

**TOWN OF VALDESE
TOWN COUNCIL REGULAR MEETING
JUNE 29, 2020**

The Town of Valdese Town Council met on Monday, June 29, 2020, 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 Roy F. Sweezy, and Councilman J. Andrew Thompson. Also present were: Town Attorney Marc Mitchell, Town Manager Seth Eckard, Deputy Town Clerk Jessica Lail, 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:

FACE MASKS: CARLA BERRY, 204 COLOMBO ST. NW, VALDESE: Ms. Berry suggested that the Town provide face mask to citizens that cannot get masks. Ms. Berry also shared with Council that she is not speaking to the library and the budget but wants everyone to be careful about how it is addressed and how it is done. Ms. Berry does not want the Town to get stirred up.

CONSENT AGENDA: (enacted by one motion)

APPROVED REGULAR MEETING MINUTES OF JUNE 1, 2020

APPROVED AGREEMENT WITH WPCOG FOR 2020-2021 TECHNICAL PLANNING ASSISTANCE The agreement with WPCOG for Technical Planning Assistance in the amount of \$24,551.00, an increase of \$481 in cost from FY 19-20.

APPROVED AGREEMENT WITH WPCOG FOR PUBLIC UTILITY GIS MAINTENANCE SERVICES The agreement with WPCOG for GIS Maintenance for FY 2020-2022 to maintain the utility and cemetery GIS in the amount of \$8,802.

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

FY 2020-2021 BUDGET PUBLIC HEARING & ORDINANCE ADOPTION: Mayor Black provided Public Hearing instructions to members of Council and those that wish to speak. Mayor Black opened the Public Hearing. Mayor Black asked Town Manager Seth Eckard if there had been any changes since the June 1st, 2020, Council meeting. Mr. Eckard said there were no changes, but the staff had conducted additional research on the Library donation and asked Finance Director Bo Weichel to provide Council with that information.

Here are Mr. Weichel's findings: "I reached out to Mr. Wilson to gain a better understanding of the library budget and usage. I asked him several questions with the goal of providing Council an analytical approach towards library funding.

I'd like to present the questions I asked along with the information gathered for each. The information sources is a mixed between Mr. Wilson, county Finance Director, and financial reports I looked at.

1. Upcoming proposed budget for each library branch.

What I found is that the County does not have a separate budget for each branch, other than a few specific categories. The majority of the proposed budget is lumped together for the library system as a whole.

Removing the outlier of capital projects last year, the upcoming budget for the whole library system has an overall increase of almost \$95,000. There are three factors that make up this increase:

- a. Morganton plans to contribute 30,000 toward their branch renovation
- b. The county is going to match that amount with another 30,000 for capital
- c. Library staff full time salary costs are increasing by 38,000

They made a few thousand in cuts to wind up at the 95,000 increase.

2. Breakdown of base salaries and title for positions staffed at the Valdese branch.

Was not provided salary information but I do have a listing of staff that service the Valdese branch.

- Full time: 2 library assistants and 2 Library Program Specialists
- Part time: 1 Library Page and 1 Library assistant

So there is a total of 4 full time and 2 part time staff dedicated to Valdese within the County budget.

3. Method of allocation or formula used for determining how revenues are distributed to each branch.

Response was they do not have an allocation formula for each branch.

4. A report or some form of documentation showing what specifically the Town's donation was spent on at the Valdese branch during the past year.

There is no way to be specific on what Valdese donation versus other revenues are spent on.

5. Any cost saving initiatives that may have been implemented in the last few years at any of the branches.

No response.

6. Explanation of the budget surplus of a couple hundred thousand shown in the County's audited financial statements for the prior two years.

They responded that the surplus was capital funds not used and subsequently carried over from the Valdese branch renovation. Since there is not any transparency between operating and capital budgets, there is no way of telling if all of this was surplus was 100% capital funds or a mix of both.

7. Explanation of where the Town's annual donation is recognized in the County budget.

All funds received by the municipalities are in the "Other Unrestricted Intergovernmental" revenue line which is proposed around \$700,000. So the town's contribution is included in that mix bag of revenue – available for any purpose the County sees fit. Not in a restricted category to be used only on the Valdese library.

8. Asked for a report showing data for Valdese library branch users.

The information provided shows that 1,077 current cardholders are citizens of Valdese.

Of this amount, 465 cardholders have been active within the past 6 months.

Over the past three years, 1,048 cardholders have checked out at least 1 item from the Valdese branch. Three years was used due to impacts from the virus this year and renovations last year possibly skewing the data.

What the report did not show was how many cardholders came to use a computer or attend programs."

