

MINUTES
SNOW HILL BOARD OF COMMISSIONERS
MONDAY, OCTOBER 8, 2012
G. MELVIN OLIVER TOWN HALL
SNOW HILL, NORTH CAROLINA 28580

1. **Call to Order** – Mayor Liles called the meeting to order at 7:00 p.m. The Prayer was offered by Commissioner Hagans. The Pledge was led by Commissioner Shackelford.
2. **Roll Call** – The roll was called by Cathy Webb. All members were present. A quorum was declared.
3. **Consider Agenda Approval** – A motion was made by Commissioner Washington, seconded by Commissioner Shackelford, and carried unanimously to approve the October 8, 2012 agenda as presented.
4. **Consider Minutes Approval** – Commissioner Scarborough asked that the wording on page three of the September 10, 2012 minutes be changed as follows: She asked that if the project cost a little more than \$841,000-did you still do the 80%-20% - she said that she said less than instead of more. A motion was made by Commissioner Hagans, seconded by Commissioner Scarborough, and carried unanimously to approve the minutes (with the correction) as presented.
5. **Program – Pubic Hearings**
 - 1) **2012 CDBG Application for Small Business Assistance** – A motion was made by Commissioner Washington, seconded by Commissioner Shackelford, and carried unanimously to begin the public hearing.

Mayor Liles asked if there were any questions or comments on this application.

- 1) **Donald Beaman – 652 Beaman Old Creek Road – owner of Carolina Farmer’s Pipe Division, Inc., who builds water control structures.** He asked what was the process in which the Town asked for people who were interested in this grant? Mayor Liles said that this was advertised twice in the local newspaper and on the Town’s website. He said that he figured that this would be the answer because by law it was supposed to be advertised twice. He stated that the Town needs to find a better way for this type of thing to be advertised. He said that he was a member of the Small Business Association, the Chamber of Commerce, and Chairman of the Snow Hill Planning Board and that he had not heard anything about this. He said that the businesses listed on this paper, that are eligible for this, have already been helped on two or three different

occasions. He said that he does not understand why the same ones always know about this and are able to get the help, and other people do not ever hear anything about it. He said that he had five families that depend on his business for a living-he has 6 full-time employees and 2 part-time. He said that he did not begrudge anyone here that has asked for help-he hopes they get it-but he thinks there is a fairer way so that everyone is notified and everyone has a chance to participate. He said that it says in the bottom of the ad that Snow Hill is an equal opportunity employer and service provider. He said that it was his understanding by this that the Town was providing a service for the small businesses to try to help them progress-and if you are equal opportunity then it seems that everyone should have an equal opportunity to know about these things and participate in them. He said that a lot of people do not take the paper-a lot of people don't read the paper. Commissioner Scarborough said that she did not disagree with him on some of the things he said. She asked him if he had any suggestions. She said that she thought that the Chamber might be notified and they could notify their members. He said that as Chairman of the Planning Board he could have probably have named every small business in the area. He said that a form letter should have been sent out to each business. He said that the letters would be a lot cheaper than the ads that were put in the newspaper. He said that legally the Town did what they were suppose to do-print it in the paper twice. He said that in his opinion that was not a sufficient way for everyone to be notified. Commissioner Scarborough said that she agreed and that she apologized and they would look at it a little bit different the next time. She feels that every small business should know about it. Mayor Liles said that next time they would get this information out to the Chamber and the Economic Development Board and also a mailer to the Businesses. He apologized to Mr. Beaman for this also. Mayor Liles said this was a learning process for them and hopefully it will be straightened out and everyone will get these notices in the future. Mr. Beaman said that he knew several small business owners who would have participated in this had they known it. Mayor Liles said they would come up with a plan and he or Dana would get back with him on how they plan to get this information out to everyone.

There being no more public comments, a motion was made by Commissioner Washington, seconded by Commissioner Hagans, and carried unanimously to close the public hearing.

- 2) Public Hearing – Automatic Meter Funding – A motion was made by Commissioner Washington, seconded by Commissioner Shackelford, and carried unanimously to begin this Public hearing.

