

**TOWN OF VALDESE
TOWN COUNCIL REGULAR MEETING
NOVEMBER 5, 2018**

The Town of Valdese Town Council met on Monday, November 5, 2018, 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 J. Andrew Thompson, and Councilman Roy F. Sweezy. Also present were: Town Attorney Marc Mitchell, Town Manager Seth Eckard, Deputy Town Clerk Courtney Kennedy, 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:

RESOLUTION OF APPRECIATION FOR JERRY LAMASTER: Mayor Black presented the following resolution to Jerry LaMaster:

RESOLUTION OF APPRECIATION FOR JERRY LAMASTER

WHEREAS, Jerry LaMaster began his career with the Town of Valdese on March 13, 1995, bringing with him many years of municipal government experience and a wide range of fiscal experience from the private sector; and

WHEREAS, Jerry LaMaster has served the Town of Valdese with distinction as the Finance Director; and

WHEREAS, Jerry LaMaster has given generously of his time through his service with the North Carolina Government Finance Officer Association, North Carolina Local Government Investment Association, and through lectures on government budget and accounting at Western Piedmont Community College; and

WHEREAS, Jerry LaMaster's dedication to the oversight of the Town's finances has been instrumental in the Town's adoption of a balanced budget for each of the years he served as Finance Director; and

WHEREAS, during Jerry LaMaster's tenure the Town has secured millions of dollars in grant funds for Town projects and economic development projects; and

WHEREAS, after over 23 years of dedicated service to the Town of Valdese, Jerry LaMaster retired on October 31, 2018 so he can dedicate more time to travel and riding his Harley Davidson.

NOW, THEREFORE, BE IT RESOLVED that I, John F. "Chip" Black Jr., by the authority vested in me as mayor of Valdese, North Carolina, and on behalf of the entire Town Council that we hereby recognize and honor **Jerry LaMaster** for his many contributions to the Town of Valdese, and we wish for him, a long and prosperous retirement.

IN WITNESS WHEREOF, I do hereby set my hand, and cause the Seal of the Town of Valdese to be affixed, this the 5th day of November, 2018.

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

RESOLUTION OF APPRECIATION FOR DEBBIE JONES: Mayor Black signed a resolution of appreciation for Debbie Jones. Ms. Jones was unable to attend the meeting. A copy of her resolution, as detailed below, will be mailed to her home.

RESOLUTION OF APPRECIATION FOR DEBRA "DEBBIE" JONES

November 5, 2018, MB#31

WHEREAS, Debbie Jones began her career with the Town of Valdese on October 18, 1993 as an Administrative Assistant with the Recreation Department; and

WHEREAS, Debbie Jones received many promotions during her career, serving as the Human Resources Officer since 2004 and finishing her career as the Utility Customer Services Manager; and

WHEREAS, during Debbie Jones' tenure she ensured accurate monthly utility billing to verify consistent and fair revenue for the Town of Valdese; and

WHEREAS, Debbie Jones was instrumental in the takeover of Triple Community Water Corporation in 2007; and

WHEREAS, after 25 years of dedicated service to the Town of Valdese, Debbie Jones retired on October 31, 2018 so she can dedicate more time to travel.

NOW, THEREFORE, BE IT RESOLVED that I, John F. "Chip" Black Jr., by the authority vested in me as mayor of Valdese, North Carolina, and on behalf of the entire Town Council that we hereby recognize and honor **Debra "Debbie" Jones** for her many contributions to the Town of Valdese, and we wish for her, a long and prosperous retirement.

IN WITNESS WHEREOF, I do hereby set my hand, and cause the Seal of the Town of Valdese to be affixed, this the 5th day of November, 2018.

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

CONSENT AGENDA: (enacted by one motion)

REGULAR MEETING MINUTES OF OCTOBER 1, 2018

RESOLUTION APPROVING BB&T RESOLUTION AND AGREEMENT FOR DEPOSIT ACCOUNT:

RESOLUTION APPROVING BB&T RESOLUTION AND AGREEMENT FOR DEPOSIT ACCOUNT

WHEREAS, BB&T has asked the Town of Valdese to approve the resolutions set forth in the attached document entitled "BB&T Resolution and Agreement for Deposit Account" (the BB&T Resolutions); and

WHEREAS, the Town Council agrees to adopt the BB&T Resolutions;

IT IS THEREFORE RESOLVED by the Town Council of the Town of Valdese that the BB&T Resolutions are hereby adopted.

