

MINUTES
Snow Hill Board of Commissioners Regular Meeting
Wednesday July 29, 2009—9:00 a.m.
Snow Hill Town Hall
201 North Greene Street, North Carolina 28580

The Snow Hill Board of Commissioners regular meeting convened at 9:00 a.m. on Wednesday, July 29, 2009 at the Snow Hill Town Hall with the following members present: Mayor Lorraine B. Washington; Commissioners Percy Edwards, Stephen Ginn, Dennis Liles, and Geraldine Shackelford. Others present were Town Attorney Brian Pridgen, Finance Officer Michelle Grant, Town Administrator Bob Clark, Town Clerk/Revenue Collector Michelle Strickland, and Public Works / Utilities Director Dana Hill.

1. **Call to Order** – The meeting was called to order by Mayor Washington at 9:04 a.m.
2. **Prayer** - Prayer was offered by Commissioner Ginn.
3. **Pledge of Allegiance** – The Pledge was led by Commissioner Edwards.
4. **Roll Call** – Miss Strickland called roll, all members were present with the exception of Commissioner James Bizzell, Sr. who is out of state. A quorum was declared. It was by consent to excuse Commissioner Bizzell's absence.
5. **Consider Approving Meeting Agenda** – **Motion was made by Commissioner Edwards, seconded by Commissioner Ginn and carried unanimously to approve the agenda.**
6. **Consider Approving Meeting Minutes: July 13, 2009** – **Motion was made by Commissioner Ginn, seconded by Commissioner Liles and carried unanimously to approve the minutes of the July 13, 2009 meeting.**
7. **Report of Officers:**
 - a. *Mayor:*
 1. Hosting Congressman G. K. Butterfield – Sept. 1, 2009 1:30-3:00 pm – Mayor Washington announced that Congressman G. K. Butterfield would be visiting Snow Hill and that arrangements of the visit were pending. She will give more information when it is available.
 2. Appointments to Governing Bodies: Neighborhood Affairs Committee— 1 at large; Snow Hill Development Commission—1 of 3 vacancies – Mayor Washington reported that applications were received for the Neighborhood Affairs Committee and the Snow Hill Development Committee. She asked the Board to review the applications (a copy

hereby incorporated by reference and made a part of these minutes) that had been submitted for action later in the meeting.

b. *Town Administrator:*

1. Hickory and Cary finalists in USTA Best Tennis Town competition – Mr. Clark shared response received (a copy hereby incorporated by reference and made a part of these minutes) from the USTA regarding Snow Hill’s nomination as Best Tennis Town. The Town of Snow Hill was not selected as a finalist but two towns in North Carolina were. These were Hickory and Cary. Mr. Clark reported that voting for Best Tennis Town ended on June 26, 2009.
2. Recommend holding a general Community Development Block Grant (CDBG) program public hearing – Mr. Clark informed the Board that one requirement to apply for the CDBG program is to have a general public hearing to explain the program. Mr. Clark recommends setting the public hearing date for the end of August and reported that a second hearing would be required specific to the program. Mr. Clark has been advised by the NC Division of Community Assistance that any matching requirements are being waived because of the economic slowdown.
3. Update membership on the Rural Technical Coordinating Committee (RTCC) of the Rural Transportation Planning Organization (RPO) – Mr. Clark informed the Board that it was time for the Town to renew its membership with the RTCC. This committee meets quarterly on average and each county is to have representation from a municipality within the county. Mr. Clark advised the Board that in the past the Mayor has served but that anyone can serve. Mr. Clark recommends passing the resolution authorizing updating the designated representatives in the organization (a copy hereby incorporated by reference and made a part of these minutes). The prepared resolution states Mayor Washington will represent Snow Hill and in her absence Mr. Clark will serve.

c. *Finance Officer:*

1. FY 2008-9 Audit Preparations – Miss Grant reported that a staff meeting had been held to determine who would be responsible for a list of tasks in preparing for the audit. She has requested to move the preliminary audit to the fourth week of August due to the only other week available is a high-traffic time in the office. Miss Grant advised the Board that she is working on eliminating internal control and segregation of duties not being a finding of this year’s audit as it is given to most small towns.
2. Budget Amendment No. 1 FY 2009-10 – Miss Grant asked the Board to review (a copy hereby incorporated by reference and made a part of these minutes) Budget Amendment No. 1 and explained that during the budget workers compensation and liability insurance amounts were not available.

They have been received now and this amendment will take care of these items for the year.

