

**TOWN OF VALDESE
TOWN COUNCIL MEETING
JUNE 5, 2017**

The Town of Valdese Town Council met on Monday, June 5, 2017, at 6:00 p.m., in the Town Council Chambers at Town Hall, 102 Massel Avenue, SW, Valdese, North Carolina. The following were present: Mayor John F. "Chip" Black, Jr., Councilman Keith Ogle, Councilwoman Frances Hildebran, Councilwoman Susan Stevenson, Councilman Gary L. Delp, and Councilman Roy F. Sweezy. Also present were Town Manager Seth Eckard, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None.

A quorum was present.

Mayor Black called the meeting to order at 6:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT:

DOG ISSUE - MS. PAMELA GARRISON, 1001 COLONIAL STREET, VALDESE. Ms. Garrison said Councilwoman Hildebran would speak on her behalf.

Councilwoman Hildebran said Ms. Garrison lived in her ward. Councilwoman Hildebran said she had talked with Ms. Garrison at length as well as the Town Manager, Police Chief, Public Works Director, and Animal Control Officer regarding someone's dog being killed by a neighbor's dog. The Animal Control Officer did a great job under the current Animal Ordinance. There are several citizens concerned, although a first occurrence, why the dog had not been declared vicious and the dog's owner was not required to pay a fine. The concern was, it would have happened to a child. They believed it was time to review the Town's current ordinance to see if it needs to be brought up to date and in-line with other towns and cities. Staff recommended that a special committee be appointed to review the current Animal Ordinance.

It was the consensus of Council to appoint a special committee to review the Town's Animal Ordinance made up of the following: Councilwoman Hildebran, Pamela Garrison, Town Manager Seth Eckard, Planning Director Larry Johnson and Public Works Director Bryan Duckworth.

FOOD TRUCKS IN VALDESE - LARRY EARP, 104 PINEBURR AVENUE, SE, VALDESE Mr. Earp addressed Council regarding food trucks at special events in Valdese. He said with him were the owner of Giovanni's Pizza and the Manager of McDonalds. He said there were 12 eating places in the Town of Valdese and they were here 365 days per year and pay taxes and he asked why the Town needs more food vendors. When the festival started 40 years ago, it was set up for the local businesses, churches and civic clubs. Then they said there were not enough food vendors and they went with the NC Festival Association and there were 38 food vendors. He said the local restaurants could not make any money. He said if you wanted food trucks in town, then invite them on a day it snows and they would not be here. They would only be here during crowds. For 18 years he had done the car show and Myra's Restaurant spends \$450 per week to put the car show on. He also paid \$500 for a circular this year. He doesn't get a grant or ask any other business for assistance, so why would you allow a food truck to pay \$50 or \$100 then take the money out of town and they would be working some other location the next day.

He said he had 18 employees and McDonalds and Giovanni's had even more employees as well as the other food establishments who pay taxes. He said he had statistics on a \$1,200 to \$3,500 night. He said the Town Manager told him the food trucks would eliminate the food lines. Mr. Earp said that was what they liked, the long lines. He said he had been open 40 years. Mr. Earp said the two best nights for restaurants in Valdese would be the Family Friday Night/Independence Day event with fireworks and the Friday night before Waldensian Festival. He asked why would you bring food trucks into town during those two nights.

Mr. Eckard said two food trucks were proposed to be at the June 30, 2017 event, and the Town would not pay them to be in town nor would they pay a fee. Mr. Earp said why bring in food trucks when you have food establishments in town trying to make a living. He said the population had decreased in town and there were no jobs. He recommended that this issue be reconsidered and do away with food trucks.

Mayor Black said there would be a conversation about food trucks.