This the 5th of November, 2018.

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

ATTEST: /s/ Courtney Kennedy, Deputy Town Clerk

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

End Consent Agenda

ITEMS REMOVED FROM CONSENT AGENDA: None.

INTRODUCTION OF NEW EMPLOYEES: Parks and Recreation Director Doug Knight introduced Athletic Programs Supervisor Jonathan Carter and Town Manager Seth Eckard introduced Finance Director Bo Weichel.

CONTRACT WITH VALDESE WATER RECYCLING FOR ALBA WALDENSIAN MILL DEMOLITION

PROJECT: Attorney Walter Currie informed Council that the contract with Valdese Water Recycling is very similar to the previously approved Memorandum of Understanding; however, the contract is more specific by identifying various details of the project. Mr. Currie shared that the only thing that has not been resolved at this time is the establishment of a performance bond. A performance bond may be too costly; alternatives are being considered to ensure the company performs as agreed. Mr. Currie encouraged Council to approve the contact with Valdese Water Recycling, subject to the security being worked out to the satisfaction of the town manager. Mr. Currie asked Council if there were any questions.

Councilwoman Hildebran asked if the company has provided survey plats, deeds, or any other items to the Town yet. Town Manager Seth Eckard shared that these items have not been provided yet but must be provided before Council awards the bid for the project. Ms. Hildebran asked for a timetable for the project. Town Manager Seth Eckard stated that engineers are identifying specs for bidding the project, with expected bid award in March or April of next year. Mr. Eckard expects to receive the items within the next three to four months. Once the bid is awarded, the contractor will have approximately 180 days to complete the project.

Councilman Ogle made a motion to enter into the contract with Valdese Water Recycling, LLC for the Alba Waldensian Mill Demolition Project, subject to the submission of a security agreement that is to the satisfaction of the town manager, seconded by Councilman Sweezy. The vote was unanimous.

AGREEMENT WITH WPCOG FOR GRANT ADMINISTRATION FOR ALBA WALDENSIAN MILL DEMOLITION PROJECT:

WPCOG Assistant Executive Director Sherry Long informed Council that the agreement for grant administration is typically adopted with the budget ordinance but it is being presented now to ensure that no costs were incurred until it was known that the project was fully vetted. Ms. Long shared that the agreement authorizes WPCOG to administer a \$500,000 Community Development Block Grant (CDBG) grant for the Alba Waldensian Mill Demolition Project; in the amount of \$25,000. Funding for this agreement will come from the grant funds.

Councilman Ogle made a motion to approve the Agreement with WPCOG for Grant Administration, seconded by Councilwoman Hildebran. The vote was unanimous.

AWARD OF BID FOR ST. GERMAIN AVENUE WATER SYSTEM IMPROVEMENT PROJECT:

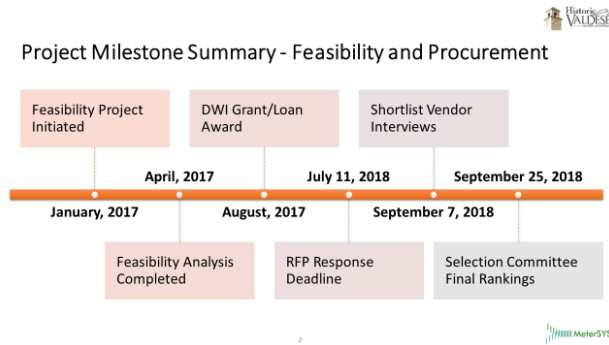
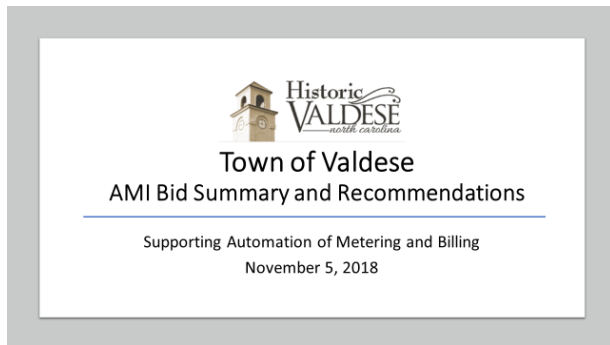
Public Works Director Bryan Duckworth presented a bid tabulation prepared by West Consultants for the St. Germain Avenue Water System Improvements Project. The lowest bidder was Iron Mountain Construction Company, Inc., Mountain City, TN, in the amount of \$295,589.20. (Other bid: Locke-Lane Construction, Inc., Stony Point - \$386,578.10)

Councilman Ogle made a motion to award the bid for the St. Germain Avenue Water System Improvements Project to Iron Mountain Construction Company, Inc., in the amount of \$295,589.20, seconded by Councilwoman Hildebran. The vote was unanimous.

