ms. Maybee stated that tonight three people have spoken against it, and a letter was circulated that was in opposition to it.

Mayor Pro-Tem Lacy asked if she was right to assume that mostly they are concerned about one area of the Town having cluster homes.

Planning Director Maybee stated that she thought there was a concern about it everywhere. She said that there was one comment perhaps to look over at the area near the Senior Center. Ms. Maybee stated that zoning district was R-10. Ms. Maybee reviewed with Council and the public a map that showed the R-10 Zoning District. She said that there would need to be additional criteria to limit it to one area. Ms. Maybee stated that again, it goes with a special use permit, and each request would need to be looked at on an individual basis. She said that even though it was in an R-10 area, they would need to consider that and weigh those options for application and subdivision requirements.

Mayor Oliver stated that staff has request Council to do two things, which are to deliberate and make a consistency statement findings (See Staff Report Exhibit #1), and to make a decision on whether to approve or deny the ordinance (See Staff Report Exhibit #2).

A motion was made by Councilmember Tommy Holmes and seconded by Councilmember William Overby to deny the consistency statement as being consistent with the Town's Future Land Use Plan. Motion carried unanimously.

Planning Director Maybee asked in denying the consistency statement if Council concurred as presented by staff.

Council concurred.

Ms. Maybee asked Council to consider whether to approve or deny the text amendment.

A motion was made by Councilmember Tommy Holmes and seconded by Councilmember William Overby to deny the text amendment. Motion carried unanimously.

**Gazebo Galleria Event
Permit Application:**

Town Manager Barlow stated that this item was listed under public hearings, but was not a public hearing. He said that it was a special event permit application, which would need consideration by Council to approve or deny the application.

Mr. Barlow stated that this was an application for the first annual Gazebo Galleria. He said that it was intended to bring a wide variety of vendors and citizens to the uptown area. Mr. Barlow stated that they are proposing to start this in July and have it the third Saturday of each month from July to October from 8 a.m. to 12 p.m. Mr. Barlow reviewed with Council a copy of a map of the area behind Town Hall where they propose to hold this event. He said that it was

up to Council discretion if they wanted to move the event or change the hours. Mr. Barlow stated that the thought was that they had to have entertainment at the gazebo. He said the title “Gazebo Galleria” reflects the gazebo in the parking lot and that there would be some type of entertainment during that time, and people might come down to shop and visit the vendors that would be set up in the parking lot.

Town Manager Barlow stated that staff did borrow some policy and procedure guidelines for hosting a similar event. He said that they tried to draft it to what would work here in Selma. Mr. Barlow stated that it was a first draft and was a good shot at what they thought would be a good model. He said that there were some logistics that needed to be worked out based on how much interest they were going to have. Mr. Barlow stated that they did not want to charge for the first two events. He said that there was a one-time application fee of \$15.00 and \$12.00 per event for each spot someone wanted, which would be waived the first two months. Town Manager Barlow stated that it would be fairly minimal as far as operationally on staff to operate. He said the parking lot could be set up the day before, break it down at noon, and clean up on Monday.

Mayor Oliver stated that it alluded to a Selma Galleria Coordinator, and asked who that would be.

Town Manager Barlow stated that as with most of the Town’s special events, Recreation/Library Services Director Joe Carter and Recreation Program Supervisor Joni Hubble-Zeneberg were working on coordinating the event with literature and marketing material. He said that he wanted to see if this was something that was going to work and depending on how much time it takes, they might want to consider other options.

Mayor Oliver stated that she was concerned about everything happening by the July date.

Town Manager Barlow stated that was the unknown and that July was pushing it. He said that they could back it up another month, which would give them time to get marketing material out, and gauge interests of vendors that might be interested.

Mayor Oliver stated that she wanted it to be successful, and had heard much interest in it. She said that she did not want to short-change the Town by having a not so successful first event. Mayor Oliver stated that she would rather delay it a month or make it the first Saturday in August. She asked Council for their thoughts in getting the event started.

Councilmember Overby stated that he thought it was a great idea to try to bring something different that would bring more people downtown. He said that it was going to be hard work to be ready by the July date. Councilmember Overby stated that he was also concerned with Exhibit #1 that was proposed. He said that his concern was towards the bottom it asks if there were any other building, electrical, plumbing, or mechanical fixtures that would be used and it was flagged no.

Mayor Oliver stated that just to be clear, it is on the temporary assembly permit.

Councilmember Overby stated in the statement before that amplifier sound devices would be used like microphones, amplifiers, and megaphones and it was flagged yes. He said that if they were going to have microphones, they would need to have electricity.

Town Manager Barlow stated that the idea was that electricity was in the gazebo, but there was no electricity in the parking lots.

Councilmember Overby stated that there was electricity behind Selma Jewelry and behind Dr. Dicky Parrish.

Town Manager Barlow stated that where they propose to put it, they do not.

Councilmember Overby stated that if they were going to have electricity, they needed to figure out how to figure the cost in it.

Town Manager Barlow stated that Electric Director Donald Baker looked at the layout, and determined that they could not provide vendors with electricity. He said that a vendor needing electricity, the Town was permitting generators. Mr. Barlow stated that it was the intent of the Town to not provide any water, sewer, or electric. He said that if a vendor brought water in and generated any grey water, they would need to take it out with them.

Mayor Oliver stated that they wanted self-sustained vendors.

After further discussion by Council and staff, agreed to set the date for the Gazebo Galleria for 3rd Saturday of each month beginning July 16th with applications due by July 8th.

Mayor Oliver stated that the last sentence of #22 on Page 3 of 9, it states that a vendor that leaves early would lose attendance credit for the day, and counts towards an excused absence. She asked if that should be unexcused.

Council agreed that it should be unexcused.

Mayor Oliver asked if there was a line missing under #26, and asked if it should include a statement regarding things that are acceptable.

Town Manager Barlow stated that he would need to go back and look at the model to see what the intent was.

Mayor Oliver stated that under #32, it states that vendors may not bring live animals. She asked if a vendor could bring a service animal.

Planning Director Maybee advised that it was at the discretion of the Gazebo Galleria coordinator, and would be looked at on a case-by-case situation.

Attorney Hewett stated that #32 needed to be rewritten to include “or sold”.

Mayor Oliver stated that #5 at the top of Page 6 of 9, which states the value of purchased raw material shall not exceed 30% of the selling price.

Town Manager Barlow recommended removing that statement.

A motion was made by William Overby and seconded by Mayor Pro-Tem Jackie Lacy to approve the third Saturday of each month beginning July 16, 2016, for the Gazebo Galleria. Motion carried unanimously.

**Consideration of the
Proposed FY 2016/2017
Town of Selma Budget:**

Mayor Oliver stated that no one had signed up for the public hearing for the consideration of the proposed fiscal year 2016/2017 Town of Selma Budget.

Town Manager Barlow stated that this was a required public hearing. He said that the budget was presented to Council on May 26, 2016 as required by North Carolina General Statutes, and this meets this requirement. He said that following some discussion and deliberation, there were some suggested changes, which have been incorporated into the draft ordinance.

Town Manager Barlow stated that in the General Fund, the Governing Body’s salaries were increased \$12,000 and medical insurance was decreased by \$4,400. He said that the Town funded Governing Body coverage would end effective January 1, 2017. Mr. Barlow stated that they added in the annual second debt service

payment to the American Legion Building/Civic Center of \$19,830, and the portion in the General Fund for merit funding was \$36,500.

Councilmember Overby asked if the figures for the Governing Body were correct. He asked if it should be \$16,800.

A motion was made by Councilmember Mark Petersen and seconded by Councilmember William Overby to open the public hearing. Motion carried unanimously. 7:23 p.m.

With no one present wishing to speak, a motion was made by Councilmember William Overby and seconded by Mayor Pro-Tem Jackie Lacy to close the public hearing. Motion carried unanimously. 7:23 p.m.

Town Manager Barlow stated that in the Water Fund, merit funding was included in the amount of \$13,650; in the Sewer Fund, \$10,500; and Electric Fund, \$5,000 with salaries being decreased by \$15,000 due to the proposed new position starting in January 2017 instead of July 1, 2016.

Town Manager Barlow stated that based on those changes to the original budget, the new total for all funds would be \$19,509,845 with revenues and expenditures being equal. He said that the property tax rate would be at \$0.51 per \$100 evaluation. Town Manager Barlow stated that they have a proposed budget ordinance summary by fund for their consideration. Mr. Barlow recommended that Council approve the budget based on miscalculation regarding Council's salaries.