CONSENT AGENDA: (enacted by one motion)

APPROVED MINUTES – MAY 1, 2017

APPROVED VALDESE ABC BOARD TRAVEL POLICY

VALDESE ABC BOARD TRAVEL POLICY

The following guidelines will be used as a travel policy for all employees traveling on Valdese ABC Board business:

1. Reimbursement of travel expenses-

Meals will be covered on a per day rate. (Based on the current Federal Per Diem Rate) The Federal Per Diem Rates listing (found online at www.gsa.gov) is updated on an annual basis in October. If the traveler's destination is not listed on the website, the standard rate, \$51 currently, is used.

When traveling to attend a conference, where some meals are provided by the conference, remaining meals not provided by the conference will be eligible for reimbursement on a reasonable and actual basis (receipts required).

When on a trip not involving an over night's stay, expenses (i.e. mileage, meals) will be eligible for reimbursement on a reasonable and actual basis (receipts required).

Lodging will be covered for reasonable and actual cost (receipt required). Unless attending a conference, the Federal Per Diem Listing should be used as a guideline in determining reasonable cost.

2. Board credit cards may be used to reserve lodging. Travel related cost however, should not be charged to the credit cards. All travel expenses will be covered through travel advances and / or reimbursements.

3. It is the responsibility of the General Manager to determine which meal allowances are eligible for reimbursement to employees for partial day travel. Reimbursement will be for reasonable and actual cost (receipt required).

4. All requests for travel expense reimbursement (i.e. meals, lodging, mileage, etc. must be accompanied by a travel expense report.

5. Other issues:

-Transportation: As a general rule, it is the Board's policy that an employee is authorized to use a private vehicle and be reimbursed at current standard mileage rate. The current standard rate shall be the same as paid by the Town of Valdese following the IRS rate.

-Telephone: Any employee traveling out of town and staying overnight will be allowed a personal telephone call up to \$4 per night. Board business related calls will be paid by the Board.

-Registration: Registration fees are generally paid in advance directly to the vendor, not from travel advance.

-Advances: The Board does permit employees to request advances whenever an estimated trip cost exceeds \$25. If the cost is less than \$25, employee must seek reimbursement when the trip is completed.

Adopted the 17th day of May, 2017, by the Valdese ABC Board of Directors.

Approved this 5th day of June 2017.

/s/ John F. (Chip) Black, Jr., Mayor

Attest: /s/ Town Clerk

ADOPTED RESOLUTION UPDATING VALDESE INFORMATION ON THE NC ABC COMMISSION WEBSITE

RESOLUTION
NORTH CAROLINA ALCOHOLIC BEVERAGE CONTROL COMMISSION

June 5, 2017, MB#31

RESOLUTION of the Town of Valdese, County of Burke, regarding the designation of an official to make recommendations to the North Carolina Alcoholic Beverage Control Commission on ABC permit applications.

WHEREAS, G.S. 18B-904(f) authorizes a governing body to designate an official, by name or by position, to make recommendations concerning the suitability of persons or locations for ABC permits, and

WHEREAS, the Town of Valdese, County of Burke, wishes to notify the NC ABC Commission of its designation as required by G.S. 18B-904(f);

BE IT THEREFORE RESOLVED that Seth Eckard, Town Manager is hereby designated to notify the North Carolina Alcoholic Beverage Control Commission of the recommendations of the Town of Valdese, County of Burke, regarding the suitability of persons and locations for ABC permits within its jurisdiction.

BE IT FURTHER RESOLVED THAT notices to the Town of Valdese, County of Burke, should be mailed or delivered to the official designated above at the following mailing address: P O Box 339, 102 Massel Avenue, SW, Valdese NC 28690; Phone 828-879-2120.

This the 5th day of June, 2017.

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

Sworn to and subscribed before me this 5th day of June, 2017.

/s/ Clerk

APPROVED REAPPOINTMENTS TO VEDIC BOARD OF DIRECTORS The VEDIC Board of Directors recommended the reappointment of Kevin Frederick (second term) and Rick McClurd (third term) to the VEDIC Board. The 3-year terms would expire July 1, 2020.

