

MINUTES
SNOW HILL BOARD OF COMMISSIONERS
MONDAY, SEPTEMBER 10, 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 Washington. The Pledge was led by Commissioner Taylor.**
2. **Roll Call – The roll was called by Cathy Webb. All members were present. A quorum was declared.**
3. **Consider Agenda Approval – Town Administrator, Dana Hill, asked that Item 4 be added under report of officers-Town Administrator- to include an update on the Audit for Fiscal Year 2011-2012. A motion was made by Commissioner Shackelford, seconded by Commissioner Taylor, and carried unanimously to approve the agenda as presented.**
4. **Consider Minutes Approval – Commissioner Washington asked that it be included in the August 30, 2012 minutes that she asked for the Renovation of the Town Hall be included in the Capital Improvement Plan. A motion was made by Commissioner Washington, seconded by Commissioner Shackelford, and carried unanimously to approve the Minutes of the August 30, 2012 meeting with the amendment.**
5. **Program: Rich Moore, AMR Project**

Mr. Rich Moore, with McDavid & Associates, presented an overview of the Automated Meter Reading System. This innovative technology allows for water meters to be read electronically. An AMR System records water usage on an hourly basis, allowing better customer service. This system will help to reduce leaks by allowing the Town to recognize leaks earlier. There are two categories:

- 1) **Fixed Network System – This system involves installation of antennas throughout the Town. New water meters send water usage information on an hourly/daily basis electronically to antennas. Antennas allow electronic readings to be sent directly to the Town’s water billing software. A fixed network system allows the Town’s Billing clerk to see water usage from every user on a daily basis. The advantages of the fixed network system is no manpower and water usage data is available from any user at anytime at the**

Town Office. The negatives of the fixed network is it is more expensive to install and the antennas require annual maintenance agreements.

- 2) **Ride by System** – This system involves replacement of all water meters that contain small antennas. Any Town employee can ride roads at normal speed limit and new meters electronically send water usage information to a hand-held data collector. The data is taken to the Town Hall and loaded into the software. All meters can be “read” within a minimal amount of time (estimated at 1-2 hours) New meters read water usage constantly so that the Town has the ability to go to any home and obtain an hourly history of water usage. The advantages of the system is the lower cost of installation and the maintenance as compared to the Network System. The negative of this system is that water usage information is available only when collected.

Mr. Moore advised that either of these systems would increase the accuracy in the metering system-all meters will be replaced-there will an increase in water bills-not a rate increase-but these meters will be more accurate as opposed to the old meters we now have.

Mr. Moore said that the Town had been awarded \$841,000 through the Drinking Water State Revolving Fund-80% of this being grant and 20% 0% interest loan. Bids (proposals) will be received that provide costs of both a fixed network and ride by system. Once costs are obtained, the Contractors/manufacturers will be invited to make a presentation to promote why they should be selected to install improvements. The Board (or a Committee selected by the Board) will hear this presentation. The most affordable short-term and long-term system will be recommended to the Town for acceptance. The funds are obligated but the term length was for 6 years and it was appealed so that the term length would be 15 years for repayment. Mr. Moore is waiting for this document to be returned to him. Once this agreement has been returned and executed by the Town, they can move forward with the bid process.

He presented a resolution to adopt the Capital Project Budget Ordinance, Acceptance of PWS Funding, Contract Document Approval, and the Authorization to advertise project for receipt of proposals for the 2010 DWSRF improvement project. (copy attached with minutes) He asked that the Board consider adopting this Resolution so that they could move on to the next step. Commissioner Scarborough asked what percentage of the cost was for meters and what percentage was for antennas and additional equipment needed to be able to ride by and read the meters. Mr. Moore said that about 70% of the construction cost would be for the meter replacement which comes with the antenna attached. He said that 20% would be for software and the update to the current billing software that the Town now has. The other 10% will be used to purchase hand held devices and a laptop computer.