Mayor Oliver questioned the single-phase basic fee for large general services. She said that Selma is \$29.58, Smithfield is \$573.95, and Progress Energy is \$154.85. Mayor Oliver asked why Selma's basic fee was so low.

Town Manager Barlow stated that was discussed a little when the consultant was here. He said that she went through that scenario. Mr. Barlow stated that manipulating the base charge levels out the revenues, and the Town does not have to spend so much on seasonal variations in their revenues. He said that was a policy decision that the Governing Body needed to make as to whether they wanted more guaranteed revenue up front with a lower energy charge, or a lower basic rate and a little higher energy charge, assuming sales do not vary too much over the billing period. He said that the Cost of Service Study showed what the true cost of service was and what that base fee would need to be. Mr. Barlow stated that it was nowhere near what it costs in Selma.

Mayor Oliver asked if an increase was considered for this proposed budget.

Town Manager Barlow stated that what they have in the update. He said that they put \$6,000 in the Electric Fund to bring the consultant back to look at the fee schedule. Mr. Barlow stated that they could look at a possible increase to the base rates on all customer classes and what would be the effect on the energy charge.

Mayor Oliver questioned if they had the true cost from the initial study, why would they not have chosen to increase it somewhere in between.

Town Manager Barlow stated that they did increase it, but the true cost in some of those classes were a 700% to 800% increase, and chose not to go that route.

Mayor Oliver asked if they should start moving toward it.

Town Manager Barlow stated that in the model, 2% rate increases were included for each year for the next four years starting this year so that it would be a very gradual increase.

Mayor Oliver stated that she would like to have Electric Director Donald Baker to talk them through that. She felt like there was something that they might want to incorporate in this budget before it is approved. She said that she would like for Mr. Baker to address this at their next work session.

Councilmember Overby stated that he would like to have one more work session on the budget. He said that he wanted to look at the sewage a little tighter than what they have got. Councilmember Overby stated that he thought that what he was seeing and hearing was that sewer was in trouble. He said that he was not sure that a 3% rate increase was going to get them where they need to be without raising it again. Councilmember Overby stated that he wanted to look at it again before they make a decision on the budget.

Town Manager Barlow asked if he would like to see some modeling with higher rate increases.

Councilmember Overby stated that he wanted to sit down and talk about it one more time.

Mayor Oliver asked Councilmember Overby if there was anything specific that he had in mind.

Councilmember Overby stated that they would get to it under the budget amendments.

Town Attorney Hewett reminded Council that there was a 48-hour special notice meeting.

Mayor Oliver stated that for the work session, they had brought up the idea should more than \$45,000 that is currently in the budget be spent on I&I. She said that Council was willing to increase it, but was looking for some guidance regarding how far an increase might get them.

Town Manager Barlow stated that unfortunately, there was nothing in the Sewer Fund. He said that the 3% rate increase was basically going to cover the operations. Mr. Barlow stated that the budget amendments further back in the book; because of wastewater treatment costs this year again, the Water Fund is loaning the Sewer Fund another \$150,000 just to meet operating costs. He said that without any fund balance or capital reserve to speak of, there is nothing else to appropriate. Mr. Barlow stated that was why he asked if they wanted more revenue to do more things. He said that they do not have anything else without taking on more debt, which they have to cover the debt with rates in addition to operating costs.

Mayor Oliver asked if they could legally transfer funds from Water to Sewer.

Town Manager Barlow stated they could. He said from enterprise to enterprise they could as a loan.

Mayor Oliver stated that the Water Fund had already loaned \$600,000 to the Sewer Fund. She asked how the LGC was going to look at the Town if it loans another \$150,000, and why they would not look at something with the rates.

Town Manager Barlow stated that they were looking at the rates. He said that compared to where they were a year ago, they were about \$150,000 better this month compared to a year ago. Mr. Barlow stated that the Town's wastewater treatment expenses had gone through the roof. He said that the Town needed to raise its rates to not only pay its operational costs, but they need to think about something much larger. Mr. Barlow stated that the LGC would not let the Town forget about that loan, but would have to be shown as an operational expense. He said that the debt back to the Water Fund to pay the loan.

Mayor Oliver asked Town Manager Barlow to provide at the next work session models of what rates needed to be to prohibit them from transferring the \$150,000.

Town Manager Barlow stated that about two years ago, the flows were up about 156%, but the last two years have been over 200%. He said that based on the flows the Town is having now, the 3% was going to cover what the operating expense would be.

Councilmember Overby stated that he would like to see what the Town could do to help cut down on the small stuff while working on the big stuff. He asked if they could sleeve these lines.

Town Manager Barlow stated that Public Utilities Director Alex Fuller had a section on Highway 96 slip lined. He said that they could do small things such as that, which costed about \$25,000. Mr. Barlow stated that with the flows that the Town has, it is in a deep hole.

Mayor Oliver stated that they would revisit this at the next work session, but the request would be what could be done to avoid a \$150,000 loan.

Councilmember Overby stated that it was talked about at the last meeting that they did not want to repave a road and tear it up to replace a sewer line. He said that he wanted to get an update on the roads that they thought sewage was going to have to be worked on.

Town Manager Barlow stated that would be a waste of money, and said that they would put some thought into how to prioritize a public works project with a utilities project at the same time. He said that needed to make sure that they do the projects in the right order.

Mayor Oliver stated that she had brought up the idea, in light of the Gazebo Galleria and the Civic Center, of additional Parks and Recreational personnel part-time, or an event coordinator in another department. She said that the additional person would be so that they could have more events.

Town Manager Barlow stated that he would not disagree. He said that they were adding a fireman again this year as well as a planning position. Mr. Barlow stated that Recreation/Library Services Director Joe Carter and Recreation Supervisor Joni Hubble-Zeneberg do a lot of work, and thought that they could justify it, but at the same time, they needed to look at the water revenues, sewer revenues and electric rates. He said that when they start funding predominately general fund operations, the sole source of revenue was the tax rate.

Mr. Barlow stated that at time point, they would need more revenue. He said that they would need to weigh those options.

Mayor Oliver stated that they might would consider a citizen who they could contract with for a set fee. She said that this would have more impact to more people than the tennis court that was talked about.

Mayor Oliver asked if there was anything in the budget for resurfacing of the Edgebrook tennis court, or for the Harrison court. She said they were going to get a tighter estimate because they felt the \$60,000 was high.

Town Manager Barlow stated that funding was not provided for the Edgebrook resurfacing, but did leave \$60,000 in the budget for the Harrison Project. He said that it was probably a high estimate. Mr. Barlow stated that when it is sent out for bids and it is competitive, they would get better prices. Mr. Barlow stated that part of that discussion was if they could leverage the Town's dollars to get grant funding, they might be able to do more than one tennis court at Harrison. He said that if the Town gets a strong grant with a small local match then that would free up funding, possibly \$18,000 for Edgebrook.

Mayor Oliver asked if they could find out from someone in the County that has built or resurfaced a tennis court recently and get some figures.

Town Manager Barlow stated that in talking with Recreation Director Joe Carter each one is going to be a little different depending on how much has to be done. He said that he thought the estimate was on the high end.

Councilmember Overby stated his concern was that the tennis court at Edgebrook was resurfaced two years ago, and now they are talking about resurfacing again.

Mayor Oliver stated that her concern was installing a new court when they could not maintain the one they have.

Councilmember Holmes stated that the Town was in the red in the Sewer Fund, and the Water and Electric Funds were barely above ground. He said that they were wanting to hire more people, and build and resurface tennis courts. Councilmember Holmes asked when they were going to stop and catch up with what they have. He said that they were just digging a hole deeper, and putting the Town in a deeper hole. Councilmember Holmes asked what was it going to be

six months down the road. He said that they were going to advise the citizens that they were going to have to raise their taxes. Councilmember Holmes stated that they could not keep spending and not have income coming back in.

Mayor Oliver stated that the water and sewer dollars were within their own department, and were not dollars that would go towards a tennis court.

Councilmember Holmes stated that it was discussed earlier to hire someone for Parks and Recreation to look after the Gazebo Galleria and the Civic Center. He said that they do not even have the money to remodel it yet. Councilmember Holmes asked why they should hire somebody.

Mayor Oliver stated that was just one element. She said the bigger thing was the greater number of events around Town.