APPROVED AGREEMENT WITH WPCOG FOR ASSISTANCE IN SUPPORTING THE WESTERN PIEDMONT STORMWATER PARTNERSHIP An agreement with WPCOG for assistance in supporting the Western Piedmont Stormwater Partnership for FY 2017-2018 in the amount of \$2,111 (same amount as last fiscal year).

ADOPTED RESOLUTION IN SUPPORT OF THE UPPER CATAWBA RIVER TRAIL SIGNAGE AND MAPS PROJECT – CITY OF MARION 2018 RECREATIONAL TRAILS PROGRAM GRANT APPLICATION

TOWN OF VALDESE

RESOLUTION IN SUPPORT OF THE UPPER CATAWBA RIVER TRAIL SIGNAGE AND MAPS PROJECT – CITY OF MARION 2018 RECREATIONAL TRAILS PROGRAM GRANT APPLICATION

WHEREAS the North Carolina Division of Parks and Recreation has designated the Upper Catawba River Trail as a State Designated Trail; and

WHEREAS the Upper Catawba River Trail is a natural and recreational resource of regional significance that passes through or adjacent to McDowell, Burke, Caldwell, Alexander, and Catawba Counties and provides economic, health, and environmental benefits; and

WHEREAS branding and consistent signage along the Upper Catawba River Trail will serve residents and visitors to the area; and

WHEREAS the City of Marion has been invited by the North Carolina Trails Committee to apply for 2018 Recreational Trails Program funds for the State designated Upper Catawba River Trail and more specifically the Upper Catawba River Trail – Signage and Maps project; and

WHEREAS the grant would fund signage, kiosks, and maps for up to 30 access points in four different counties along the river; and

WHEREAS the project is supported by a diverse stakeholder group including Duke Energy, North Carolina Wildlife Resources Commission, Trout Unlimited, North Carolina Wildlife Federation, local governments along the trail, and river users.

June 5, 2017, MB#31

NOW, THEREFORE, the Town of Valdese Town Council resolves to support the City of Marion's 2018 Recreational Trails Program application for the Upper Catawba River Trail – Signage and Maps project.

ADOPTED this 5th day of June, 2017.

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

ATTEST: /s/ Frances M. Hildebran, Town Clerk

APPROVED LEASE AGREEMENTS AT THE OLD ROCK SCHOOL WITH DREAM CONNECTIONS AND STILL WATERS COUNSELING, INC. Lease agreements for rental space at the Old Rock School. The Dream Connections Lease in the amount of \$970 per month and the Still Waters Counseling Lease in the amount of \$283 per month.

APPROVED REVISED CONSERVATION EASEMENT AGREEMENT FOR MCGALLIARD CREEK AND FALLS Council approved an agreement at its May 1, 2017, Council meeting. Mr. Damon Hearn from Clean Water contacted staff and recommended that the agreement be revised to remove all reference to Clean Water. Other than that, the agreement remained unchanged. The revised agreement would give the Town an additional 5 – 10 points on the Clean Water Grant Application, which should help put an even more competitive position for the Grant award. This agreement essentially protects 50 ft. on each side of the creek and 100 ft. on each side of the bottom of the falls.

Councilman Ogle made a motion to approve all items on the Consent Agenda, seconded by Councilwoman Hildebran. The vote was unanimous.

End Consent Agenda

ITEMS REMOVED FROM CONSENT AGENDA: None.

NC DEPARTMENT OF LABOR SAFETY AWARDS Fire Chief Charlie Watts presented safety awards to the following departments: Wastewater – 1st year Gold; Fire Department – 2nd year Gold; Police Department – 3rd consecutive year; Triple Water – 4th year Gold; Recreation – 6 consecutive year Gold; Community Affairs – 6 consecutive year; Public Works – 10 consecutive year; and Administration – 29 consecutive year.

He commended Public Works Director Bryan Duckworth. He said the Water Department did not receive an award this year due to an injury while taking down the swimming pool bubble at the Recreation Department. He also commended Jerry Conley, Water Plant Superintendent. He commended Council and the Town Manager for assisting in keeping all employees safe.