Mayor Liles asked for Public Comments regarding this matter.

- 1) **Clara Shaw – 107 Carver Drive – Ms. Shaw said that she thought that the Automatic Meters was a great idea. She said that she thought we needed to get that grant, get the money in and get those meters in. She said that once you apply for the grant and you don't take it, that you lose out on it. She said that if it wouldn't cost us anything, why not take it –it will benefit the citizens. Commissioner Scarborough stated to Ms. Shaw that it would cost the Town. Ms. Shaw said that she realized that there would be a loan, but that the Town would not have to go into the hole to do this. Commissioner Scarborough told her that there would be a debt service on the project. Ms. Shaw said that we needed to get these meters in and that the next project should be the old pipe lines. She said that she would like to commend the Board for pursuing this project. She said that when she was at the last meeting that she disagreed with this-but that she had done her homework.**
- 2) **Jo Ann Stevens – 806 W. Harper Street – Ms. Stevens asked how the automatic meter system would affect the old piping system. She said that the Town had a lot of water lines that were 50 years old or more and if this new metering system finds everything, how will this affect the old water lines? She said she did have a concern about the automatic metering system.**
- 3) **Carolyn Newcomb – 516 E. Eason Street – Ms. Newcomb asked if the Automatic metering system would be 100% accurate-no errors? Ms. Newcomb asked if the meters would be touched by humans.**

There being no further questions or concerns, a motion was made by Commissioner Washington, seconded by Commissioner Hagans, and Carried unanimously to close the public hearing and reconvene to regular session.

Rich Moore, with McDavid & Associates, presented a revised Resolution because the Town has now received the Part A-(at the last meeting the Part-A was pending.) Mr. Moore referred to a question asked at the last meeting concerning what Towns had installed the system. He said that the following had had the metering system installed: 1) Town of Ayden, 2) Town of Farmville, 3) Eastern Pines Water System, 4) City of Wilson, (5) City of Greenville and 6) TheTown of Tarboro. Commissioner Scarborough asked how many of these Towns had received a grant. Mr. Moore indicated that none of the Towns had received a grant-100% of the Town's funds went into this project.

He said it was a very good deal for Snow Hill-80% Grant and 20% Loan. Mr. Moore reiterated some benefits of this system are increased security, the meters will be 100% accurate. He said that the only human contact would be

from tampering and the positive is that it helps you to identify tampering. He also emphasized the fact that this will lead to better Customer Service. He said that the meters would be more accurate and an increase in revenue. He said that the awarded funding is represented by 20% Loan of \$168,200 (at 0%, 15 year term) and 80% grant of \$672,000. The Projected debt payment is approximately \$11,200, of which has been budgeted such that no rate increase will be needed as a result of the project. The system will allow the existing employees to concentrate on operational responsibilities instead of dedicating their time/effort to meter reading. All meters will be replaced, allowing the Town to sell or salvage which will give the Town some supplemental income. Mr. Moore said that Part A had been issued and the Town had until October 26, 2012 to consider approval of it.

Ms. Newcomb asked Mr. Moore- are you telling me that I will not have a month where I will use 87,000 gallons of water? Mr. Moore responded- not unless you use 87,000 gallons of water. He said that if the water went thru the meter, it would record it. She asked what was the total cost of the system. Mr. Moore said that the total allocated funding is \$841,000. He said the percentage of administrative activities is approximately 11%. Ms. Newcomb asked if the meters were locked. Mr. Moore said that they were not locked, but if anyone tampered with them, the Town will be able to determine this.

Mr. Carl Hardy asked if the \$841,000 was a turn key job. Mr. Moore said that it was.

Ms. JoAnne Stevens asked if there had been any consideration given to the already high water rates and the condition of the aging water system lines. Mr. Moore said that this project would not address the aging water line issues. She believes that the Town needs to look at the infrastructures issues. Mr. Moore said that if the Town's water lines are leaking that would not have an effect on the customer because that water is not going thru the meter. Ms. Stevens is concerned about the increase in water bills for the low to moderate income families.