Councilman Ogle asked Mr. Eckard if we have checked to see if the different counties around us pay towards their library. Mr. Eckard shared that in Caldwell County, none of the Municipalities give donations to the County Library System. Mr. Weichel said that the City of Conover gives to their County library.

Mayor Black asked if anyone wished to speak either for or against the proposed budget.

WILL MUELLER, VALDESE: Mr. Mueller's comments were submitted online and were read by Deputy Town Clerk, Jessica Lail:

To: Mayor John F. Black; Town Manager Seth Eckard; Town Council Members J. Andrew Thompson, Susan Stevenson, Roy Sweezy, Frances Hildebran, Keith Ogle; Financial Officer Bo Weichel; Town Attorney Mitchell;

Dear Sirs and Ma'ams: It has come to the attention of those residents of Valdese for whom the Library is not just a "convenience", but a necessity for a town that would like to think of itself as forward-thinking and -acting, that funding for the Valdese Branch (which had already been reduced from \$50,000 to \$40,000 in last year's budget) is proposed to reduce further from \$40,000 to \$0 (that's Zero) in the budget for 2020-21.

Since 1982, when the Valdese Library became a branch of the Burke Co. Library System (and the Valdese Branch became co-owned by Valdese and Burke Co.), Valdese has contributed a share toward the financial support of its Library Branch. For some time now, that share has been \$50,000 per year (until last year, when it was reduced to \$40,000), approximately 1/6 (17%) of the yearly operating costs of our branch.

The concerned citizens of Valdese listed on the signed copies of our petition, ask each of you to search your hearts for the memory of a library, whether ours or some other, that helped you attain the education and knowledge that supported your rise to the position of responsibility that you hold today. Use that responsibility wisely, with compassion for those who seek knowledge and enlightenment, for they may wear your mantle of responsibility some day. We request that the Town Council and Manager re-visit the proposed budget with a sharpened pencil, find that \$50,000, and reinstate it as part of the budget beginning July 1, 2020.

Respectfully, Will Mueller

DEBBIE BRADLEY, VALDESE: Ms. Bradley shared some history with Council when she was the HR Director for the City of Morganton, and in 1985, there was discussion of the library going from non-profit to the county. Ms. Bradley has heard people say that Burke County should be solely responsible for the library and have been doing it for 35 years. She shared memories as a child using the library. Ms. Bradley still uses the library today and enjoys checking out books. Ms. Bradley feels it is an important resource. Ms. Bradley asked Council to consider putting in at least \$40,000.

KAY DRAUGHN, VALDESE: Ms. Draughn asked the Council to reinstate the library funding and provided a petition with 159 signatures of people who also wanted the library reinstated. Ms. Draughn feels that it is a valuable resource for the whole community and the County.

JEAN COLE, VALDESE: Ms. Cole shared with Council that she wanted to give a balanced public opinion on the library funding. Ms. Cole feels that as a Valdese citizen, she is double taxed in paying taxes for Valdese and Burke County toward the Library. Ms. Cole feels we need to revisit what taxes go where. Ms. Cole feels in the future, we should give the library money if we have it, but we need to wait and see.

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

Mayor Black informed Council that the FY 2020-2021 Fee Schedule, FY 2020-2021 General Fund Capital Improvement Plan, and FY 2020-2021 Utility Capital Improvements Plan need to be approved prior to the adoption of the Fiscal Year 2020-2021 Budget Ordinance.

Councilwoman Stevenson made a motion to adopt the **FY 2020-2021 Fee Schedule** as presented, seconded by Councilman Ogle. The vote was unanimous.

Councilwoman Hildebran made a motion to adopt the **FY 2020-2021 General Fund Capital Improvement Plan**, seconded by Councilman Sweezy. The vote was unanimous.

Councilman Sweezy made a motion to adopt the **FY 2020-2021 Utility Capital Improvements Plan**, seconded by Councilman Ogle. The vote was unanimous.

Councilman Sweezy feels that there are available funds to fund the Library for \$40,000 and possibly fund the Facade Grant Program that was cut out completely.

Councilman Sweezy made a motion to transfer available funds that have been made available due to circumstances to fund the Library at \$40,000 and any remainder to the Façade Grant Program, seconded by Councilwoman Hildebran.