Councilman Ogle asked about using other departmental employees to take down the bubble. Mr. Eckard said it had always been a practice to use any available departmental employees. Staff was working to make it safer and the cost estimate was \$12,000 to take down the bubble and the same amount to put the bubble up. Councilman Ogle said it would be cheaper than pay a Workers Comp claim. Mr. Eckard said staff was also looking at that issue.

Mayor Black thanked all Department Heads to make sure their employees were safe which would help on insurance premiums.

SECOND CDBG PUBLIC HEARING Mayor Black opened the public hearing and asked if anyone wished to speak either for or against.

WPCOG Assistant Director Sherry Long said the purpose of the public hearing was to receive input regarding a CDBG-ED grant request to the NC Department of Commerce for the Alba Waldensian building demolition project. Through the pre-application process, \$500,000 in CDBG grant funds had been set aside for demolition of the Alba Waldensian building located at 408 Praley Street, SW. The property was owned by Valdese Water Recycling, LLC, and the company had committed to pay the 25 percent required match for the CDBG project. The 61,739 square foot Alba Waldensian Mill was constructed in 1927, has been vacant for over five years and has exceeded its useful life. The property was purchased in December, 2016 by Valdese Water Recycling, LLC, a subsidiary of Leonhardt Environmental. The \$650,000 cost estimate provided by Demolition Excavating Group for the demolition and clean-up of the site included removal of all structures (including abatement of asbestos and lead paint), removal of any and all foundations to a minimum of 3' below grade, transporting all materials, and grading to leave the site smooth and free from all debris. In addition to the demolition costs, \$25,000 was budgeted for grant administration. The total project cost - \$675,000. In order for this project to occur in Valdese, the Town would need to have site control of the property while the demolition was taking place. The Town would need to enter into an option on the property before the demolition was started and kept in place until the demolition was complete. The Town would be responsible for bidding and contracting for the demolition of the site. Once the property was cleared, the Town would let the option lapse and the property would be released to the owner. Valdese Water Recycling, LLC, would be required to sign a

deed restriction for the property for a period of five years. The post demolition restriction would require the site not be used for parking, recreation, residential housing (single or multi-unit), or retail. The 25 percent match commitment for the CDBG program was \$175,000 and would be paid by Valdese Water Recycling, LLC, and would be deposited into the Town account before the demolition contract was signed.

Councilwoman Hildebran asked who would be liable if something were to happen during the time the Town had control of the property. Ms. Long said there would need to be some insurance taken out which was considered part of the project. Ms. Long said the Town would not actually take control of the property, it was called site control which was different and would never be transferred by deed.

Mr. Derr Leonhardt said they were aware of the terms and conditions of the grant. He said the building was about to fall in on itself and if it were not to be demolished that Mother Nature would demolish. Mr. Eckard said that 10 years of rainwater had been coming in through the roof.

Mr. Eckard said the Town of Valdese was the first in North Carolina to receive this new type of grant funding.

Councilwoman Hildebran said this was a great project for improving our community and she thanked Mr. Leonhardt for his commitment to the project.

Ms. Jean Marie Cole, 735 Bertis Street, Valdese, said she traveled the street where the demolition would take place and she asked about street closures. Mr. Eckard said Praley should remain open except to get temporary equipment in and out.

There being no one else wishing to speak, Mayor Black closed the public hearing.

Mayor Black and Town Manager Eckard thanked Ms. Sherry Long for her hard work on this project.

ADOPTION OF CDBG RESOLUTION FOR ALBA WALDENSIAN BUILDING DEMOLITION PROJECT

**RESOLUTION TOWN OF VALDESE
COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION
ALBA WALDENSIAN BUILDING DEMOLITION PROJECT**

WHEREAS, the Valdese Town Council has previously indicated its desire to assist in economic development efforts within the Town; and,

WHEREAS, the Valdese Town Council has held two public hearings concerning the proposed application for Community Development Block Grant funding to benefit Valdese Water Recycling, LLC; and,

WHEREAS, the Valdese Town Council wishes the Town to pursue a formal application for Community Development Block Grant funding to benefit Valdese Water Recycling, LLC; and will require the property owner to invest monies in the amount of \$175,000 (or 25% of the project costs) into the project as committed to in the application.