Mr. Gene Riddle asked if the bills that Ms. Stevens would go down if nothing was done at all. The answer was no. Mrs. Stevens said that they did not want them to go up.

Ms. Newcomb asked if the \$841,000 was for the fixed network system or the ride by system. Mr. Moore said that proposals would be received on both types of systems and then the Town would have to decide on the most cost effective system and what the Town needs. She asked for a copy of the Part A.

6. Report of Officers:**a. Town Administrator –**

- 1) **Planning Board Applicants – Mr. Hill included in the packet a copy of applications received for positions on the Planning Board. There are two expired seats –the two serving have agreed to continue serving if the Board desires for them to.**
- 2) **Veterans Day Activities – This is being hosted by the Town. The event will be November 12th at 11:00 a.m. at the National Guard Armory. He will send out additional information in the next couple of weeks. Also, he said that the Town office will be closed on November 12th and that the Board Meeting is scheduled for that night. He asked if the Board wanted to reschedule this meeting. It was the consent of the Board to reschedule the meeting to Thursday night, November 15th At 7:00 p.m.**

7. Report of Boards: NONE**8. Public Comments –**

- 1) **JoAnne Stevens – 806 W. Harper Street – She was concerned about a water bill at 108 Kingold Blvd. The bill was extremely high. (\$645.10) especially since the building was vacant. She said that she had been having problems at 423 W. Harper Street, but that bill was only \$69.00. She asked the Town Board to take this into consideration. She said that they were non-profit and that they were struggling financially. Mayor Liles asked Mr. Hill to pull the records so that the Board could fully understand what was going on. Mr. Hill asked Ms. Stevens what kind of issues did she have at 423 W. Harper St. She was talking about a sewer issue, not a water issue. Commissioner Taylor told Ms. Stevens that she could save around \$25 per month if she cut the water completely off-if no one was using the building. She said that she just wanted some consideration on the \$645 bill.**
- 2) **Clara Shaw – 107 Carver Drive –She asked if a person is not in their home during the month, wouldn't there be a more accurate reading with this new system. Commissioner Taylor told her that no matter if a customer does not use any water, the cost per month would be \$24.50.(\$12.00 Alternative Water, \$10.50 Garbage Fee and a \$2.00 availability fee) She said that she received a letter that offered a plan to each customer to help with the cost in repairing lines if the need arose. She thought this might be a good plan to purchase. She asked if the customer was responsible from the meter to the house and the Town responsible from the meter to the road. Mr. Hill advised her that this was correct.**

- 3) **Ms. Newcomb had some concerns about the engineering fees of \$47,880. Mr. Moore told her that this was the Basic Engineering Fees and would be paid to McDavid & Associates. She then asked about the construction administration fees of \$79,700.00. Mr. Moore told her that the Construction Administration fees would be \$75,215 -the contractual services between the Town and McDavid & Associates. She said that McDavid & Associates will get around \$120,000-He said that is correct.**
- 4) **Bob Masters – He said that if you are trying to sell a product (called Water) you want to measure it as accurately as possible. He said that you were probably talking about a 10% loss of revenue if not more. He said that Mr. Moore made a very good statement-A loss of revenue for the town-but bear in mind that is not the town-it is the residents of the Town.**
- 5) **Jo Ann Stevens – Ms. Stevens said that she had worked real closely with weatherization and not only have they helped with replacement of commodes but helped people to bring their houses up to standards. She mentioned the Community Block Grant Program which Snow Hill and Greene County are recipients of this grant. She said that we needed to take advantage of it. She said as a citizen they needed to look not only at the water but annexation. She said that she lived on W. Harper street and that she paid town and county taxes. She indicated that she thought Mr. Masters should look into grants that would benefit the citizens.**