Councilmember Holmes stated that if the Gazebo Galleria was not going to pay for itself to hire somebody, then we do not need to mess with it.

Mayor Oliver stated that Councilmember Holmes had a point there; but at the same time, you do not stop everything until they get the sewer fixed. She said that there would not be anyone here to use the sewer. Mayor Oliver stated that they have to move forward in multiple areas at the same time. She said that needed to be judicious in how they do it. Mayor Oliver stated that they could not just focus on the infrastructure and not grow other things, or people would not want to be here.

Councilmember Holmes stated that they could not keep raising rates and expect people to move here. He said that the talk is that Selma has the highest light bill, water and sewage. Councilmember Holmes stated that sooner or later, it going to come to a stop.

Mayor Oliver stated that they needed to share with folks the reality. She said in terms of electric, Selma was one of the least expensive in Johnston County. Mayor Oliver stated that when people say things such as that, they needed to refute it with what the facts are. She said that she knew that the taxpayers expect them to use tax dollars wisely.

Mayor Pro-Tem Lacy stated that this problem has not just started. She said that it has been a problem for a while. Mayor Pro-Tem Lacy stated that Town Manager Barlow was working on trying to get it straight, and could not let everything else go lacking. She said that if

they were going to live up to Selma being a “Charming Place To Be”, they needed to cover all aspects of it.

Mayor Oliver asked if there was anything else Council wanted to mention that was budget related that they wanted to discuss at the work session so that they could go into that work session prepared.

Councilmember Overby stated that salaries are done across the board. He said that different departments pay for different salaries. Councilmember Overby stated that the ladies in Town Hall are paid out of Electric, Water, and Sewer.

Town Manager Barlow stated that all of Finance was paid 25% equally divided among all four funds.

Councilmember Overby stated that he would like to see it to help him understand it better. He gave an example of all the electric employees being paid out of the Electric Fund; not across the board.

Town Manager Barlow stated that would be a significant policy change. Mr. Barlow used his position as an example. He said that he does not work for one fund, and it is spread out equally 25% across all four funds. Mr. Barlow stated that there were a number of positions that cross over particularly Finance and Administration. He said that he could give Council a percentage breakdown on salaries.

Councilmember Overby stated he would like to see that. He said that if they were going to get their hands around the problems, they have to get down to the bone.

**PLANNING & ZONING
REPORT AND
RECOMMENDATIONS –
Update on Rewrite on
Chapter 17 of the Selma
Municipal Code:**

Planning Director Julie Maybee stated that she wanted to give Council an update on the rewrite of Chapter 17 – Development Ordinance of the Town’s Municipal Code. She said that they were approximately 50% complete. Ms. Maybee stated that once the draft was complete, she planned to have workshops with Town Council and the Planning Board to review the draft document. She said that later on, she would have public meetings to receive citizen input and comments. Ms. Maybee stated that she had a summary page that was provided that gives an idea of exactly where they are at on the different chapters. She said that they were making good progress on that. Ms. Maybee stated that one of the things that was raised was back when there was a joint workshop with the Planning Board and Town Council was the importance of having an ordinance that was consistent, followed the General Statutes, and was user friendly. She said that in doing this draft, they have reviewed quite a few provisions, and are working in that direction. Ms. Maybee stated that

she thought they would have a document that they would be proud of when it was finished.

Mayor Oliver asked what was the target completion date.

Planning Director Maybee stated that she would try to have it completed within six months, and hoped to have it before Christmas.

**TOWN MANAGER'S
REPORT AND
RECOMMENDATIONS-
Consideration of FY 15
CDBG #15-I-2763, Sewer
Improvements Grant
Project Ordinance:**

Town Manager Barlow stated that this was for the consideration of the fiscal year 2015 CDBG sewer improvements grant project ordinance. He said that this set the revenues and expenditures for the Ricks Road Sewer Improvements Project. Mr. Barlow stated that in Section 3, the total revenues were \$1,294,900 with a local match of \$5,000 with project appropriations matching \$1,294,900. He said that is the project, basically the ordinance sets up for the lack of a project lets the Town receive the money and spend that much money. Mr. Barlow stated that there was budget detail included, but did not go into specific expenditures, but was the accountabilities he would recommend for approval.

Mayor Oliver stated that in Section 1 of the ordinance, she asked if “the project authorizes the Community Development Project...” to be consistent, say the Community Development Block Grant Project.

Councilmember Overby stated that Ricks Road was on schedule for widening. He asked if these two projects were going to be in conflict with each other.

Public Utilities Director Alex Fuller stated that they were coordinating the paving project with the Utility Coordinator with NCDOT. He said that he does not think there are going to be any conflicts.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve the 2015 Ricks Road Sewer Improvements Grant Project Ordinance as amended. Motion carried unanimously.

**TOWN OF SELMA
FY 15 COMMUNITY DEVELOPMENT BLOCK GRANT #15-I-2763
SEWER IMPROVEMENTS**

GRANT PROJECT ORDINANCE

Be it ordained by the Town Council that, pursuant to Section 13.2 of chapter 159 of the General Statutes of North Carolina, the following Grant Project Ordinance is hereby adopted:

Section 1. The project authorized in the Community Development Block Grant Project described in the work statement contained in Grant Agreement 15-I-2763 between the Town and the North Carolina Department of Environmental Quality. This project is known as the 2015 Ricks Road Sewer Improvements Grant.

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of the grant documents, the rules and regulations of the North Carolina Department of Environmental Quality and the budget contained herein.

Section 3. The following revenues are anticipated to be available to complete this project:

Community Development Block Grant	\$1,289,000
Local Match	\$5,000
Total	\$1,294,000

Section 4. The following amounts are appropriated for the project:

Public Sewer Improvements	\$986,700
Housing Rehabilitation-Sewer Connections	\$185,700
Administration	\$122,500
Total	\$1,294,000

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the Grant Agreement and Federal and State regulations.

Section 6. Funds will be requisitioned from the State after submission of documentation to the Town. The Town upon actual receipt of CDBG funds will make disbursement of funds from the State. Compliance with all federal and state procurement regulations is required.

Section 7. The Finance Officer is directed to report quarterly on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this grant project in every budget submission made to the Town Council.

Section 9. Copies of the Grant Project Ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 14th day of June, 2016.

**Consideration of FY 15
CDBG #15-I-2763, Grant
Documents:**

Town Manager Barlow stated that related to Rick’s Road Sewer Project, two resolutions were being presented for their consideration, the signatory form and the program manual. He said that those signing the signatory form would be Mayor Cheryl Oliver, Mayor Pro-Tem Jackie Lacy, Town Manager Jon Barlow, Public Works Director Alex Fuller, and Finance Director Karen Johnson.

Town Manager Barlow asked if there were any questions regarding the Signatory form or the program manual.

Mayor Oliver stated that she assumed the program manual was a boilerplate for CDBG projects.

Town Manager Barlow stated that before Council was the executive summary. He said that if they would like to see the entire manual, he has it electronically, and would be glad to send it to them.

A motion was made by Councilmember Mark Petersen and seconded by Councilmember William Overby to approve the Signatory form and Certification Resolution and the Program Manual Resolution. Motion carried unanimously.

TOWN OF SELMA
FY15 COMMUNITY DEVELOPMENT GRANT
SIGNATORY FORM AND CERTIFICATION RESOLUTION

A Resolution Authorizing persons to act as signatories for Community Development Block Grant (CDBG) funds requisitions for the Ricks road Sewer Improvements Project for the Town of Selma, North Carolina.

Be it Resolved by the Town Council of Selma, North Carolina, that:

WHEREAS, the Town is participating in the Community Development Block Grant Program under the Housing Community Development Act of 1974, as amended, administered by the North Carolina Department of Environmental Quality; and

WHEREAS, Signatories for CDBG funds are required for this program.

THEREFORE, BE IT RESOLVED that the Town Council of Selma, North Carolina, in furtherance of the Grant Agreements, hereby authorizes the following individuals, and successors to titled, to act as signatories on all Requisitions for CDBG Funds forms during the course of Administration of said Grant:

Cheryl L. Oliver, Mayor
Jacqueline J. Lacy, Mayor Pro-Tem
Jon Barlow, Town Manager
Alex Fuller, Public Works Director
Karen Johnson, Finance Director

FURTHERMORE, Cheryl L. Oliver, a person who knows each of the above named persons so authorized, is hereby appointed, authorized, and directed to act as “Certifying Official” on the “Signatory Form and Certification”, and to execute same under certification option number two (2) appearing thereon certifying the authenticity of the authorized signatures.