3. Initiated Inventory Control Procedures – Miss Grant handed out memos (a copy hereby incorporated by reference and made a part of these minutes) regarding initiated inventory control procedures as well as a report regarding obsolete or inactive inventory. Miss Grant informed the Board that she had gone through the state treasurer’s manual of inventory control and determined that the Town met most of the standards but there are several changes that she recommends. Miss Grant reported that as Finance Officer she had gone to the warehouse and conducted a random audit of the inventory. Mr. Hill will begin a log of what comes in and goes out of the warehouse. Miss Grant advised the Board that there needed to be a report of obsolete inventory. After speaking with Mr. Hill some of these items have no value other than for scrap metal and could be sold for some revenue. Mayor Washington feels that an itemized list of these materials needs to be made for record. Mr. Clark recommends a policy change to give administration. Miss Grant informed the Board that as chair of the Finance and Administration Committee, she had set Commissioner Liles up for “view only” access via internet to the Town’s bank account so that he could log-on at any time to see what was being spent, what was being deposited and when these transactions were taking place.

d. *Town Clerk/Revenue Collector:*

1. 2009 Tax Billing – Miss Strickland reported that she had mailed the 2009 tax bills and that payments were being received. Miss Strickland also reported that over \$4000.00 had been received the previous week on past due taxes from a business.
2. Report on document Shred Day held July 23, 2009 – Miss Strickland reported to the Board that Onslow Container Services had sent their mobile shredding unit to Snow Hill on July 23, 2009 for a community shred day. She provided a list (a copy hereby incorporated by reference and made a part of these minutes) of reports and documents that had been shredded in accordance with the recently adopted records retention schedule.

e. *Public Works & Utilities Director:*

1. Trey Taylor, County Jail Project representative and Parking arrangements—during new jail construction – Mr. Hill asked to postpone Mr. Taylor’s report as he was not present at this time.

Mr. Taylor arrived and spoke to the Board about the proposed parking arrangements during the construction of the new jail. Mr. Taylor informed the Board that even though the fence was up there was still parking allowed in that area behind the Courthouse for a time. The parking lot on Mill Street will be built first and there will be parking inside the fence during this time. Mr. Taylor reported that fifteen spaces had been added and marked on 1st Street and that the County had received permission from the Wildlife Commission for contractors to use at the boat landing. He informed the Town that there would be times when there was virtually no empty spaces and that construction was scheduled to be finished by November 4, 2010. When asked Mr. Taylor informed the Board that there was no contingency plan as of right now for any flooding of the creek that could keep the boat landing area from being used.

2. Not Awarded the Federal Stimulus Waterline System upgrades—funding options – Mr. Hill reported that the Town had not been awarded funds for the waterline upgrades through the federal economic stimulus package. Mr. Hill asked Mr. Rich Moore with McDavid & Associates to talk to the Board about other funding options. Mr. Moore informed the board that funding through USDA Rural Development is available as they have several billion dollars available. Mr. Moore stated that any applicant could receive 45% grant money with a 38 year loan at 3.5%. With the scope of the Town's project this would be a debt service payment of about \$57,000 per year. Mr. Moore indicated that another source is the NC Rural Center. The town may apply for a \$500,000 grant. This grant would reduce the amount of the loan from the USDA. Mr. Moore's idea is to apply for both.

Mr. Moore stated that he had learned that there is significant interest in the money thorough the USDA and he recommends moving quickly to get an application in by the end of the year. Mr. Moore informed the Board that the scope of the project could be scaled down and that there was no additional cost by McDavid to prepare the applications. Mr. Moore wants the Board to feel comfortable with the pursuit of the financing and reiterated that the Town was under no obligation to accept.

The Board discussed not financing the Automatic Meter Reading (AMR) project as part of the waterline upgrades due to not wanting to pay on the meters for 38 years. Mr. Clark recommends considering including the replacement of sewer pump station no. 1 that is over 22 years old in the application. Mr. Moore stated that the absolute drop-dead deadline for application would be December 2009. Mr. Moore stated that the review process for the USDA is 60 days. Mr. Moore feels that it is better to proceed with the application process knowing there is no financial obligation to apply. Mr. Moore stated that there was no additional cost to include the pump station in the application and that with the USDA you

have the first 2 years as interest payments and that the interest could be allocated in the construction plan.

Motion was made by Commissioner Edwards, seconded by Commissioner Shackelford and carried unanimously to amend the agenda to change item 10f as “Authorize McDavid & Associates to pursue USDA/NC Rural Center application for water line and pump station #1 project” to add item 10g as “Consider a closed session pursuant to NCGS 143-318.11(3) and (6)” and to add item 13 as “Adjourn”.