Councilwoman Stevenson feels that we need to investigate where our funds are going at the Library. Councilwoman Stevenson says we had to cut essential equipment to the Fire Department, and the

employees are not getting a COLA this year. Councilwoman Stevenson feels we may need the money not spent on canceling Friday night activities in the future. Councilwoman Stevenson does want to fund the Library but feels it's too early to tie up funds. Councilwoman Hildebran feels that this has been a line item discussed for several years. Councilwoman Hildebran recommends that the Town's Manager, Finance Director, Manager of the County, and the Library Director meet to see if we can reach an agreement based on population and possibly come up with specific usage for the money. Councilman Thompson has received many phone calls and emails from citizens who want the Library funded but no calls from anyone who did not want to see the library funded. Town Manager Seth Eckard has already reached out to the Library Director to schedule a meeting to start a discussion on an agreement. Councilwoman Hildebran has received numerous phone calls, email, and text messages from citizens that want the Library funded and supports it. Mr. Eckard recommends if Council wants to fund the Library to use some of the savings that we will have from canceling the remainder of the Friday Night Concert Series for 2020. Also, money for Christmas light replacement or new ideas, and miscellaneous funds that included some money going to the Board of Elections. Mayor Black asked Finance Director where we were with our revenues currently. Mr. Weichel says we have not closed out the fourth quarter yet, but we are looking at around \$109,000 short on revenues that we should have received in the fourth quarter. \$50,000 from recreation, \$15,000 for recycling/trash, and \$40,000 from state shared revenues.

Mayor Black expressed to Council his concern with our employees not getting a COLA and feels that if they are going to fund the library, they need to find the dollars to provide the employees with a COLA. Mayor Black stated that we have always said our employees are the most valuable asset to the Town.

Councilwoman Stevenson feels that we are spending before we have it, and we need to wait to see what happens.

Mayor Black revisited the motion that was on the table before discussion: Councilman Sweezy made a motion to transfer available funds that have been made available due to circumstances to fund the library at \$40,000 and any remainder to the Façade Grant program, seconded by Councilwoman Hildebran. The vote was as follows: Hildebran-aye, Sweezy-aye, Thompson-aye, Ogle-nay, and Stevenson-nay.

**TOWN OF VALDESE BUDGET ORDINANCE
FISCAL YEAR 2020-2021**

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF VALDESE, NORTH CAROLINA, THAT:

Section 1: The following amounts are hereby appropriated to the fund set forth for the operation of the town government and its activities for the fiscal year beginning July 1, 2020, and ending June 30, 2021, in accordance with the chart of accounts heretofore established for this town:

GENERAL FUND - OPERATIONS \$ 5,702,543

Governing Body	\$	67,971
Administration		1,001,572
Public Works		285,090
Maintenance & Grounds		260,513
Planning		121,284
Police		1,031,661
Fire		907,336
Street		360,498
Powell Bill		19,500
Sanitation		301,430
Recreation		832,030
Tourism/Community Affairs		513,658

GENERAL FUND - CAPITAL OUTLAY \$ 636,500

Governing Body	\$	-
Administration		49,500
Public Works		-
Maintenance & Grounds		-
Planning		-
Police		41,000
Fire		45,000
Street		325,000
Powell Bill		125,000
Sanitation		-
Recreation		20,000
Tourism/Community Affairs		31,000

WATER SEWER FUND - OPERATIONS \$ 4,908,381

Water	\$	1,956,317
Wastewater		1,858,506
Water & Sewer Construction		1,093,558

WATER SEWER FUND - CAPITAL OUTLAY \$ 130,600

Water	\$	45,000
Wastewater		45,000
Water & Sewer Construction		40,600

TOTAL BUDGET \$ 11,378,024

Section 2: It is estimated, and therefore appropriated, that the following revenues will be made available to the respective funds for the fiscal year beginning July 1, 2020 as follows:

GENERAL FUND	\$	6,339,043
UTILITY FUND		5,038,981

TOTAL REVENUES \$ 11,378,024

Section 3: There is hereby levied an ad valorem tax at the rate of fifty-four and one half cents (\$0.545) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2020, for the purpose of raising a portion of the revenue listed in the General Fund appropriation in Section II of this ordinance.

This rate, based upon an estimated total valuation of \$387,557,794 will generate a levy of \$2,047,557 with an estimated collection rate of 96.94%.

Section 4: As set forth in the Utility Fund Debt Service Section of the FY 2020-2021 budget document, the amount of \$386,674 is appropriated for the purpose of debt service and that this amount is sufficient for the complete and proper payment of all bond principal, bond interest and commissions on the outstanding debt of the town relating thereto for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

Section 5: As set forth in the General Fund Debt Service Section of the FY 2020-2021 budget document, the amount of \$260,244 is appropriated for the purpose of debt service and that this amount is sufficient for the complete and proper payment of all bond principal, bond interest and commissions on the outstanding debt of the town relating thereto for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

Section 6: The operating funds encumbered on the financial records of June 30, 2020 are hereby reappropriated into this budget.