Adopted this 14th day of June 2016.

TOWN OF SELMA
CDBG FY 15 PROGRAM FUNDING YEARS
PROGRAM MANUAL RESOLUTION

A Resolution Authorizing the Adoption of the Program Manual for the Town of Selma during the Funding Years of the North Carolina Small Cities Community Development Block Grant (CDBG) Program.

WHEREAS, the Town intends to participate in the 2015 Small Cities CDBG Program under the Housing and Community Development Act of 1974, as amended and administered by the North Carolina Department of Environmental Quality (DEQ), Division of Water Infrastructure (DWI); and

WHEREAS, the following documents are required under this program:

- Language Access Plan
- Fair Housing Plan Plan
- Equal Employment Opportunity
- Procurement Standards
- Local Jobs Initiative, Section 3 Plan
- Section 504
- Non-Discrimination Policy
- Grievance Procedure
- Citizen Participation Plan
- Residential Anti-Displacement and Relocation Assistance Plan
- Optional Coverage Relocation Plan
- Code of Conduct/Hatch Act Policy
- Section 519/Excessive Force Policy
- Acquisition Guidelines
- Disposition Guidelines
- Relocation Guidelines
- Clearance Guidelines
- Rehabilitation Guidelines
- Rehabilitation/Reconstruction Guidelines
- Hook Up Guidelines
- Public Facility Guidelines
- Complaint Procedure
- Contracts Officer Designation
- Labor Standards Officer Designation
- Verification Officer Designation
- Just Compensation Officer Designation
- Financial Management Procedure

THEREFORE, BE IT RESOLVED by the Town Council of the Town of Selma, North Carolina:

1. That Jonathan Barlow, Town Manager; Alex Fuller, Director of Public Works; Cheryl L. Oliver, Mayor; and/or successors so titled, are hereby authorized to execute any and all Grant related documents;

2. That this Program Manual is hereby adopted and to be used throughout the implementation of the Town of Selma FY 2015 CDBG Program.

Adopted this 14th day of June 2016.

**Monica Chevalier,
Community Development
Specialist, The Wooten
Company - Budget Details
for Ricks Road CDBG
Project:**

Town Manager Barlow introduced Monica Chevalier, Community Development Specialist for The Wooten Company. He said that she would be reviewing the budget details for the Ricks Road CDBG Project.

Ms. Chevalier stated that this was more of an outline of what the Town has available in the grant, what could be allocated for construction, what could be allocated for engineering, and what could be allocated for administration. She said that overall, the Town has about \$1.3 million, which included the grant, the Town's contribution and the MHP contribution. Ms. Chevalier stated that in the Administration budget, CDBG allows up to a 10% maximum, which is \$127,500. She said that the Administration budget covers consultant fees, the environmental assessment, the preliminary engineering report, legal fees, and Town incurred expenses, such as newspaper advertising. Ms. Chevalier stated that for grant administration, The Wooten Company was able to do the environmental assessment as part of that. She said that the Engineering report would be its own separate contract from the grant consultant administration. Ms. Chevalier stated that was their proposed fees, including their proposed fee of \$10,000 that matches the line item in the grant application budget. Ms. Chevalier stated that under Administration, they have the \$10,000 that was included the grant application line item plus a remainder of the percentage of the administration line item so that total would be \$102,300.

Town Manager Barlow stated that he wanted to review what Ms. Chevalier had presented. He said Council recently the Engineering Administration Services of the Project to The Wooten Company. He said that what Ms. Chevalier is looking for now is that these are the budget figures they want to put into the actual project contracts the Town has with The Wooten Company. Mr. Barlow stated that Ms. Chevalier was looking for guidance. He said that just to let Council know, these are what is approved as far as CDBG rules. Mr. Barlow stated that this is what Ms. Chevalier would take back and put into the contracts that the Town would be getting back soon.

Ms. Chevalier stated that covers the Administration Contract and the Preliminary Engineering Contract, which are available under the Administration line item. She said that the Engineering costs cover the engineering design, construction administration, construction observation, surveying, easement acquisition, and permitting. Ms.

Chevalier stated that the total for Engineering costs was \$218,000. She said that coincided with the line item in the grant application budget.

Mayor Oliver stated that CDBG allows the Administration to be up to 10% maximum. She asked if there was ever a time when Grant Administration have underruns where dollars could be moved to something else, or do they force it to be the \$92,300.

Ms. Chevalier stated that they wanted to make sure the Town had enough of a cushion in the Town expenses if construction bids ever came back higher than what they projected. She said that part of that, \$2,500 in the proposed budget for legal fees and \$7,700 for the Town's expenses, would cover the Town for legal fees, newspaper advertisements for procurement and closeout public hearing. Ms. Chevalier stated that amount should give the Town enough of a cushion if there should be any construction overruns. She said that Administration could go to the sewer line item of the grant.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve the numbers in the budget memo dated June 14, 2016 as presented by Ms. Chevalier of The Wooten Company. Motion carried unanimously.

**Draft Job Description for
New Planning Staff
Member:**

Town Manager Jon Barlow stated that before them was a draft Planner I job description. He said that this was a new position that was included in the proposed budget. Mr. Barlow stated that it was noted that in the Planning Department that a real deficiency in staffing and what the needs were. He said that they put their thoughts together in looking at what kind of Planner would be good for the Town. Mr. Barlow stated that this was their first draft that would give Council some idea of what kind of person they were looking for. He said that they hoped to get someone with minimum qualifications; someone with at least one year planning experience, with an education in Planning supplemented by some municipal experience.

Mayor Oliver asked that on the Upper Coastal Plain RPO might this person be that Planning person that would attend that meeting.

Town Manager Barlow stated that there were a lot of roles that Planning Director Julie Maybee currently has. He said that she was more of a Director of Marketing and Economic Development. Mr. Barlow stated that they were trying to move her away from the everyday activities of a Planner so that she could more on the Director level aspect of her job.

Councilmember Petersen asked if an entry level person going to be able to do that.

Town Manager Barlow stated that with some experience in a Planning Department, they would expect that.

Councilmember Petersen stated that they would be able to come in and take over everything.

Town Manager Barlow stated that was incorrect. He said that she would still be presenting the items like the special use, text amendments or more complicated planning. Mr. Barlow stated this would be the more daily, answering zoning questions, getting field work done, putting the package together, instead of her having to do all the leg work.

Mayor Oliver stated that she concerned about the entry level wording.

Town Manager Barlow stated that Planner II or Senior Planner was discussed. He said that the cost would increase. Mr. Barlow stated that the pay range was not included. He said that when the job was put out, they were wanting to see what applicants they would get, and was dependent upon qualifications. Mr. Barlow stated that if they get someone with a little experience, they would need to give them room to grow; however, someone seasoned with ten year's experience, it going to cost them more. He said that was the Town's ability to give them room to grow towards the profession. Town Manager Barlow stated that he would love to find someone with 10 to 15 years of experience, but thought the pool would be limited.

Councilmember Overby stated that he did not want to see a person come in and Planning Director Maybee have to handhold them and show them everything.

Town Manager Barlow stated that they could model a Planner II or Senior Planner and put it out there, but reminded Council that there would be a cost.

Councilmember Overby stated that if they could find a Planner under level I and do what they wanted done, that would be great. He said that they want to free Ms. Maybee and not tie her down training someone.

Town Manager Barlow stated that he would change the description a little, change the title to Planner II, and up the qualifications to see what applicants they receive.

Mayor Oliver asked when they would launch this request.

Town Manager Barlow stated that Planner I is already out there.

**Sanitation Rollout Cart
Discussion:**

Town Manager Barlow stated a while back, Waste Industries and Town staff performed an audit, a count of the carts in the field. He said that was what Waste Industries based their revenue on was the number of cart pick-ups that they have on their accounts and the Town pays them accordingly. Mr. Barlow stated that it was important to Waste Industries and the Town of Selma that we are not being billed for more carts that are actually out there or vice versa.

Mayor Oliver asked when the last audit was done.

Public Utilities Director Alex Fuller stated that he did not know.

Town Manager Barlow stated that it was found that 39 customers had 62 extra carts in the field that were not being billed. He said that Waste Industries bills the Town \$18.20 per month for the services they provide for the ones that they pick up, recycling pickup, bulk waste and yard waste. Mr. Barlow stated that the Town charges \$25.00, which pays Waste Industries and pays for everything else done in sanitation to cover the Town's expenses.