WHEREAS, the Valdese Town Council certifies it will meet all federal regulatory and statutory requirements of the Small Cities Community Development Block Grant Program,

NOW THEREFORE BE IT RESOLVED, BY THE VALDESE TOWN COUNCIL:

That Seth Eckard, Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the Town of Valdese with The NC Department of Commerce for approval of a Community Development Block Grant for Economic Development to benefit Valdese Water Recycling, LLC.

That Seth Eckard, Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as The NC Department of Commerce may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Town of Valdese has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 5th day of June, 2017 at Valdese, North Carolina.

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

ATTEST: /s/ Thelda B. Rhoney, Clerk

Councilman Ogle made a motion to approve the aforementioned resolution for the CDBG Grant, seconded by Councilwoman Stevenson. The vote was unanimous.

FY 2017-2018 BUDGET REVIEW AND SET PUBLIC HEARING DATE FOR MONDAY, JUNE 26, 2017 The budget was submitted to the Valdese Town Council on Friday, May 19, 2017.

Mr. Eckard said, "Honorable Mayor Black and Members of the Valdese Town Council: It is my pleasure to respectfully submit to you the Proposed Budget for the Fiscal Year beginning July 1, 2017, and ending June 30, 2018. The proposed total of the FY 2017-2018 budget is \$10,746,313. The proposed budget includes a total General Fund Budget of \$5,646,362 and a total Utility Fund Budget of \$5,099,951. The proposed budget includes a property tax rate of 54.5 cents per \$100 valuation. Economic Improvements and Constraints - The FY 2017-2018 proposed budget continues existing service levels while striving for a more balanced financial foundation. The Town of Valdese continues to be in a period of slow growth, and continues to experience the negative effects of the Great Recession. Valdese has, over the last few years, maintained a high level of service to our citizens by forgoing expensive repairs to Town maintained facilities, as well as, postponing major capital improvements. The Town has successfully begun the slow process of addressing these capital projects with the funds generated by the fiscal year 2016-2017 tax increase.

After reviewing demographic data trends provided by the Western Piedmont Council of Governments, it is clear our largest concern for the future of our community is our aging population. Our aging population is the result of a number of factors. Baby Boomers are expected to live longer than previous generations, birth rates are declining and the most significant factor is a decline in young families moving or returning to our area. This budget proposes strategic investments that will reverse this trend. Anticipated State collected local revenues have been calculated utilizing data supplied by the North Carolina League of Municipalities and local economic data. The Town is anticipating small increases in most of these revenue sources as a result of the slowly improving local, state and national economy.

The Town of Valdese successfully recruited Valdese Water Recycling Inc., to our community. Valdese Water Recycling will develop and clean up the blighted former Burke Mills and Alba Waldensian Warehouse properties. They propose approximately two million dollars of capital investment and propose to create 12 new jobs. The Town has been awarded a \$500,000 Community Development Block Grant from the North Carolina Department of Commerce to be used to demolish and cleanup the dilapidated Alba Waldensian Warehouse property.

General Fund - In Fiscal Year 2017-2018, the Town will privatize our sanitation garbage collection service due to the expected costs associated with needing to purchase a new garbage truck. To avoid having to raise our monthly sanitation fee, the Town of Valdese will contract with Republic Services to service our weekly collection routes. The Town will continue to provide all other sanitation services that citizens currently enjoy. With the success of this fiscal year's recycling service transition, staff feels that we will see similar positive results with the new sanitation service.

To address our aging population problem, staff has identified two areas of priority investment that will hopefully begin to reverse the negative trend and attract young families to our Town. The two areas that have been identified are downtown enhancements and a focus on our public parks.

