

**TOWN OF VALDESE
ANNUAL COUNCIL/DEPARTMENT HEAD BUDGET RETREAT
MONDAY, MARCH 20, 2017**

The Valdese Town Council met on Monday, March 20, 2017, 1:00 p.m., for its Annual Budget Retreat, Old Rock School, Waldensian Room, 400 Main Street West, Valdese, North Carolina. The following members were present: Mayor John F. (Chip) Black, Jr., Councilman Keith Ogle, Councilwoman Frances Hildebran, Councilwoman Susan Stevenson, Councilman Gary Delp, and Councilman Roy Sweezy. Also present: Town Manager Seth Eckard, Deputy Town Clerk Thelda B. Rhoney, and all Department Heads.

Absent: None

A quorum was present.

CALL TO ORDER At 1:00 p.m., Mayor Black opened the meeting and welcomed everyone. He said the Town had a lot going on since the last budget retreat. He complimented Town Manager Seth Eckard on an article published in "The Morganton News Herald" on Tuesday, March 7, 2017 about being optimistic.

OPENING COMMENTS – TOWN MANAGER SETH ECKARD Mr. Eckard welcomed everyone and said staff was looking for feedback from Members of Council.

ADOPTION OF RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO A MUNICIPAL AGREEMENT WITH NCDOT FOR STREETScape IMPROVEMENTS Mayor Black introduced the following resolution:

**RESOLUTION AUTHORIZING THE TOWN MANAGER TO ENTER INTO A MUNICIPAL AGREEMENT WITH
NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
FOR STREETScape IMPROVEMENTS**

WHEREAS, the Town of Valdese has requested that the North Carolina Department of Transportation (NCDOT) perform certain work under the Streetscape Improvement Program. This work is to consist of installing stamped brick crosswalks on Main Street.

WHEREAS, the Town of Valdese proposes to enter into an agreement with the NCDOT for said work wherein the NCDOT or a contractor selected by the NCDOT will install the said improvements.

WHEREAS, under the proposed agreement, the Town of Valdese shall reimburse the NCDOT for all costs of the work incurred by the NCDOT for the said improvements.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF VALDESE RESOLVES:

Section 1. That the agreement for the hereinabove referenced Streetscape Improvement Program is hereby formally approved by the Town of Valdese and the Town Manager and Town Clerk of this municipality are hereby empowered to sign and execute the required agreement between the Town of Valdese and the North Carolina Department of Transportation.

Section 2. This resolution shall become effective upon adoption.

Adopted this 20th day of March, 2017.

/s/ John F. Black, Jr., Mayor

Councilwoman Hildebran made a motion to adopt the aforementioned resolution authorizing the Town Manager to enter into an agreement with NCDOT, seconded by Councilman Delp. The vote was unanimous.

FINANCE DIRECTOR JERRY LAMASTER - CAPITAL RESERVES, TAXES, REVENUES CURRENT BUDGET, ANTICIPATED CHANGES IN REVENUE Mr. LaMaster said revenues were coming in as predicted and the Department Heads were staying within budget. He saw an increase in sales taxes from last year. He said Mr. Eckard would review Capital Reserves.

UPDATE ON UTILITY FUNDS SPENT: WATER - JERRY CONLEY & WASTEWATER - GREG PADGETT Mr. Conley and Mr. Padgett offered brief updates on the first year of the 10-year CIP as well as needed equipment replacement.

MCGILL ASSOCIATES – UPDATE UTILITY CIP FOR WATER AND WASTEWATER DEPARTMENTS RJ Mozeley and Steven Miller with McGill Associates offered updates and presented a Water and Sewer Fund Capital Improvements Plan Summary, current and proposed water and sewer rates, and water and sewer fund financial analysis.

Councilwoman Hildebran said she continues to be concerned about rate increases to our citizens on fixed incomes.