Councilmember Overby asked how many carts were in the field.

Public Utilities Director stated that at the last count, there 2,253.

Town Manager Barlow stated that there were some customers that have more than one cart, and are paying the \$25.00. He said that there were 39 customers that had extra carts that are not being charged. Mr. Barlow presented to Council a copy of a letter that would be sent to these customers advising them that they would be charged an extra \$25.00 for their extra cart, or the Town would be glad to pickup the cart.

Town Manager Barlow stated that in the other part of the audit, they found 125 commercial locations that had a cart, but have no corresponding account. He said that Waste Industries was not billing the Town or the customer for service, and was getting trash pickup free of charge. Mr. Barlow stated that when a business sets up an account, the Town does not do commercial pickup, and does not know how they got carts. He said that staff needed some direction from Council because in the Public Service and Utility Ordinance, Section 16 under Residential Garbage Collection, there was a one sentence provision that does give the Town that ability, which states the Public Works Director may provide this form of collection to

small offices and businesses with a low volume of refuse if he deems this system sanitary and efficient. Mr. Barlow stated that the Town has that ability in the code to provide rollout cart service to nonresidential customers. He said that these accounts in some way needed to be picked up. Mr. Barlow stated that he did not know of any locations where there was an issue. He said that they were being serviced now, but were not being charged. Mr. Barlow suggested that without having to change that piece of the ordinance, that the same service be offered to these small accounts that are serviceable with carts.

Councilmember Petersen asked if there was a recommended charge.

Town Manager Barlow stated that charge would be \$25.00.

Councilmember Overby questioned a house that serves as two apartments. He asked if they were entitled to garbage service, or if that was considered.

Town Manager Barlow stated that apartments were different, and would get to that.

Town Manager Barlow stated that the audit also revealed that there were some multi-family locations that were being serviced by Waste Industries and were being billed through the Town for that service, but were dumpsters. He said that there was nothing in the Town's ordinance that states that it services dumpsters for multi-family units such as apartments, town houses, or condominiums. Mr. Barlow stated that there was a fee schedule setup and a description of what was required. He said that there were some in Town that have probably been around for some time and have no room for a dumpster, and are serviced by a rollout. Mr. Barlow stated that there are some that ended up having so many rollout carts that the cart corral got disgusting, and were advised to go to a dumpster. He said that the code was changed to recognize that. Mr. Barlow stated that there were two apartment complexes that were being serviced by a private contractor, but three were being serviced by the Town through Waste Industries. He said that there was one on Lizzie Street that has 30 units with dumpster service through Waste Industries, but are getting it at no charge. Mr. Barlow stated he was looking for guidance on this as well. He said that they could contract it like the others or let them contract with Waste Industries. Town Manager Barlow suggested writing something into the Town's code to manage the three that Town was already servicing, and would give the Town the option to manage a dumpster program for multi-family residences.

Mayor Oliver asked what the fee was that would be charged.

Town Manager Barlow stated that for every unit, Waste Industries was charging the Town \$18.20.

Public Utilities Director Fuller stated that the distinguishing factor is Waste Industries is not charging for the dumpster, but by the number of units in the apartment complex. He said that it is being looked at as if they did have a rollout container.

Town Manager Barlow stated that dumpster rates vary on size. He said that a business such as Food Lion would generate more garbage than 20 apartments.

Councilmember Petersen asked if Food Lion contracted directly with Waste Industries.

Town Manager Barlow stated that they were talking about condos, town houses, and apartments, but commercial properties such as Food Lion would go directly through Waste Industries.

Councilmember Overby stated that there were two dumpsters on River Road, and asked if they were paying \$18.20 for each.

Town Manager Barlow stated that it would \$18.20 per residential unit. He said that the Town wanted to manage that program as far as multi-family, because it was doing it partially right now. Mr. Barlow stated that the Town did not have any policies to guide how they were going to do it.

Councilmember Holmes stated that anyone that the Town was providing water and sewer, the Town should be providing garbage.

Town Manager Barlow stated that the Town does have the right for exclusive franchise inside the Town just for consistency to know that we serve everyone located inside the Town limits. He said that it was clear that the Town did not want to do large commercial, but did they want to get into the small dumpsters.

Councilmember Overby stated that he did not want to get into another 5-year contract with them.

Town Manager Barlow stated that was something else to consider.

Mayor Oliver asked if they would be making the last two that already have agreements switch.

Town Manager Barlow stated that they could not take that franchise away from Waste Industries without buying out the contract.

Mayor Oliver asked if they allowed that and some of the others say the charge has increased, could they do a private agreement.

Town Manager Barlow stated that the other apartments that were getting service were fine with it. Mr. Barlow recommended that the entire ordinance be rewritten. He said that the Town Attorney thought that the ordinance was written with the Town got into garbage. Mr. Barlow stated that it does not describe how things are done today.

Councilmember Overby questioned Short's Grill having two carts and is a commercial account. He asked if they would be charged \$25.00 per cart. He also asked if the Town was going to pick them up as a commercial account, because they were not residential.

Mr. Barlow stated that he did not know if they were one of the 125 that had extra carts, but Waste Industries would be charge the Town \$18.20 per cart and the Town would bill Short's \$25.00 cart.

Councilmember Overby stated that if they multiply 2,253 (carts in service) by \$18.20 he comes up with \$2,554.94.

Town Manager Barlow stated that the cart count included the Library, Police Department, institutional, parks, Town Hall.

Councilmember Overby stated that he was talking about the \$18.20, not the \$25.00 that the Town charged.

Town Manager stated that we were in that cart count.

Public Utilities Director Fuller stated that the park count rate was \$23.76. He said that they were trying to negotiate the process and agree on a number. Mr. Fuller stated that part of that process was dealing with apartments, because those apartments are part of that number.

Councilmember Overby asked if the Town's contract actually stated that we pay by cart with Waste Industries.

Town Manager Barlow stated that it does.

Public Utilities Director Fuller stated that there was a fee for the garbage cart and another small fee for the recycling cart, which totaled \$18.20.

Councilmember Overby stated that the letter to the residential customers would be a great idea, but was concerned about the extra \$25.00 per container.

Town Manager Barlow stated this would give them the opportunity to think about it, because some people are already paying it and do not have a problem with it. He said that he wanted to give them the opportunity to make a decision to turn in the extra cart or pay the \$25.00.

Councilmember Overby asked if the \$18.20 covered the tipping fee and everything with Waste Industries.

Town Manager Barlow stated and everything with Waste Industries.

Town Manager Barlow stated that was correct based on the information that he had received from them.

Councilmember Overby stated that if they had a second cart and it was kept within the \$18.20, they would not be losing anything. He stated that they would not tag the Town with any more fees.

Town Manager Barlow stated that everything was built into that fee.

Mayor Oliver asked if the letter be addressed to specific residents.

Town Manager Barlow stated that once the verbiage was agreed upon, there was a database created to send the letter to.

Councilmember Overby stated that for an apartment complex, he had a problem with counting of the units, because the units were not always rented out.

Town Manager Barlow stated that six had dumpsters; not carts.

Public Utilities Director Fuller stated that Waste Industries would still charge for those vacancies because they were part of an account.

Town Manager Barlow stated that was how it was done in Town. He said that the count number was important. Mr. Barlow stated that they could not eliminate houses due to them being vacant.

Mayor Oliver stated that it would be a hard thing to monitor apartment vacancies.

Public Utilities Director Fuller stated that once everything settled, a customer portal would be set up for the Town through Customer Service so that they could track the coming and going of customers. He said that right now, it is an administrative nightmare. Mr. Fuller stated that an internet-based portal would allow the numbers to change.

Town Manager Barlow stated that Waste Industries would manage the electronic portal; not the Town of Selma.

Councilmember Overby stated that when they go back to the fees, he was told that the Town was paying out \$42,000, but thinks it is an average of \$46,500 a month for garbage.

Mayor Oliver asked if everyone was in favor of sending a letter out to the 39 residential customers that have the extra 62 carts. She asked if everyone was in favor of charging \$25.00 fee for the extra carts.

Council concurred to sending out the letter to the 39 customers regarding a fee of \$25.00 for the extra carts.

Mayor Oliver stated that the other decision that they needed to make was on the 125 commercial customers.

Councilmember Overby recommended that Waste Industries handle those customers.