AWARD OF BID METER REPLACEMENT PROJECT:

Public Works Director Bryan Duckworth presented a bid tabulation prepared by MeterSYS for the Meter Replacement Project. The lowest bidder was Mueller Systems, in the amount of \$1,990,181. (Other bids: Ferguson/Sensus-\$2,183,555; Core and Main/Neptune-\$2,266,361). Mr. Duckworth informed Council that this project will take one year to complete and has been identified in the CIP.

Andy Honeycutt of MeterSYS provided the following presentation:



Metering and Billing Goals

- Improve customer service
- Reduce aged assets and standardize equipment
- Improve read accuracy
- Optimize utility revenue
- Improve operational efficiencies
- Leverage technology for expanded functionalities
- Streamline operations across system



Feasibility Analysis Findings



- **Large Service Territory** - 30 square miles and two primary Meter Readers
- **Lack of Standardization/End-of-Useful Life** - 70% of meters 10+ years old
- **Demanding Meter Replacement Program** - 400 per year
- **Industrial Services** - C&I accounts for 44% of consumption
- **System Growth** - Flat with operational costs increasing
- **Silo Operations for Metering and Billing** - Town and Triple
- **Financial Metrics for Project are Positive** - Payback within 7 years

RFP "Best Value" Selection Factors

A technology Request for Proposals (RFPs) consistent with N.C. G.S. 143-135.9 and award shall be made according to best value as determined by Selection Committee.

- Two-way Endpoint Functionality and Performance with Bronze Body Meter Preference and Remote Disconnect Functionality
- Design and Functionality of Network
- Meter Data Management Systems (MDMS/Software) & Customer Portal Functionality
- Equipment Specifications Compliance / Warranty Support
- Installation Qualifications
- Similar Projects, Experience, and References
- Competitive Pricing - Capital and Operational Expenditures
- Leak Detection Options/Functionalities

Bid Summary - Original Submission

Analysis Category Summary	Mueller Systems	Core and Main/Neptune	Ferguson/Sensus
SUBTOTAL NETWORK	\$593,504	\$50,783	\$1,018,210
SUBTOTAL METERS	\$524,904	\$1,756,785	\$682,070
SUBTOTAL LABOR	\$293,684	\$294,011	\$343,468
SUBTOTAL MISCELLANEOUS	\$88,911	\$164,783	\$139,527
TOTAL	\$1,501,003	\$2,266,361	\$2,183,274

Shortlist- Final Pricing

Analysis Category Summary	Mueller Systems-Bronze	Mueller Systems-RDM	Ferguson/Sensus-Composite	Ferguson/Sensus (SRII)
SUBTOTAL NETWORK	\$628,781	\$185,081	\$938,446	\$938,446
SUBTOTAL METERS	\$524,904	\$1,422,504	\$636,940	\$812,652
SUBTOTAL LABOR	\$293,684	\$293,684	\$343,468	\$343,468
SUBTOTAL MISCELLANEOUS	\$88,911	\$88,911	\$88,989	\$88,989
TOTAL	\$1,536,281	\$1,990,181	\$2,007,844	\$2,183,555