Downtown Enhancements Include:

- Implementation of Main Street improvements that, include but are not limited to, brick-stamped crosswalk, increased safety and number of parking spaces by removing the bump-out, a redesign of flower beds and a hanging flower basket solution to be incorporated with our planters. Funds to pay for these projects will come from the Downtown Revitalization Grant, awarded to the Town in Fiscal Year 2016-2017.
- Launch of our downtown free public Wi-Fi project, paid for by a \$50,000 Appalachian Regional Commission grant and a Rostan Family Foundation gift.
- Opening of our new Downtown Park that offers amenities for families with young children and an exercise facility that will accommodate various new and existing workout classes.
- Revamped and expanded partnership with Old Colony Players, with the hopes to offer more in the area of the performing arts.
- Completion of the "Movies at the Rock" project.

Public Park Improvements and Additions:

June 5, 2017, MB#31

- The Town's older parks (McGalliard Falls Park, Children's Park and Fletcher Ballfields) are beginning to show their age. The proposed budget allocates \$141,000 for the cosmetic and functional upgrade of these parks. The Town Council has wisely prioritized the repair and maintenance of existing park facilities, while taking advantage of opportunities for new facilities.
- Staff has submitted grant applications requesting approximately \$1 million for the purchase of 302 acres on Lake Rhodhiss for a new public passive park. The total purchase price is \$1.4 million, and via partnership with Friends of the Valdese Rec, the Town has secured pledges from local industry and charitable foundations for the remaining \$400,000. The Valdese Lakeside Park has the potential to be a unique attraction in the region due to its size and proximity to the Central Business District and forthcoming lakefront subdivisions. If the purchase of the property is successful, the Town will go through a public master park plan process so that the amenities are a reflection of the needs of the community.

The General Fund Budget reflects expenditures of \$350,000 from the Capital Reserve Fund for projects across multiple departments. Highlights include:

- Cosmetic and functional repairs and upgrades to McGalliard Falls Park, Children's Park and Fletcher Ballfields
- Phone system upgrades
- Phase Two of Old Rock School exterior repairs
- Upgrade Police Department computer server
- Resurface pool
- Fire Department paving and bay door repairs to accommodate new fire truck
- Fire Department thermal imaging camera

The 2017-2018 proposed budget includes one key operational change. Due to the needs of the Town's aquatics program, this budget proposes restoring the part-time aquatics position to its former full-time status.

Staff is recommending a 2 percent cost-of-living increase for our employees. Insurance premium increases continue to be a major constraint on the budget. Our strategy for this upcoming fiscal year is to adjust the benefits in a reasonable manner to compensate for the predicted premium increases. The HSA contribution of \$1,000 is recommended to remain the same.

Utility Fund - The Utility Fund budget for Fiscal Year 2017-2018 is \$5,099,951.

In Fiscal Year 2015-2016, the Town conducted a comprehensive capital improvement study for the Utility Departments. The study revealed that the Town has pressing needs which should be addressed in order to ensure high quality water and wastewater treatment for citizens. The Town is heading into implementation year two of our 10 year plan.

The Capital Improvement Plan contains a recommended funding model that restructures our utility rates to ensure that we will be able to pay for all of our capital needs. The second year of the plan calls for the rebuilding of the Utility Fund Balance due to a successful year of major capital investment in Fiscal Year 2016-2017 totaling approximately \$1.3 million. In order to restore the Fund Balance to a level that will accommodate future projects, this budget proposes a 4 percent increase in revenues.

The Capital Improvement Plan does call for several major investments next fiscal year. According to the model, these projects will be paid for by either grants, loans or a combination of both. Each project will be presented to the Council as we wait for various grant funders to announce their decisions.

In conclusion I would like to thank the dedicated employees of the Town for their hard work and good stewardship of the Town's resources. These people work hard and take pride in carrying out their duties. I would like to thank Mayor Black and the Town Council for their dedication in carrying out their responsibilities in providing leadership and guidance during the budgeting process." Mr. Eckard asked if there were questions.