Town Manager Barlow stated that they were in Town.

Public Utilities Director Fuller stated that in a meeting with one of the representatives of Waste Industries, their fee independent from the Town would be higher than what the Town currently charges.

Town Manager Barlow stated that they would charge somewhere in the \$30 to \$35 range. He said that through the Town, they would receive the residential rate. Mr. Barlow stated that if Waste Industries charged the Town \$18.20, he would recommend charging the commercial customers \$25.00.

Public Utilities Director Fuller stated that the commercial customers included some Town properties, churches, and private businesses.

It was the consensus of Council to accept the 125 commercial properties as Town customers.

Mayor Oliver stated that the next issue was the multi-family properties, and if they wanted to continue to bill for those.

Town Manager asked Council if that was something that they wanted to continue. He said that Waste Industries was looking for guidance as to whether the Town wanted to incorporate the apartments on Lizzie Street. Mr. Barlow stated that it was just an administrative change. He said that this could be added administratively and draft a new ordinance for Council's consideration in the near future.

Attorney Hewett stated that it would be a contract matter between the Town and Waste Industries for the apartments. He recommended going ahead going ahead and getting that on line and then amend the ordinance as to where it is compliant to what they are actually doing. Attorney Hewett stated that what the Town was doing now was out of compliance with the ordinance.

Town Manager Barlow stated that he would talk to Mr. Moore to get that straight with him.

RECESS:

Mayor Oliver called for a quick break before the beginning of the Time Warner Cable/VC3 Internet discussion. 8:41 p.m.

Mayor Oliver called the meeting back to order at 8:47 p.m.

**TWC/VC3 Internet
Service:**

Town Manager Barlow presented a copy of an email from Kevin Eves, IT Consultant from VC3, regarding internet service with TWC especially to Town Hall. He said that the problem was not just with Town Hall, but other departments as well. Mr. Barlow stated that Mr. Eves and a technician from Time Warner were in Selma on May 16th performing tests. He said that everything was functioning, but the Town was having some latency issues. Mr. Barlow stated that Mr. Eves summarized what the Town's options were, which were:

- 1) To remain with the Town's current service and receive the same results;
- 2) Test some DSL services with AT&T;
- 3) Upgrade to fiber, which is two to three times the expense that the Town is paying Time Warner Internet Service; or
- 4) Consolidate Internet Service using a multisite network to use fiber for a similar overall monthly price.

Mr. Barlow stated that the project that Mr. Eves has been working on as far as connectivity for all the Town's facilities was public access WiFi. He said that he did not have any cost information yet. He said that Mr. Eves has been asked to go ahead and do it. Mr. Barlow stated that it seemed to be a cost effective way to do it. He said that according to Mr. Eves, it would solve the Town's speed issues that it is having with Time Warner.

Mayor Olive asked about the pending items.

Mr. Barlow stated that as the changeover was being made to VC3, the AT&T bill had a lot charges that could not be figured out.

Finance Director Karen Johnson stated that since the switchover to VC3 phones, the Town has been paying for service with AT&T. She said that she has made some progress, but they were still trying to back-bill the Town for service.

Mayor Oliver asked if VC3 was working on the billing issue.

Ms. Johnson stated that it had all been turned over to her.

Councilmember Overby stated they might need to respond to VC3 asking for help to resolve those bills.

Ms. Johnson stated that she would email Mr. Eves the next day.

Financial Statements:

Town Manager Barlow reviewed the financial statements ending May 2016. He said that all four funds on a cash basis looked good. Mr. Barlow stated that revenues exceeded expenditures in every fund. He said that even in the sewer fund, the actual-to-date is \$160,000 on a cash basis revenues greater than expenses, which was a drastic improvement from the previous year. Mr. Barlow asked if there were any questions.

Town Manager Barlow stated that if they look at the year-to-date, all funds had improved except water. He said that in the general fund the cash position increased \$121,000; sewer fund was \$151,000 better; the electric fund was about \$300,000 better; and the water fund was about \$72,000 less. Mr. Barlow stated that if they look at the Central Depository, it was \$500,000, and was in a better cash position than last year.

**Budget Ordinance
Amendments:**

Finance Director Karen Johnson stated that budget amendment #24 was to fix where they received funds for Harrison roof repair. She said that this was the insurance money that was received. Ms. Johnson stated that she needed to show the revenue and also needed to show the expenditure.

A motion was made by Councilmember William Overby and seconded by Mayor Pro-Tem Jackie Lacy to approve budget amendment #24. Motion carried unanimously.

**TOWN OF SELMA
BUDGET ORDINANCE AMENDMENT #24
FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the General Fund (Fund 10) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's General Fund (Fund 10) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>	
10-3350-0400 (R) Insurance Proceeds	70,515.07		Increase
10-6200-3510 (E) Maintenance & Repair Buildings	70,515.07		Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #25 was to clean up the Fund. She said that she was trying not to change any of the money figures. Ms. Johnson stated that she used the fund balance appropriated to fix where they were in the negative.

A motion was made by Mayor Pro-Tem Jackie Lacy and seconded by Councilmember Mark Petersen to approve budget amendment #25. Motion carried unanimously.

**TOWN OF SELMA
BUDGET ORDINANCE AMENDMENT #25
FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the General Fund (Fund 10) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's General Fund (Fund 10) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>	
10-3990-0000 (R) Fund Balance Approp.		57,832.00	Decrease
10-3010-0000 (R) Current Year Taxes		60,000.00	Increase
10-3010-3200 (R) Local Occupancy Taxes		14,000.00	Increase
10-4100-1830 (E) Medical		4,000.00	Decrease
10-4100-1920 (E) Legal Services	2,000.00		Increase
10-4100-2600 (E) Supplies & Materials	380.00		Increase

10-4100-3110 (E) Travel/Training	2,200.00		Increase
10-4100-4990 (E) Equipment/Not Capital	250.00		Increase
10-4130-1830 (E) Medical		1,000.00	Decrease
10-4130-1950 (E) Banking Fees	20.00		Increase
10-4130-2600 (E) Finance Supplies & Mat	680.00		Increase
10-4130-3990 (E) Contracted Services	3,000.00		Increase
10-4130-4400 (E) Software Contract	2,500.00		Increase
10-4130-4500 (E) JO CO tax collection	1,100.00		Increase
10-4130-4990 (E) Equipment/Not Capital	120.00		Increase
10-4190-3200 (E) VC-3 Cloud Services	8,500.00		Increase
10-4190-3210 (E) Utilities/Telecommunication		2,000.00	Decrease
10-4190-3310 (E) Utilities/Electric		2,000.00	Decrease
10-4190-3312 (E) Utilities Water & Sewer	1,000.00		Increase
10-4190-3320 (E) Utilities/Fuel Oil		3,000.00	Decrease
10-4190-3510 (E) Repair & Maintenance	1,000.00		Increase
10-4190-3512 (E) Selma Civic Center	622.00		Increase
10-4190-3600 (E) Town Hall Renovations	20,500.00		Increase
10-4200-1210 (E) Salary & Wages		5,000.00	Decrease
10-4200-1830 (E) Medical		1,000.00	Decrease
10-4200-1861 (E) Unemployment Reserve		2,000.00	Decrease
10-4200-1890 (E) Retirees Medical	46,000.00		Increase
10-4200-2590 (E) Gasoline	100.00		Increase
10-4200-2600 (E) Supplies & Materials	2,500.00		Increase
10-4200-3110 (E) Travel/training	4,500.00		Increase
10-4200-3250 (E) Postage	800.00		Increase
10-4200-3500 (E) Administration Safety		2,500.00	Decrease
10-4910-1210 (E) Salary & Wages	3,000.00		Increase
10-4910-1810 (E) FICA & Medicare	100.00		Increase
10-4910-1820 (E) NC Municipal Retirement	50.00		Increase
10-4910-1821 (E) NC401K	500.00		Increase
10-4910-3110 (E) Travel/Training	2,000.00		Increase
10-4910-3210 (E) Telephone	60.00		Increase
10-4910-3250 (E) Postage	2,000.00		Increase
10-4910-3802 (E) JO CO Tourism tax	14,000.00		Increase
10-4910-3990 (E) Contracted Services	11,500.00		Increase
10-5300-1830 (E) Medical		7,000.00	Decrease
10-5300-2121 (E) Turn out gear		3,000.00	Decrease
10-5300-3530 (E) Maintenance & Repair	7,000.00		Increase
10-5300-3990 (E) Contracted Services	1,000.00		Increase
10-5300-4990 (E) Equipment/Not Capital	2,200.00		Increase
10-5300-5300 (E) Dues/Subscriptions	800.00		Increase
10-5300-5400 (E) 100 th Anniversary		1,000.00	Decrease
10-5600-1210 (E) Salary & Wages	6,000.00		Increase
10-5600-2120 (E) Uniforms	100.00		Increase
10-5600-2512 (E) Non-highway Diesel #2		4,000.00	Decrease
10-5600-2590 (E) Gasoline		3,000.00	Decrease
10-5600-2600 (E) Supplies & Materials		3,000.00	Decrease
10-5600-3510 (E) Maintenance & Repair	5,000.00		Increase
10-5600-3530 (E) Maintenance & Repair	550.00		Increase
10-5600-3990 (E) Contracted Services	500.00		Increase
10-5600-6990 (E) Solid Waste Services	20,000.00		Increase