- **Commissioner Scarborough asked if the Town would do the installation or if a contractor would do the installation. Mr. Moore responded that a contractor would do the installation. She asked that if the project cost a little more than \$841,000-did you still do the 80%-20%. Mr. Moore said that whatever the cost, the total cost would be split 80/20.**
- **Citizen, Carolyn Newcomb asked Mr. Moore who he was. He said that he was Rich Moore with McDavid and Associates from Farmville. She asked him if he wrote the Grant. He replied that he did. She asked him how much were his administrative cost. He said that estimated administrative costs were around \$75,000. She asked if Farmville had these meters. He said that they did but that they installed the meters themselves (about 300 per year) over the past ten years and that they still had to install about 800 more. He said that meters had been installed in Wayne County, Pollocksville, and Princeville and there had been positive results. He said that the most complaints came from the customers-the meters are so much more accurate-and that they thought the rates had been raised. Ms. Laura Exum asked if the Town had not just replaced meters. Mr. Hill said that meters were replaced on an as needed basis. Mr. Moore said that you could retrofit the new meters and just put an antenna on it or you could put in the whole new meter package, take out the old one and sell it for surplus or sell it to another municipality that uses the same meters. Ms. Exum asked how many meters had been replaced lately. Mr. Hill said that they averaged replacing around 50-75 per year. Ms. Carolyn Newcomb asked if this project was done if this would eliminate one job. Mr. Hill said that this would be a personnel conversation later. Mr. Jody Tyson said that was going to be his question. You still have to pay the \$168,000 back-that is a liability-if you are going to do the drive by or fixed cost or whatever, what are you eliminating? What is the benefit here other than more accurate meters-or is it going to cut costs such as vehicles-gas-or personnel, or are you just trying to be more technological –is it worth \$168,000 pay back money? Mr. Moore said that this would cut manpower hours, gas and wear and tear of the vehicles. Revenue will be recaptured that is being lost or not registered. He said that most of the systems that have been put in, that he did not see manpower cuts. What they see is that manpower is being reallocated to other uses. Mr. Tyson said that he was not advocating firing anyone but that 2 and 2 is 4 and you can't pay back 5 if you only have 4. Ms. Newcomb asked if Mike Hamm was going into overtime reading meters. Mr. Hill said that he did not do any overtime. Ms. Exum asked if Dana could get some numbers for everyone to see on how this grant would be repaid-she said numbers helped. Commissioner Scarborough asked about the antenna-would the batteries have to be replaced. Mr. Moore said that there was data stored in the device that had a twenty (20) year life expectancy. He said that the replacement of the antenna could be replaced for about \$40. He said that if a meter was not registering, when you ride by it will alert you that there is a problem.**

A motion was made by Commissioner Washington, seconded by Commissioner Hagans, and carried unanimously to enter into the Public Hearing concerning the Internet Sweepstakes Separation.

- 1) Laura Exum – 116 W. Greene Street – Ms. Exum read her public comment concerning the internet gambling operations in our community. She said that she attended two planning board meetings where this matter was revisited. She said that it was her understanding that somewhere around nine public meetings had been held to address this issue. On the advice of the planning board, the commissioners established a boundary of 200 feet from churches and schools, and 1000 feet between each gaming operation. She wanted to ask why, five months and nine meetings later, must we continue to address this? She said that a reasonable ordinance was in place-so stand by your decision. She said that she agreed with the public sentiment express on March 29th –the Voting residents of this community, are, and should continue to be, the voice for the Board’s decisions. She said that she hoped that the Board would listen to their constituents and the appointed planning board and leave the current boundary regulations in place. (A copy of this memo is included as part of the minutes)**