9. Old Business:

- 1) **Consider adopting 2010 DWSRF Resolution and Budget - Commissioner Scarborough asked if there was any way to negotiate on the administrative fee? Mr. Moore said that Basic Engineering Fee is what it is-period based on changes by the State. He said that the Construction Administration fee is based on an hourly rate of 120 days. He said if the contractors completed the project in 90 days, that the 60 days would be not be charged. Ms. Newcomb asked what the hourly rates were. Mr. Moore said that the hourly rate for an Inspector is \$77 per hour. A motion was made by Commissioner Washington, seconded by Commissioner Shackelford, and carried unanimously to approve the 2010 DWSRF Resolution and Budget.**
- 2) **Consider Adopting CDBG Small Business Assistance Resolution- Commissioner Scarborough asked if each business would get the Same amount of money. Mr. Masters said that the amount of money is based upon the number of jobs the business will create.**

Commissioner Scarborough asked if this was a loan to the businesses. Mr. Masters said no. Mr. Masters said that every one of the businesses had a project in excess of the grant. They will have to use some of their own funds. Ms. Newcomb asked who the four businesses were. Mr. Master said that the four businesses now were: 1) Tide Tamer, 2) Worth Products, 3) Hardy Appliance, and 4) Greene County Florist. A motion was made by Commissioner Scarborough, seconded by Commissioner Shackelford, and carried unanimously to approve the CDBG Small Business Assistance Resolution.

10. New Business:

- 1) **Consider Adopting Citizen Participation Plan per CDBG Requirements-**
A motion was made by Commissioner Washington, seconded by Commissioner Hagans, and carried unanimously to approve the Plan as presented.

11. Commissioners Comments:

- 1) Commissioner Scarborough had some concerns about human errors in the reading of water meters. She suggested a second person spot check the readings. She also suggested that a flag might be put on the meters to let the consumers know what day the meter was read or a hangtag on the mailboxes so that they could check the readings themselves. She said that we were having so many complaints that don't seem to add up and that she did not think that we were giving the customer the quality assurance that that should get. She thinks that there is an opportunity here for improvement of our customer service and quality assurance. She said that everyone makes errors-human error happens-it's not that anyone is being negligent-number can be transposed, etc. Mr. Hill said that the dates for reading could be printed on the water bills. He said that when the meter readers left the office they did not have the previous months reading-they write down what they read. He said that the billing system is designed to kick out readings that are higher or lower than last month's bill. Ms. Newcomb asked if there was no history on the account, if it was flagged. Mr. Hill said no. Commissioner Scarborough asked if there were new accounts with high usage, if they could be re-read?

Commissioner Taylor asked Mr. Masters what the schedule was for job creation was for the CDBG Small Business Grant. Mr. Master said that the jobs had to be created in 24 months. Mr. Taylor asked what the penalty was if these jobs were not created. Mr. Masters said that each business had to sign a committed letter to the Town of Snow Hill and to the State of North Carolina saying in the process of taking these funds that they in turn guarantee to create the jobs. The guidelines do not state very clearly but he thinks that it is very safe to assume that they

will have to keep the jobs created for at least 12 months. He said that the Government can require payback of these grant funds if the guidelines of the grant are not met. Ms. Newcomb asked how much the grant was for. Mr. Masters said it was for \$250,000. She has if the grant was administered by him or the Town. He said the Town would administer the grant. He said that the administrative cost belong to the town. He said that the administrative cost was \$30,000. \$3,000 will be for the preparation of the grant. \$5,000 will go toward the entrepreneurial friendly community. He said that this would be a good time to talk about coordinating better with the Chamber, Planning Board and Town Board. He said that the administrative cost was 15%-because you had to spend time working with each individual Business-you have 4 businesses to deal with over the next 30 months. The Town will earn the administrative money.

Mayor Liles thanked all the businesses and he hopes the Town can help all of the businesses. He also apologized to Mr. Beaman and get a strategy plan so that the information can be sent to everyone in the future.

Mr. Masters said that these businesses had done a lot of work in order to be eligible for this grant.

12. Adjourn – There being no further business to come before the Board a motion was made by Commissioner Shackelford, seconded by Commissioner Taylor, and carried unanimously to adjourn. The meeting adjourned at 8:15 p.m.

Mayor

Clerk