10-6200-2600 (E) Supplies & Materials	5,000.00		Increase
10-6200-2991 (E) Railroad Day		6,000.00	Decrease
10-6200-3990 (E) Contracted Services	1,000.00		Increase
10-6300-2600 (E) Supplies & Materials	2,500.00		Increase
10-6300-3520 (E) Maintenance & Repair Equ		1,000.00	Decrease
10-6300-4501 (E) Library Programs		700.00	Decrease
10-6300-5300 (E) Due/Subscriptions	400.00		Increase
10-6400-2120 (E) Uniforms	200.00		Increase
10-6400-2600 (E) Supplies & Materials		500.00	Decrease
10-6400-3990 (E) Contract Services	300.00		Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #26 was for the Water Department. She said that this was to correct some negatives and was not changing any of the bottom figures.

A motion was made by Councilmember Mark Petersen and seconded by Mayor Pro-Tem Jackie Lacy to approve Budget Amendment #26.

Councilmember Overby asked if they could talk about 2120.

Town Manager Barlow stated that the uniforms occasionally get messed up, and have to buy a new uniform. He said that there has been some turnover in that department, and have had to purchase uniforms for new personnel.

Councilmember Overby asked to look at 3991 and asked what the purchase for resale was.

Town Manager Barlow stated that was the purchase of water.

With no further questions, the motion carried unanimously.

**TOWN OF SELMA
BUDGET ORDINANCE AMENDMENT #26
FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the Water Fund (Fund 60) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's Water Fund (Fund 60) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>	
60-7110-1830 (E) Medical		5,000.00	Decrease
60-7110-1861 (E) Unemployment Reserve		2,500.00	Decrease
60-7110-1890 (E) Retirees' Healthcare	600.00		Increase
60-7110-1910 (E) Accounting/Auditing		250.00	Decrease
60-7110-1920 (E) Legal	2,500.00		Increase
60-7110-2120 (E) Uniforms	650.00		Increase
60-7110-3200 (E) VC-3 Cloud Services	1,000.00		Increase
60-7110-3250 (E) Postage	500.00		Increase
60-7110-3410 (E) Printing	500.00		Increase
60-7110-3510 (E) Maintenance/Repair – B	1,000.00		Increase
60-7110-3990 (E) Contracted Services	1,000.00		Increase
60-7130-1210 (E) Salaries & Wages		4,000.00	Decrease
60-7130-1220 (E) Overtime	4,000.00		Increase
60-7130-1830 (E) Medical		5,000.00	Decrease
60-7130-2600 (E) Supplies & Materials	1,200.00		Increase
60-7130-2992 (E) Chemicals	3,000.00		Increase
60-7130-3520 (E) Maintenance/Repair –E		22,200.00	Decrease
60-7130-3530 (E) Maintenance/Repair – V	1,000.00		Increase
60-7130-3991 (E) Purchase for resale	6,000.00		Increase
60-7130-4990 (E) Equipment/Not Capital	2,000.00		Increase
60-7130-9501 (E) Purchase for Inventory	14,000.00		Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #27 was to correct some negative line items and was not changing any of the bottom figures.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve Budget Amendment #27. Motion carried unanimously.

**TOWN OF SELMA
 BUDGET ORDINANCE AMENDMENT #27
 FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the Sewer Fund (Fund 61) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's Sewer Fund (Fund 61) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>
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61-7110-1220 (E) Overtime	500.00		Increase
61-7110-1861 (E) Unemployment Reserve		3,000.00	Decrease
61-7110-1910 (E) Accounting/Auditing		250.00	Decrease
61-7110-1920 (E) Legal	2,000.00		Increase
61-7110-1940 (E) Engineering		12,441.00	Decrease
61-7110-1950 (E) Banking Fees	1.00		Increase
61-7110-2120 (E) Uniforms	500.00		Increase
61-7110-3200 (E) VC-3 Cloud Services	9,000.00		Increase
61-7110-3310 (E) Electricity	7,000.00		Increase
61-7110-3980 (E) Permit Fees	810.00		Increase
61-7110-3990 (E) Contracted Services	500.00		Increase
61-7110-4510 (E) Property & Liability	300.00		Increase
61-7130-2600 (E) Supplies & materials	100.00		Increase
61-7140-1220 (E) Overtime	3,000.00		Increase
61-7140-1830 (E) Medical		2,500.00	Decrease
61-7140-2600 (E) Supplies & Materials	500.00		Increase
61-7140-3531 (E) Maintenance & Repair – R		8,020.00	Decrease
61-7140-3990 (E) Contracted Services	2,000.00		Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #28 was for the Electric Department, and was to correct some negative line items and was not changing any of the bottom figures.

Mayor Oliver asked why there were salary and wage overtime in medical, and asked why they were broken out in two places.

Ms. Johnson stated it was broken down because of administrative and operational.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve Budget Amendment #28. Motion carried unanimously.

**TOWN OF SELMA
 BUDGET ORDINANCE AMENDMENT #28
 FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the Electric Fund (Fund 63) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's Electric Fund (Fund 63) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>	
63-7210-1210 (E) Salary & Wages		10,000.00	Decrease
63-7210-1220 (E) Overtime	1,000.00		Increase
63-7210-1830 (E) Medical		2,050.00	Decrease
63-7210-1910 (E) Accounting/Auditing		200.00	Decrease
63-7210-1920 (E) Legal	3,000.00		Increase
63-7210-3200 (E) VC-3 Cloud Services	4,500.00		Increase
63-7210-3210 (E) Telephone	100.00		Increase
63-7210-3310 (E) Electricity	500.00		Increase
63-7210-3991 (E) Load Management/NC	500.00		Increase
63-7210-3994 (E) Itron Lease	5,000.00		Increase
63-7210-3995 (E) Exceleron Contract Fee	8,100.00		Increase
63-7210-4400 (E) Software Contract	200.00		Increase
63-7220-3520 (E) Maintenance & Repair	2,000.00		Increase
63-7220-1210 (E) Salary & Wages	6,400.00		Increase
63-7220-1220 (E) Overtime	1,000.00		Increase
63-7220-1830 (E) Medical		500.00	Decrease
63-7220-2590 (E) Gasoline		1,500.00	Decrease
63-7220-3520 (E) Maintenance & Repair	2,000.00		Increase
63-7220-5400 (E) Capital Outlay – Circuit		20,050.00	Decrease
63-7230-2700 (E) NCEMPA Electricity		45,000.00	Decrease
63-7230-2701 (E) Electric Sales/Use Tax	45,000.00		Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #29 was for the Police Department, and was to correct an error from last month.

Town Manager Barlow stated that the contractor for the Police Department’s uniforms billed the Town six months into the fiscal year, and it had to be paid out of this fiscal year with asset forfeiture funds.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve Budget Amendment #29. Motion carried unanimously.

**TOWN OF SELMA
BUDGET ORDINANCE AMENDMENT #29
FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the General Fund (Fund 10) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's General Fund (Fund 10) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>
10-2990-0000 (E) Fund Balance	9,152.00	Increase
10-5100-2120 (E) Uniform	900.00	Increase
10-5100-3510 (E) Maintenance & Repair buil	1,172.00	Increase
10-5100-5000 (E) Capital Outlay	7,080.00	Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #30 was for the Noble Street Project, and was to correct some negative line items and was not changing any of the bottom figures.

Town Manager Barlow stated that the Town paid for some items upfront. He said that now that the Town has the construction loan, she could reimburse those funds.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve Budget Amendment #30. Motion carried unanimously.