Councilwoman Hildebran said there had been discussion regarding employee health insurance and there were two options offered to the employees. She was in favor of Option 1 as it was similar to what the Town currently offered its employees and that the Town was fortunate to have the Department Heads and employees who worked very hard and were committed and dedicated to the Town. Benefits were important and she had employees tell her that they stayed with the Town because it provided insurance after 25 years of employment, until Medicare eligible at 65. For the past 10 years, there had been cuts in the insurance benefits such as the 50 percent paid by the Town for dependent coverage which had been discontinued, the dependent insurance was too expensive for employees to buy, at one

point the employees had to buy-up for better coverage, the Town used to cover retirees insurance (25 years with the town) which was discontinued for new employees, those retired with 25 years of service now must pay \$150 per month for health insurance. Because of the aforementioned, she preferred Option 1.

Councilman Ogle said he would go along with Councilwoman Hildebran and recommended Option 1 for employee insurance due to the same items she discussed, plus it was not about money for the lower paid employees. He recommended paying the \$150 per month for retiree insurance and restoring the employees to whole employees and not part employees as called in the human resources industry. He said Council had been consistent about not taking from employees.

Councilwoman Stevenson said she had spent several hours going over the employee insurance and initially Option 1 was her choice but the same employee exposure was the same for both Option 1 and Option 2, with Option 2 having a \$500 less deductible. Therefore, she recommended Option 2 due to the cost difference saving the taxpayers approximately \$43,000 annual amount.

Councilman Delp said he agreed with Councilwoman Stevenson. He said he did not participate in the Town's insurance. The \$43,000 savings to the Town is why he recommended Option 2. He said both options offered very good health insurance coverage.

Councilman Sweezy agreed that Option 2 would save the Town \$43,000 and offer excellent insurance coverage with \$500 less exposure for the employee, plus \$1,000 HSA for employees who participated in the insurance.

Mayor Black asked Dwayne Wilson, Dwayne Wilson Insurance & Financial Services, to explain Options 1 and 2.

Mr. Wilson said there was actually a third option – which did not offer a \$1,000 HSA. He briefly reviewed the three options and said staff would be invited to insurance presentations at Town Hall this week and employees could chose to buy-up. Mr. Wilson said if the Town went with United Health Care they have a different HSA vendor and he recommended that the Town stay with Health Equity for a fee which was built into the health insurance pricing. He said all plans offered were at platinum level based on the Affordable Care Act guidelines for the different levels such as platinum, gold, silver, and bronze.

Mayor Black said two Members of Council recommended Option 1 for employee insurance and three Members of Council recommended Option 2. Therefore, the Town would offer Option 2 and employees would have an opportunity to buy-up.

Councilwoman Hildebran thanked Mr. Wilson for the services he provided to the Town.

Councilwoman Hildebran made a motion to set the Public Hearing for the FY 2017-2018 Budget on Monday, June 26, 2017, 6:00 p.m., Valdese Town Hall, seconded by Councilwoman Stevenson. The vote was unanimous.

DOWNTOWN REVITALIZATION STUDY GRANT Community Affairs Director Morrissa Angi and Public Works Director Bryan Duckworth presented proposals for the downtown business district. Project One consisted of flower bed surrounds - \$38,000 and removal and stucco flower beds at several locations in the downtown district. Project Two consisted of adding "arches" to the existing planter boxes to allow for hanging flower baskets and staff would get final approval from Council. Also, there could be solar lighting and Christmas lighting added to the arches. Mr. Duckworth said there were several other projects on the wish list such as removal of the railroad ties between Myra's Restaurant and the beauty shop to make the area more attractive; removal of entrance and exit signs at Formal Showcase, which used to be a bank; and build a stucco wall at the daylily flower bed across from Myra's Restaurant, beside the Tim Newton building as the area washes during heavy rain events. Mr. Duckworth said when the bump-out was removed on Main Street, it was discovered old Hwy 70 was in the ground below and contained 16-inches of concrete which had to be removed. He reviewed funding for the project which would come from a \$94,340 grant the Town received from NC Department of Commerce Rural Economic Development Division Rural Grant Programs as initiated by NC Representative Hugh Blackwell.