- 2) Mr. Jody Tyson read a memo from Ms. Susan Keene, who had to leave to go to Church. She explained that she did not fully understand what “Internet Café” meant until late in the game. She questioned “what is the greater good for the residents of Snow Hill”? She said that beyond fees that the city/county collects to allow these businesses and the rent that the landlords receive for rent of a facility, she challenges everyone to take an intensive look at how this is affecting our citizens. She challenged everyone to visit the cafes, speak with the people who are participating in these gambling ventures-are these people participating wealthy or poor-She said that this kind of business should have never been approved in the first place. She asked that the Board take a strong stand on this issue and say “NO” –the distance should remain the same. (Memo attached as part Of the minutes)**

- 3) Jody Tyson - Mr. Tyson said that on behalf of himself he would like to say that these internet cafés have been a turbulent issue. He said that the State Legislation had banned these and it did until a judge found problems with wording of the law. He feels that this issue will come back up. He said that the planning Board had met several times and it had been on the agenda several times-he said that this had been talked about as many years as the Town had received letters from the Local Government Commission about the “funny money”. We need to move on-the Planning Board has met, they have offered a sound standard, has been accepted applied, and for the protection of the Public. He reiterated that we need to move on.**

- 4) Carolyn Newcomb- She said that if 903 Grill (which right now is a great restaurant) went out of business, an Internet Café could open there-you have the Hull Road residences, the Hazel & Charlie Lewis property, and S. Connor Funeral Home-if they shut down-this does not need to be a café. She mentioned North Greene Street-the Minshew Building-WAGO right beside of it-you would not want a gambling business there. She mentioned Cheryl Mozingo-the property next to her-has been several businesses-would not want an internet café there.. She said that she thought they needed to look to the future and leave it like it is.

A motion was made by Commissioner Washington, seconded by Commissioner Scarborough, and carried unanimously to reconvene to regular session.

Mayor Liles read a card of thanks for the Flowers sent by the Town to Commissioner Washington during the recent passing of her brother.

6. Report of Officers:

a. Town Administrator

1. Surplus Property – Mr. Hill asked that the Town allow him to declare Two Ford pickup trucks as surplus and allow him to advertise for Sealed bids. Commissioner Scarborough asked what the mileage were on the trucks. He said that one had about 130,000-the other about 150,000 road time, but both had about 200,000 idle time on them.
2. Temporary Customer Service Representative – He explained that Addie Watson would be on maternity leave for 3 months probably Beginning the last of December. He wants to hire a part-time Temporary Customer Service representative to cover the time while She is out.
3. Meeting Schedule – He said that he had had several discussions in the Past about the need for the second meeting of the month. He said that There had not been much need to have the second meeting of the Month. He asked if the Board would consider dropping back to One meeting per month-with a called meeting if necessary. He Recommends that the meeting continue to be the 2nd Monday night Of the month.
4. Audit Report – Mr. Hill announced that the Auditors had been here And are finished with the field work. He said that Mr. Parrish had Expressed to him and that he wanted to express admiration to Cathy, Finance Officer, for a job well done.

7. Report of Boards: NONE

8. Public Comments –

- 1) **Sharon Ginn – Mrs. Ginn reported to the Board that the Exhibit that would be showing for September – October was called “The Civil War Saga –these are postcards that were collected by Michael Forrester. He has been collecting these postcards for over 60 years. The opening will be Thursday from 7:00 – 8:30 p.m.**