3. Awarded the Solar Bee—water tank mixers Round 2 Project DEH-1103 – Mr. Hill reported that the Town had been awarded the Solar Bee water tank mixers package and informed the Board that the offer was included in their packet (a copy hereby incorporated by reference and made a part of these minutes). The project has a total cost of \$91,248.00. The state has offered 50% loan and 50% grant monies. The loan would be financed at 20 years with no interest in the amount of \$46,000.00. Mr. Hill informed the Board that terms for the loan repayment were that after the completion date the state requires a six month wait until the debt service is picked up. The payment schedule is handed out at acceptance and the payment would be about \$2300.00 per year. Mr. Hill advised the Board that the state charges an \$1825.00 permit fee for handing out the money. The fee is due after the first reimbursement request and cannot be included in the loan. If everything is on schedule the first payment would be due in November 2010. Utility Tank Services will help oversee installation of the equipment and that Cavanaugh of Winston-Salem would be the engineer. Mr. Hill informed the Board that the equipment may not be the Solar Bee brand and that bids would have to go out on the equipment.

8. **Report of the Boards, Commissions, Committees and/or Taskforces:** None

9. **Unfinished Business and General Orders:** Consider approving an agreement with GovDeals, Inc. for sale of surplus property – When asked Mr. Pridgen, Town Attorney, informed the Board that the contract with GovDeals, Inc. was in order. **Motion was made by Commissioner Ginn, seconded by Commissioner Liles and carried unanimously to approve an agreement with GovDeals, Inc. for the sale of surplus property.**

10. **New Business:**

- a. Consider appointments to Governing Bodies: Neighborhood Affairs Committee—1 at large; Snow Hill Development Commission—1 of 3 vacancies – **Motion was made by Commissioner Liles, seconded by Commissioner Shackelford and carried unanimously to appoint Mr. Gene Riddle to the Snow Hill Development Committee. Motion was**

made by Commissioner Shackelford, seconded by Commissioner Edwards and carried unanimously to appoint Mr. Willard R. Stevens to the Neighborhood Affairs Committee.

- b. Consider setting a general Community Development Block Grant (CDBG) program public hearing at 9:00 a.m. August 26, 2009 – It was discussed as to whether holding the public hearing at a night meeting may not be better. Motion was made by Commissioner Ginn, seconded by Commissioner Liles and carried unanimously to set a general CDBG program public hearing for September 14, 2009 at 7:30 p.m.**
- c. Consider a Resolution—membership on the Rural Technical Coordinating Committee (RTCC) of the Rural Transportation Planning Organization (RPO) – Motion was made by Commissioner Edwards to have the Mayor attend the meetings of the RTCC. The motion died due to lack of support. Motion was made by Commissioner Ginn, seconded by Commissioner Liles and carried unanimously to approve the resolution designating Mayor Washington for membership and Mr. Clark as alternate on the Rural Technical Coordinating Committee.**
- d. Consider a Budget Ordinance Amendment No. 1—FY 2009-10 – Motion was made by Commissioner Edwards, seconded by Commissioner Ginn and carried unanimously to approve Budget Ordinance Amendment No. 1 for fiscal year 2009-10.**
- e. Consider Acceptance an American Recovery and Reinvestment Act of 2009 (ARRA) Loan for a NC Water Supply Project \$91,248 (Round 2 Project DEH-1103 a 50% no interest 20 year loan; 50% deferred loan) and payment of a 2% Administrative fee for the Solar Bee—water tank mixers – Motion was made by Commissioner Shackelford, seconded by Commissioner Edwards and carried unanimously to accept the loan and grant for installation of water tank mixers.**
- f. Authorize McDavid & Associates to pursue USDA/NC Rural Center application for water line and pump station #1 project – Motion was made by Commissioner Ginn, seconded by Commissioner Liles and carried unanimously to authorize McDavid Associates to pursue funds from USDA and the NC Rural Center for the water line project and pump station #1 project.**
- g. Consider a closed session pursuant to NCGS 143-318.11(3) and (6) – Motion was made by Commissioner Liles, seconded by Commissioner Shackelford and carried unanimously to enter into closed session.**

Motion was made by Commissioner Liles, seconded by Commissioner Shackelford and carried unanimously to reconvene in open session at 11:24 a.m.

Motion was made by Commissioner Ginn, seconded by Commissioner Shackelford to move Kathy Pazzaglia, Ordinance Enforcement Officer from an employee in training at Grade 4, Step 1 to a regular employee for a 6-month probationary period at Grade 6, Step 1.

11. Program: none

12. Announcements and Public Comments – Mr. Clark announced that the closing on the building donated by Mr. Robert Gary Christman would take place immediately after the adjourning of the Board meeting.

13. Adjourn – Motion was made by Commissioner Liles, seconded by Commissioner Shackelford to adjourn at 11:27 a.m.

Lorraine B. Washington, Mayor

Michelle Strickland, Town Clerk