Councilman Ogle recommended that staff look at stamped streets in other towns.

After a brief discussion, Councilwoman Stevenson made a motion to approve the downtown projects up to \$94,340, seconded by Councilman Delp. The vote was unanimous.

WHISNANT STREET REDESIGN Planning Director Larry Johnson and Public Works Director Bryan Duckworth presented the street redesign. An agreement with Roger Neil Shatley, Alray Tire Service, would need to be approved

to relocate a portion of Whisnant Street NE. Currently, Public Works and Alray Tire share Whisnant Street for ingress and egress. The proposed agreement with Mr. Shatley would initiate a series of steps including street closure, surveying, construction bids, and property acquisition to relocate a portion of Whisnant Street further east to abate safety concerns. The Town would also need to have access to the cell tower. Cost estimates for the project are in the amount of \$61,490. A portion of funds would come from the proceeds from the sale of Town-owned property to Mr. Shatley and the remainder of costs would be paid by Mr. Shatley. Mr. Johnson recommended that Council approve an agreement with Roger Neil Shatley (Alray Tire) that explained the process to close Whisnant Street and relocate further east.

After a brief discussion, Councilwoman Hildebran made a motion to proceed with the concept and Whisnant Street Redesign and approve an agreement with Mr. Shatley, Alray Tire, seconded by Councilman Ogle. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS: None

MANAGER'S REPORT: Mr. Eckard requested that Public Works Director Bryan Duckworth offer a brief update on the following projects: Street Paving – Mr. Duckworth said the company paving the streets should be in Town the week of June 19 and they were behind schedule; and Bump-out Removal – staff and Duke Energy staff would be in Town this week to discuss relocating the street light, the curb would be poured and paving could be completed which would take several weeks and several street lights would be out during this time; and Downtown Wi-Fi – bases for Main Street had been poured for the poles with poles to be installed within the next few weeks with a goal to go live by June 30 Independence Day events. Also, Parks and Recreation Director Doug Knight provided a brief update on the Downtown Park. He said the rock work should be completed shortly and Bimbo Bakery staff would join Town staff on June 12 for plantings and staff was working with Settlemyre Nursery for purchasing plants. Painting was being completed, HVAC was being installed, and fencing was being installed around the splash pad. The original plan was to install some fescue and straw. Staff recommended some sod to reduce maintenance and make the area look better year round. The project was on schedule.

Councilwoman Hildebran said she read an article recently where kids were getting their feet burned at splash pads due to the materials used. Mr. Eckard said staff discussed this issue at staff meeting. Mr. Knight said there would be water spraying and he did not see an issue but would do more research. Also, this issue could be added to the sign which listed the rules.

Mr. Knight said a buffer would be planted and it was recommended that the trees be planted in the fall.

Councilwoman Stevenson said she had received a complaint about people speeding along the street by the new Downtown Park. Police Chief Moss said the officers had sat in the area and believed the area would become congested but did not believe speeding was an issue.

Mr. Knight said a date needed to be set for the ribbon cutting for the new Downtown Park before the Trust Fund had its next meeting.

Councilman Delp asked if there could be signage installed at Mural Park by the new Mexican Restaurant listing items that were in the mural.

At 7:35 p.m., there being no further business to come before Council, Councilman Ogle made a motion to adjourn, seconded by Councilman Delp. The vote was unanimous.

The next meeting is a regularly scheduled meeting on Monday, June 26, 2017, 6:00 p.m., Valdese Town Hall, for the FY 2017-2018 Budget Public Hearing. This meeting also serves as the July Council meeting.

Town Clerk

Mayor

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