- 2) **Jody Tyson – He wanted to talk about the new meters. He said that the cost was around \$800,000-part of it being a grant and part a loan. He said that out of that that the company was going to get around \$75,000. He said that what he had not heard was what are we saving? He asked if we are really gaining anything? He said that we have water lines that need repairing. If we would get a grant/loan for the replacement of the water lines, how much debt can the town carry? Are we putting a want ahead of a need? He thinks that the greatest need would be replacement of the water lines. He thinks it would be futile to move on the Meter system at this time because you are still talking about assuming a liability. Mr. Hill said that this grant was applied for during the time the Stimulus Grant packages came out. He said personnel wise, a Position would not be cut because of the system being installed. He said that the line replacement was a much more critical need and that he thought a package would be awarded early next year. Mr. Tyson said that if the Town received the grant for line replacement then the Town could be looking at \$300,000 – to be paid Back over 15 years. He said that would be a substantial debt service. Mr. Hill said that in doing the budget this year that both grants had been built into the budget for this year. Commissioner Scarborough asked about the cost for each meter. She asked if maybe we could do a pilot program. Mr. Hill said that he thought the meters were around \$150 each. She asked if we decided that we decided to spend \$150,000 to do a pilot program-could we do that? Mr. Hill said that we would have to accept the grant and what was not spent would go back. Mr. Hill said that if we replaced a section at a time, by the time we were finished we would have more money in it than the amount of the loan-% interest. Mr. Tyson asked if, since the line replacement was critical, if this part of the loan could go toward the line replacement and the next funding go to meters? Mr. Hill said that he had asked and the meter replacement was all that these funds would pay for.**

- 3) **Clara Shaw – Ms. Shaw said that she thought the line replacement should be taken care of first. She said that the citizens could not be guaranteed that the rates would not go up. She said that the Board should revisit the meter replacement-take care of the immediate needs first. Mr. Hill said that if we wanted to move to an automated system we need to do it now while the funds are available. She asked**

if this would make his department operate more efficiently? He said that it takes our meter reader 5-6 days to read meters-but that is not the huge part of his job. He said that information would be readily available about water usage-any day, any hour- Mayor Liles asked if there were any other municipalities around using this type of system. Mayor Liles said that they needed to take care of these 100 year old pipes first. He said that maybe they needed to back-up. Mr. Hill said that he had looked at the numbers and that the Town could take care of both projects. Mr. Tyson asked how old is the sewer plant. Mr. Hill said that it was about eleven year old. Mr. Tyson asked what was the condition of the plant and how what is the life before we have major expense at the plant. What kind of reserve do you have?

9. Old Business:

- 1) **Consider Authorizing 2010 DWSRF Resolution – A motion was made by Commissioner Washington, seconded by Commissioner Shackelford, and carried unanimously to table this item.
A motion was made by Commissioner Scarborough, seconded by Commissioner Hagans, and carried unanimously to schedule a public hearing for October 8, 2012.**
- 2) **Consider allowable Separation for Internet Sweepstakes – A motion was made by Commissioner Taylor, seconded by Commissioner Scarborough, and carried unanimously to leave the distance as 1000 ft. as recommended by the Planning Board.**

10. New Business:

- 1) **Consider declaring Two Ford Pickup Trucks surplus and Authorize Town Administrator to Advertise for Bids-
1996 VIN 1FTDF172IVNB6409
2001 VIN 1FTRF172X2NA1367
A motion was made by Commissioner Taylor, seconded by Commissioner Hagans and carried unanimously to surplus the 2 trucks and advertise for bids.**
- 2) **Consider authorizing Administrator to Advertise for a Temporary Part-time Customer Service representative – A motion was made by Commissioner Washington, seconded by Commissioner Shackelford and carried unanimously to advertise for this position.**
- 3) **Consider Modifying the regular Schedule to meet once per month on The second Monday Evening at 7:00 p.m. – A motion was made by Commissioner Washington, seconded by Commissioner Hagans and carried unanimously to change the schedule accordingly.**

11. Closed session:**Contract negotiation****Personnel**

A motion was made by Commissioner Scarborough, seconded by Commissioner Shackleford, and carried unanimously to enter into The closed session.

A motion was made by Commissioner Scarborough, seconded by Commissioner Hagans, and carried unanimously to reconvene to regular session.

12. Commissioner Comments – NONE**13. Adjourn – There being no further business to come before the Board,**

A motion was made by Commissioner Shackleford, seconded by Commissioner Scarborough, and carried unanimously to adjourn. The meeting adjourned at 8:50 p.m.

Mayor

Clerk