GREENWAY FIXED ROUTE - GREENWAY EXECUTIVE DIRECTOR CAMILLE STERLING Ms. Sterling and WPCOG Transportation Planner Cody Moneymaker said they were in the early stages of planning and would know by the end of April if they were awarded grant funds. If grant funds were awarded they were looking at an August route. The Town of Valdese had committed \$10,000 per year. There was a brief discussion regarding fares, some municipalities charge fares and some pay an annual fee and do not charge fares.

DUKE ENERGY – STREET LIGHTING – District Manager Robin Nicholson, Tom Grantham and Craig Parks were in attendance.

Ms. Nicholson introduced Mr. Grantham who reviewed the scope of work and plan for outdoor lighting projects. He said there were two types of lighting, high pressure sodium and white LED. He reviewed types of poles from 12 to 35 feet with different fixtures for up light, sidelight and downlight. Their poles must be placed out of harm's way and he described the installation and said there would need to be research to find the rights-of-way. We currently have 100-110 poles which could be reduced to 38 poles. An engineering study would need to be conducted to determine where to set the poles. Light depends on the height of pole, wattage, and type of fixture.

Duke Energy would send Planning Director Larry Johnson information (they also have a lot of information posted on their website) for Council to decide what it wanted and then Duke Energy could provide cost estimates. They would also need the number of poles and the area covered. Mr. Grantham briefly described two ways to pay for lightning from Duke Energy. He said the Town would need a lighting plan.

Ms. Nicholson said with any type pole there could be no Christmas lighting or hanging baskets.

SMART METERS – ANDY HONEYCUTT Mr. Honeycutt introduced Lauren Brown with his firm. He thanked staff for gathering and providing needed data. He reviewed an AMI system which uses radio frequency from a cell tower and an AMR system, a drive by radio read. He said the industrial customers, 29 total accounts, use 44 percent of the water produced. An AMI deployment with meter replacement would cost approximately \$1.8 - \$2 million with a seven or eight year payback. There would need to be policy and ordinance changes, organization redesign and timing, large meter infrastructure management, rate study and CIP. Billing would be through FoxPro.

Council recommended that Mr. Honeycutt provide an agreement for a meter replacement program at a cost of approximately \$2 million for a turnkey job which would take two years to implement. Mr. Honeycutt would provide an agreement for the April agenda.

COMMUNITY AFFAIRS – MORRISSA ANGI – DEPARTMENTAL REQUESTS INCLUDING 125TH ANNIVERSARY CELEBRATION IN 2018 Ms. Angi offered a brief update of projects completed in the current budget year. She would include the following in the FY 17-18 budget: Third floor façade improvements for three sides of the building - \$45,000; Teachers Cottage roof and floor replacement; flooring in back hallway at Old Rock School, paint auditorium ceiling and walls. She also said the Clock Tower needed some repairs. She recommended a modest rate increase for rentals and the addition of \$10 per hour for sound and lighting technician.

The 125th Anniversary Celebration would be encumbered from two budget years. The Town was asked to provide 10 commemorative signs at an estimated cost of \$10,000. The committee would decide the amount of funding to request when the preliminary design was complete. Also, if a national act or entertainment was brought in for Independence Day Festivities and Waldensian Festival in 2018 that could cost an additional \$25,000 per event.

Council was concerned about the request and cost for 10 signs for the walking tour. Mr. Eckard said this item would be presented to Council at a future meeting.

MS. ANGI AND MR. DUCKWORTH - PLAN B STREETScape AND CHRISTMAS LIGHTS Ms. Angi and Mr. Duckworth presented a possible streetscape plan for downtown and Christmas lighting on some of the larger trees at the Old Rock School and Wells Fargo Parking Lot.

Mr. Eckard said if Council decided on a street light plan there would be no available funding for a streetscape plan or Christmas lights.

Councilman Ogle recommended the Town do both street lights and streetscape/Christmas lighting.

It was also recommended that staff look at Christmas lighting at the Town entrances.