**TOWN OF SELMA
BUDGET ORDINANCE AMENDMENT #30
FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the Noble Street Interceptor Rehab Fund (Fund 30) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's Noble Street Interceptor Rehab Fund (Fund 30) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>
30-3920-0000 (R) Bank Loan Proceeds	191,308.29	Increase
30-8140-5990 (E) Construction	174,060.02	Increase
30-8140-1990 (E) Engineering	13,147.99	Increase
30-8140-1992 (E) Administrative	4,100.28	Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #31 was for the Recreation Department, and was for payment of recreational officials.

A motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to approve Budget Amendment #31. Motion carried unanimously.

**TOWN OF SELMA
BUDGET ORDINANCE AMENDMENT #31
FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the General Fund (Fund 10) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's General Fund (Fund 10) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>	
10-6200-1210 (E) Salary & Wages		1,700.00	Decrease
10-6200-4501 (E) Credit Card User Fee	200.00		Increase
10-6200-5600 (E) Recreation Official/Instr	1,500.00		Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

Finance Director Karen Johnson stated that budget amendment #32 was for the borrowing of money from the Water Department and transferring it to the Sewer Department. She said that those funds were to cover June's bill from Johnston County for sewer treatment costs.

Town Manager Barlow asked Council to look at their monthly financial statement. He said that through the month of May, the Water Fund had collected \$2,171,000, and was at 92%, which was perfect for eleven months for that fund. Mr. Barlow stated that the sewer revenue was based upon water sales, which for eleven months was at \$1,090,000. He said that this fund was 2% ahead of revenue projections. Mr. Barlow stated that last year the Town sewer flow was at 205% greater than water and this year it was 214%. He said that those numbers could not be predicted. Mr. Barlow stated that he

could not estimate rainfall. He said that the Town was right where it should be based on estimated water sales, but was being blasted with wastewater treatment costs. Mr. Barlow stated that in the upcoming budget, he had added \$170,000 for just wastewater treatment.

Councilmember Overby stated that he was discouraged because they blow smoke in the pipes, they know where the problems are, and we sit here and do nothing, except for Noble Street. He said that they have a meeting coming up soon, and he would have some more questions and answers.

Mayor Oliver stated that this was a meeting with Johnston County Manager Rick Hester at their July work session.

Councilmember Overby stated that he thought that they were going to hold off until they decided to adopted the budget, and then they would decide whether to approve this or not.

Mayor Oliver stated that she thought this was something in the future versus this year.

Mr. Barlow stated that if they looked at the operational expense for wastewater treatment, that expense is a month in arrears on the sewer side. He said that the Sewer Fund would get a bill in July that the Finance Director would have to accrue back to June. Mr. Barlow stated that then needed to add a whole month to the expenditure side.

Councilmember Overby asked that with the money that was already borrowed, how much are they going to owe the sewer fund.

Town Manager Barlow stated that it would be \$850,000.

Mayor Oliver asked if they could take money from the general fund.

Town Manager Barlow stated that they could not.

Mayor Oliver asked if it could come from any other fund other than the water fund.

Finance Director Johnson stated that she thought they might be able to use the electric fund, but it was better to use the water fund.

Councilmember Overby asked if they were sure the \$150,000 was going to take care of the sewer fund for next month.

Finance Director Johnson stated that based on the bills that should be coming in for sewer, they should be okay with the \$150,000.

A motion was made by Councilmember Holmes and seconded by Mayor Pro-Tem Jackie Lacy to approve Budget Amendment #32. Motion carried unanimously.

**TOWN OF SELMA
BUDGET ORDINANCE AMENDMENT #32
FISCAL YEAR 2015/2016**

BE IT ORDAINED by the Town Council of the Town of Selma, County of Johnston, State of North Carolina, and Meeting in Budget Session this 14th day of June 2016 that the Town Budget adopted on June 16th 2015, for FY 2015/2016 is hereby amended and adopted:

Section I. To amend the Water Fund (Fund 60) and Sewer Fund (Fund 61) for unanticipated/unbudgeted revenues and expenses during FY 2016. The Town's Water Fund (Fund 60) and Sewer Fund (Fund 61) accounts are to be amended as follows:

<u>Account No.</u>	<u>Debit</u>	<u>Credit</u>	
60-3390-0000(R) Fund Balance Approp		150,000.00	Increase
60-7110-8500 (E) Loan Issued – Sewer Fund	150,000.00		Increase
61-3930-0000 (R) Loan Proceeds –Wtr Fund		150,000.00	Increase
61-7140-3991 (E) Wastewater Treatment	150,000.00		Increase

Section II. Copies of this Budget Ordinance Amendment shall be furnished to the Town Clerk, the Budget Officer and the Finance Officer, and shall be available for public inspection and audit.

Adopted this 14th day of June, 2016.

**TOWN ATTORNEY'S
REPORT –
Approval of Revised Town
Manager's Contract:**

Town Attorney Chip Hewett presented to Council the revised Town Manager's Contract. He said that the residency requirement had been removed with all the other material forms being carried forward.

A motion was made by Councilmember Holmes and seconded by Councilmember William Overby to approve the contract amendment for the Town Manager's position. Motion carried unanimously.

Attorney Hewett stated that he had a litigation matter that he needed to discuss with Council in closed session.

**MAYOR'S REPORT &
RECOMMENDATIONS-
Fourth of July
Celebration:**

Mayor Oliver stated that the 4th of July celebration and the Endless Yard Sale were coming up soon. She said that an *Our State* magazine writer and news stations would be in Town for the Endless Yard Sale.

**Update on Eagle Scout
Cemetery Project:**

Mayor Oliver stated that the Eagle Scout Cemetery Project was moving along. She said that she sent out today his project plan. Mayor Oliver stated that he was seeking funding to get the materials

he needed, and was seemingly getting a lot of support. She said that he hoped to have it completed by the end of the summer.

General Comments:

Mayor Oliver stated that the dedication of the Harbor facility was very impressive, and was a beautiful facility. She said that Ms. June Holt of Selma was instrumental in keeping that facility going over the 13 years the facility had been open, and deserved recognition for that.

Mayor Oliver stated that the Historic Properties Commission had a presentation from Preservation North Carolina. She said Preservation North Carolina has a website that lists historic properties that are for sale, Mayor Oliver stated that Preservation North Carolina also buys historic properties. She said that their website contains properties that they have purchased and are for sale. Mayor Oliver asked everyone to keep in mind that the DMV contract went to the person that worked at that office and would be relocating near the Highway Patrol Office in Smithfield.

Mayor Oliver stated that regarding the Novo Nordisk expansion in Clayton, the Johnston County Economic Development Commission was putting together a trip of some representatives from Selma, Smithfield, and Clayton. She said that these were towns that would be impacted by this expansion, and would be visiting a facility in Covington, GA where a similar expansion project was completed. Mayor Oliver stated that construction was expected to begin within the next year with a five-year build out.

Mayor Oliver stated that she would like for the Town to take a look and Johnston County's Animal Control ordinance. She said that they could follow up on that and tethering at an upcoming work session.

Mayor Oliver stated that everyone wants to be an award winner. She said that something that had not been done was to proactively pursue awards for the Town. She said that this was something that she wanted staff to think about when they pursue their goals and objectives.

**Set June Work Session
Date:**

Council agreed to continue this meeting on June 20, 2016 at 1:00 p.m. in the Jernigan Building.

**COUNCILMEMBERS'
REPORTS &
RECOMMENDATIONS –**

Mayor Pro-Tem Jackie Lacy stated that the Retired Teacher's Association was going to buy a brick for the Civic Center.

CLOSED SESSION:

Town Attorney Hewett stated that the Town Council needed to go into closed session per North Carolina General Statute 143-318.11(6)

a personnel matter, 143-318.11(4) to consider a matter regarding economic development, and 143-318.11(3) a potential litigation.

A motion was made by Councilmember William Overby and seconded by Councilmember Tommy Holmes to go into closed session. Motion carried unanimously. 9:33 p.m.

Town Council returned to regular session at 10:32 p.m. with no action taken.

ADJOURNMENT:

With no further business, a motion was made by Councilmember William Overby and seconded by Councilmember Mark Petersen to recess the meeting until June 20, 2016 at 1:00 p.m. in the Jernigan Building. Motion carried unanimously.

The meeting recessed at 10:33 p.m.