Preliminary Construction Cost Estimates-DWI Funding Authorization

Item	Quantity/Unit/Description	Unit	Price
1	AMF Head End Software	1 EA @ \$15,000.00 EA	\$15,000.00
2	AMF Network Valve Equip	9 EA @ \$2,000.00 EA	\$18,000.00
3	Field Equipment Stand	7 EA @ \$4,000.00 EA	\$28,000.00
4	Water Meter Enclosures	5340 EA @ \$100.00 EA	\$534,000.00
5	Replacement Water Meter Lid	535 EA @ \$15.00 EA	\$8,025.00
6	18 Inch Meter and Register	5234 EA @ \$90.00 EA	\$470,760.00
7	1 Inch Meter and Register	31 EA @ \$1,200.00 EA	\$37,200.00
8	1/2 Inch Meter and Register	17 EA @ \$1,200.00 EA	\$20,400.00
9	2 Inch Meter and Register	10 EA @ \$1,100.00 EA	\$11,000.00
10	3 Inch Meter and Register	2 EA @ \$700.00 EA	\$1,400.00
11	4 Inch Meter and Register	14 EA @ \$1,000.00 EA	\$14,000.00
12	6 Inch Meter and Register	12 EA @ \$5,000.00 EA	\$60,000.00
13	8 Inch Meter and Register	1 EA @ \$9,000.00 EA	\$9,000.00
14	10 Inch Meter and Register	1 EA @ \$15,000.00 EA	\$15,000.00
15	Sanitization Water Meter Exchange (15" - 17")	5207 EA @ \$48.00 EA	\$250,000.00
16	Sanitization Water Meter Exchange (17" - 18")	13 EA @ \$15,000.00 EA	\$195,000.00
17	Sanitization Water Meter Exchange (17" - 19")	10 EA @ \$110.00 EA	\$1,100.00
18	Sanitization Water Meter Exchange (17")	7 EA @ \$15,000.00 EA	\$105,000.00
19	Sanitization Water Meter Exchange (17")	14 EA @ \$100.00 EA	\$1,400.00
20	Sanitization Water Meter Exchange (17")	12 EA @ \$900.00 EA	\$10,800.00
21	Sanitization Water Meter Exchange (17")	2 EA @ \$900.00 EA	\$1,800.00
22	Sanitization Water Meter Exchange (17")	3 EA @ \$900.00 EA	\$2,700.00
23	Water Meter Lid Inventory	535 EA @ \$16.00 EA	\$8,560.00
24	Water Meter Lid Installation	535 EA @ \$31.97 EA	\$16,904.00
25	MSR Software	1 EA @ \$15,000.00 EA	\$15,000.00
26	Customer Portal		
Subtotal			\$1,467,700.00
Contingency (5%)			\$73,385.00
Admin Costs			\$22,510.00
Total			\$1,563,595.00

Final Recommended Funding Request for Authorization

Mueller Systems	Final Pricing
SUBTOTAL NETWORK	\$185,081
SUBTOTAL METERS	\$1,395,310
SUBTOTAL LABOR	\$293,684
SUBTOTAL MISCELLANEOUS (vendor management and bond)	\$88,911
TOTAL (includes sales tax)	\$1,962,986
Contingency 7.5%	\$147,224
Program Management and Grant/Loan Administration	\$225,551
TOTAL	\$2,335,761
TOTAL DWI COST ESTIMATE	\$2,265,386
ADDITIONAL TOWN INVESTMENT*	\$70,375

*Increased Contingency by \$50,088 and includes reimbursable sales tax

Operational Cost Summary Comparisons- Years 2-5

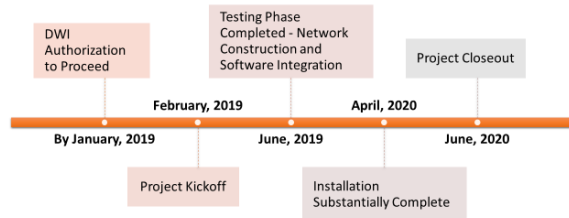
Analysis Category Summary	Mueller Systems-RDM	Ferguson/Sensus-SRII
Network Training, Software Subtotal AMI	\$100,350	\$186,050
Customer Portal	\$50,243	\$26,933
TOTAL	\$150,593	\$212,983

Key Features of Recommended Solution- Mueller Systems

- Lowest Cost Bidder: CapEx and OpEx
- 100% Remote Disconnect Functionality for 5/8 x 3/4" Meters – 98% of System
- Bronze Body Design
- New Through-the-Lid (TTL) Transmitter for Improved Network Performance
- Established Partnership with WaterSmart for Customer Portal
- Manufactured in Cleveland, North Carolina



Project Milestones- Implementation



Councilman Ogle made a motion award the bid for the Meter Replacement Project to Mueller Systems, in the amount of \$1,990,181; contingent upon approval from the State, seconded by Councilwoman Stevenson. The vote was unanimous.