WATER AUDIT & UTILITIES PERFORMANCE REPORT – BRYAN DUCKWORTH Public Works Director Bryan Duckworth said the unaccounted water went from 5 percent to 8 percent. One reason could be the aging meters. We need technology ahead of growth. He said 75 percent of our meters were over 10 years old. They are replacing 500 meters per year. They have 400 eligible for cut off each month but not enough manpower to cut off each meter. The industrial customers could be better served with an updated system.

PUBLIC WORKS - BRYAN DUCKWORTH - DEPARTMENTAL REQUESTS; DATA ON SOLID WASTE; AND SANITATION SERVICES PROPOSAL Mr. Duckworth said the new brush truck just arrived. He offered options for solid waste and said a new trash truck was needed as the current truck was 10 years old and with the cost of purchasing and financing a new trash truck, a truck with a side arm would be even more expensive – additional \$100,000 plus purchase of new bins; or, the Town could contract with Republic Services to pick up solid waste which would relieve Public Works staff and there would be no upfront equipment costs. The negative would be some loss of control and level of service. The Town would lose two employees and they could apply with Republic Services and go through their employment process. The solid waste fee would increase from \$10 to \$12 per month and solid waste pick up would be on Mondays and Tuesdays.

Councilman Ogle said a contract with Republic Services would lower the Town's liability as it was dangerous for employees to ride the back of a garbage truck.

Mr. Duckworth said a contract with Republic Services would be on the May Council meeting agenda.

DINNER At 6:15 p.m., Mayor Black invited everyone to enjoy dinner catered by Myra's Catering. At 7:00 p.m., Mayor Black called the meeting back to order.

ADMINISTRATION & PLANNING LARRY JOHNSON & SETH ECKARD - DEPARTMENTAL REQUESTS; HOUSING; IT NEEDS; WAYFINDER SIGNS Mr. Johnson offered a PowerPoint with housing information from the early 80s to current. He said seven housing permits have been approved for 2017 and only five were approved in 2016. He said a housing analysis and plan could be offered in January 2018. He requested \$15,000 for the demolition of a mobile home park and funding for updating computers and iPads for Members of Council.

PARKS & RECREATION DOUG KNIGHT – DEPARTMENTAL REQUESTS; CURRENT PARKS & PICNIC AREAS AND CIP FOR PARKS & RECREATION Doug Knight said the Downtown Park was under construction and asked about naming the facility. Mayor Black recommended that the building not be named after a person and said guidelines needed to be drafted. Mr. Knight said Kellex Seating donated \$100,000 to the Lakeside Park Project and The Rostan Family Foundation would offer matching funds of 3 to 1.

FIRE DEPARTMENT CHARLIE WATTS – DEPARTMENTAL REQUESTS AND 911 COMMUNICATION CENTER Chief Watts said the new fire engine should arrive in October 2017. He offered a brief update on the 911 Communication Center. He said the Police and Fire Departments would need a new complex within the next 10 years. He said the Fire Department needed bay door replacement and resurfacing of the front pad and as a future budget item they would need a Rescue UTV.

POLICE DEPARTMENT JACK MOSS - DEPARTMENTAL REQUESTS & POLICE SERVER Chief Moss thanked Council for reinstating a full-time police officer which offered a lot of relief for the Police Department and the new vehicles were working out very well. He said they would budget for a new server, and the police officer salaries were the lowest in Burke County, even lower than detention officers. Tasers would need replacing soon.

BUDGET STRATEGY – TOWN MANAGER SETH ECKARD Mr. Eckard briefly reviewed the utility rates, street lighting project and Town parks. He also reviewed capital reserves and capital improvement needs for FY 2017-2018.

March 20, 2017, Budget Retreat, MB#31

ADJOURNMENT – Mayor Black thanked the Department Heads for a tremendous job. He adjourned the meeting at 8:35 p.m.

The next meeting is a regularly scheduled meeting on Monday, April 3, 2017, 6:00 p.m., Valdese Town Hall.

Town Clerk

Mayor

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