Section 7: The corresponding "Fiscal Year 2020-2021 Rate and Fee Schedule" is approved with the adoption of this Annual Budget Ordinance.

Section 8: The Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a. He may transfer amounts between line-item expenditures within a department without limitation and without a report being required.
- b. He may transfer amounts of \$10,000 between departments of the same fund with an official report on such transfer at the next regular meeting of the Town Council.
- c. He may not transfer any amounts between funds or from any contingency appropriation within any fund without approval of the Town Council.

Section 9: The Budget Officer is hereby authorized to execute agreements, within funds included in the Budget Ordinance or other actions by the Governing Body, for the following purposes:

- a. Form grant agreements to public and non-profit organizations
- b. Leases of routine business equipment
- c. Consultant, professional, or maintenance service agreements
- d. Purchase of supplies, materials, or equipment where formal bids are not required by law
- e. Applications for and agreements for acceptance of grant funds from federal, state, public, and non-profit organizations, and other funds from other governmental units, for services to be rendered which have been previously approved by the Governing Body
- f. Construction or repair projects
- g. Liability, health, life, disability, casualty, property, or other insurance or performance bonds
- h. Other administrative contracts which include agreements adopted in accordance with the directives of the Governing Body.

Section 10: Copies of this budget ordinance and accompanying documents shall be furnished to the finance office, budget officer, and other department heads of the Town of Valdese to be kept on file by them for their direction in the disbursement of funds.

This ordinance is adopted on this the 29th day of June, 2020.

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

Attest: /s/ Town Clerk

Councilwoman Hildebran made a motion to adopt the **FY 2020-2021 Budget Ordinance**, seconded by Councilman Thompson. The vote to adopt was as follows: Hildebran-aye, Sweezy-aye, Thompson-aye, Ogle-nay, and Stevenson-nay.

APPROVED RESOLUTION FOR SUPPORT OF APPLICATION TO THE 2021 RECREATIONAL TRAILS PROGRAM

Resolution in Support of Application to the 2021 Recreational Trails Program – Valdese Lakeside Park Mountain Bike Trail System

WHEREAS the Division of Parks and Recreation, the North Carolina Trails Program and the North Carolina Trails Committee value trail projects that are legal, safe, managed and provide connectivity, reasonable public access and parking; and

WHEREAS the North Carolina State Trails Program administered by the North Carolina Division of Parks and Recreation is tasked with distributing funds from the 2021 Recreational Trails Program (RTP); and

WHEREAS the North Carolina Trails Program and North Carolina Trails Committee invite applications for RTP grant funding for sustainable, shovel-ready projects that leverage local funds to meet recreational trail needs, in an effort to provide low infrastructure economic development opportunities through natural resource tourism; and

WHEREAS the Town of Valdese supports the Valdese Lakeside Park Mountain Bike Trails RTP Grant application to design and construct approximately five miles of intermediate natural surface mountain bike trails at Valdese Lakeside Park; and

WHEREAS in order to receive funds the Town of Valdese is required to provide a 25 percent match, or \$62,500 to the requested grant amount of \$250,000; and

WHEREAS the Town of Valdese will use the planning and engineering costs that were incurred as part of the 2019 PARTF project as its 25 percent match for a trailhead parking area and an approximately 4,000 linear foot crushed fines greenway that will support the mountain bike trail system; and

WHEREAS the project will be completed within a 3-year time frame.

NOW THEREFORE the Town of Valdese Council resolves to support the application to the 2021 Recreational Trails Program.

RESOLUTION was unanimously adopted.

This is 29th day of June, 2020.

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

ATTEST:

/s/ Town Clerk

Councilwoman Hildebran made a motion to approve the Resolution for Support of Application to the 2021 Recreational Trails Program, seconded by Councilman Sweezy. The vote was unanimous.

Mayor Black asked Parks & Recreation Director Doug Knight to explain the plan with the Pool Bubble. Mr. Knight shared that the pool will only be open to a certain number of people, including lap swimmers who have to schedule their swim. Mr. Knight has to limit the number of swimmers. Revenues are down, so not taking down the bubble will save on expenses. Mr. Knight shared there is no safe way to take the bubble down six feet distancing. There will also be savings with the amount of chemicals that will not have to be put in the pool due to no sun exposure. The cost to take down the bubble is around \$12,000 that would be saved. Councilman Ogle asked why the pool couldn't be open all day. Mr. Knight shared that we only have one full-time lifeguard, but he is the supervisor and has other important tasks to complete in a day.