FAÇADE GRANT REQUEST: Community Affairs Director Morrissa Angi presented a request from Foothills Service Project for a Façade Grant in the amount of \$5,000. Grant funds will be used to help fund the removal of false façade, restoration of second floor windows, and installation of signage and lighting. The estimated cost of this project is \$10,000.

Councilman Ogle made a motion to approve the aforementioned Façade Grant in the amount of \$5,000, seconded by Councilwoman Hildebran. The vote was unanimous.

BUDGET AMENDMENTS: Finance Director Bo Weichel presented the following budget amendments:

Valdese Town Council Meeting Monday, Nov 05, 2018

Budget Amendment No. 08

Subject: Old World Bakery Grant

Memorandum:

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2018:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Acct. No.	Debit	Credit
10.6250.920 Bldg Reuse	175,000	
	-----	-----
Total	\$175,000	\$
	=====	=====

This will result in a net increase of \$175,000 in the expenditures of the General Fund. To provide funding for the above, the following revenue budgets will be increased. These additional revenues have already been received.

Acct. No.	Debit	Credit
10.3970.625 Grant		175,000
	-----	-----
Total	\$	\$175,000
	=====	=====

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Valdese Town Council Meeting Monday, Nov 5, 2018

Budget Amendment No. 09

Subject: Public Train Art

Memorandum:

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2018:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Acct.			
<u>No.</u>		<u>Debit</u>	<u>Credit</u>
10.6250.928	Public Art	14,325	
		-----	-----
Total		\$ 14,325	\$
		=====	=====

This will result in a net increase of \$14,235 in the expenditures of the General Fund. To provide funding for the above, the following revenue budgets will be increased. These additional revenues have already been received.

Acct.			
<u>No.</u>			
10.3990-000	Fund Balance Appr		14,325
		-----	-----
Total		\$	\$ 14,325
		=====	=====

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Valdese Town Council Meeting Monday, Nov 5, 2018

Budget Amendment No. 10

Subject: Tiger Gym Repairs

Memorandum:

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2018:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Acct.

November 5, 2018, MB#31

<u>No.</u>	<u>Debit</u>	<u>Credit</u>
10.6200.150 Tiger Gym	78,000	
	-----	-----
Total	\$ 78,000	\$
	=====	=====

This will result in a net increase of \$78,000 in the expenditures of the General Fund. To provide funding for the above, the following revenue budgets will be increased. These additional revenues have already been received.

Acct.

<u>No.</u>	<u>Debit</u>	<u>Credit</u>
10.3970.302 From Utility Fund Capital		78,000
	-----	-----
Total	\$	\$ 78,000
	=====	=====

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Councilman Ogle made a motion to adopt the three aforementioned budget amendments, seconded by Councilwoman Stevenson. The vote was unanimous.

MANAGER'S REPORT: Mr. Eckard made the following announcements:

The Valdese Christmas Parade is scheduled for Saturday, December 1, 2018, at 10:00 a.m. This year's grand marshals are direct descendants of the original Waldensian settlers.

A list of upcoming events in November and December is in Reading Materials.

The Code Enforcement Committee has met twice. During each meeting, the Committee reviewed current ordinances and cases. WPCOG is researching what surrounding towns are doing. The third Committee meeting is scheduled for Wednesday, November 14, 2018 at 10:00 a.m.

MAYOR AND COUNCIL COMMENTS: Councilman Ogle provided Council with a memo from Tim Andrews regarding what is happening in Mr. Andrews' neighborhood. Mr. Ogle is driving around his ward, taking pictures, and informing staff of issues that he identifies. Mr. Ogle shared that the Committee still has a long way to go but it is looking at the issues.

Councilwoman Hildebran shared that bid opening for the renovations to the library will occur on Tuesday, November 6, 2018 at 3:00 p.m. at the County offices. The library plans to ask the commissioners to award the bid at their November 20th meeting.

ADJOURNMENT: At 6:55 p.m., there being no further business to come before Council, Councilman Ogle made a motion to adjourn, seconded by Councilwoman Stevenson. The vote was unanimous.

The next meeting is a regularly scheduled meeting on Monday, December 3, 2018, 6:00 p.m., Valdese Town Hall.

Town Clerk

Mayor

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