AWARD OF BID – CHLORINE DISINFECTION CONVERSION RJ Mozeley, with McGill & Associates, presented a Resolution for a tentative award of bid for the Water Treatment Plant Disinfectant Conversion Project. Staff and McGill Associates, P.A., recommends awarding the bid to the lowest responsible bidder Gilbert Engineering Company in the amount of \$676,600.00. (Other bids: The Harper Corporation - \$726,000.00 and Carolina Grading and Utilities - \$1,440,175.00)

RESOLUTION OF TENTATIVE AWARD

WHEREAS, the Town of Valdese, North Carolina has received bids, pursuant to duly advertised notice therefore, for construction of the Water Treatment Plant Disinfectant Conversion (NCDWI Project H-SRP-D-18-0163), and

WHEREAS, the Town’s Consulting Engineer, McGill Associates, P.A. has reviewed the bids; and

WHEREAS, Gilbert Engineering Company, Inc. was the lowest responsive, responsible bidder for the Water Treatment Plant Disinfectant Conversion (NCDWI Project H-SRP-D-18-0163), in the total bid amount of \$676,600.00, and

WHEREAS, the consulting Engineer recommends **TENTATIVE AWARD** to the lowest responsive, responsible bidder.

NOW, THERE FORE, BE IT RESOLVED that **TENTATIVE AWARD** is made to the lowest bidder(s) in the Total Bid Amount of \$676,600.00.

Name of Contractor	Amount
1. <u>Gilbert Engineering Company</u>	<u>\$676,600.00</u>
2. <u>The Harper Corporation</u>	<u>\$726,000.00</u>
3. <u>Carolina Grading and Utilities</u>	<u>\$1,440,175.00</u>

BE IT FURTHER RESOLVED that such **TENTATIVE AWARD** be contingent upon the approval of the North Carolina Division of Water Infrastructure (Funding Agency) and upon additional funds offered from the Funding Agency to cover all project costs.

Upon motion of _____, seconded by _____, the above **RESOLUTION** was unanimously adopted.

This is 29th day of June 2020.

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

ATTEST:

/s/ Town Clerk

Mayor Black asked if the bid \$676,600.00 was close to the number that we had plugged into our CIP. Mr. Mozeley explained that it is an increase of \$225,000.00. It is now \$883,000.00 for the total project. The original construction bid was anticipated to be around the \$500,000.00 mark, but it came back at the higher level. \$164,575.00 was the original state principle forgiveness amount. The CIP will be adjusted next year to account for the increase. Mr. Mozeley stated that the equipment bids we received were more than what had been developed in the original estimates.

Councilman Ogle made a motion to award the tentative bid to Gilbert Engineering Company, in the amount of \$676,600.00, seconded by Councilwoman Hildebran. The vote was unanimous.

MANAGER’S REPORT: Town Manager Seth Eckard made the following announcements:

Town Offices will be closed on Friday, July 3rd, 2020, in observance of Independence Day.

We are very unfortunate we are going through the COVID-19 pandemic, and we hate that we cannot have our 4th of July celebration. We look forward to next year.

Please remember to complete your Census form. This will affect the Town’s revenues for the next ten years.

MAYOR AND COUNCIL COMMENTS:

Councilwoman Hildebran shared that Mr. Daryl Johnson, who purchased the home at 909 Main St. from Mr. Deal, has passed away. This will put the house on hold until we find out who will own the property.

CLOSED SESSION Mayor Black called for a motion to recess into Closed Session pursuant to NC General Statute 143-318.11 (a) (6) to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee. The motion was seconded by Councilwoman Hildebran and the vote was unanimous.

At 6:52 p.m., Councilman Sweezy made a motion to recess into Closed Session pursuant to NC General Statute 143-318.11 (a) (6) to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee. The motion was seconded by Councilman Ogle. The vote was unanimous.

At 7:03 p.m., Councilman Ogle made a motion to return to Open Session, seconded by Councilwoman Stevenson. The vote was unanimous.

TOWN MANAGER'S CONTRACT ADJUSTMENT Councilwoman Stevenson made a motion that if Council decided to terminate Mr. Eckard from his position, he would be paid six months of severance pay contingent upon his willingness to change his resignation notice from thirty days to ninety days, seconded by Councilwoman Hildebran. The vote was unanimous.

ADJOURNMENT: At 7:04 p.m., there being no further business to come before Council, Councilman Ogle made a motion to adjourn, seconded by Councilwoman Hildebran. The vote was unanimous.

The next meeting is a regularly scheduled meeting on Monday, August 3, 2020, 6:00 p.m., Valdese Town Hall.

Town Clerk
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Mayor