

MINUTES OF MIDWAY TOWN COUNCIL REGULAR MEETING HELD ON JUNE 6, 2016 AT 7:00 P.M. IN THE COUNCIL CHAMBER AT MIDWAY TOWN HALL, 426 GUMTREE ROAD, MIDWAY, NORTH CAROLINA

CALL TO ORDER

Mayor John Byrum called the meeting to order and welcomed everyone present.

Councilor Keith Leonard introduced Reverend Dan Nelson of Friedberg Moravian Church who gave the invocation and led in the Pledge of Allegiance prior to the opening gavel.

Councilors present were: John Byrum, Mike McAlpine, Jackie Edwards, Keith Leonard, Robin Moon, and Todd Nifong. Absent: None. Interim Town Manager Gary Looper, Town Attorney Jim Lanik and Town Clerk Linda Hunt were present.

Each Councilor had been furnished an agenda prior to the meeting.

No members of press were in attendance.

APPROVAL OF MINUTES

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Jackie Edwards, Council voted unanimously to approve the minutes of the May 2, 2016 Town Council regular meeting as presented.

On motion by Councilor Todd Nifong, seconded by Councilor Keith Leonard, Council voted unanimously to approve the minutes of the May 16, 2016 Town Council Special Meeting as presented.

On motion by Councilor Robin Moon, seconded by Councilor Todd Nifong, Council voted unanimously to approve the minutes of the May 23, 2016 Town Council Special Meeting as presented.

PUBLIC ADDRESS

Emily Smith, 216 Kanah Drive in Midway, President of the Midway Swim Club addressed Council to request the Town's financial assistance in order to keep the swimming pool open, citing declining membership and unpaid membership dues as contributing factors to the financial struggle the club is currently facing. Ms. Smith asked for the Town's help in paying off the club's existing loan for repairs and an amount for their revolving line of credit for the current year's recurring expenses. She also noted there are some additional repairs that need to be made to the concrete area surrounding the pool. Their annual operating budget is \$65,000 with membership dues being \$350 yearly.

Mr. Norman Wilkes, 679 Country Lane in Midway, said he supports the cause of the Midway Swim Club and encouraged Council to take it into consideration. Mr. Wilkes asked the Council to keep the public informed as to the direction the Town is headed, stating he would like to see Council provide residents with handout information to that effect.

Mr. Raymond Leak, 261 Spring Road in Midway, asked Council for an update on the status of his complaint regarding the dilapidated structure and condition of the property adjoining his property. Mr. Leak was advised that someone would discuss that matter with him following the Council meeting if he could stay until that time. Mr. Leak agreed to wait until after the meeting for discussion.

ADOPT AGENDA

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Jackie Edwards, Council voted unanimously to adopt the agenda as presented.

REGULAR BUSINESS

TOWN OF MIDWAY BUDGET ORDINANCE FOR FISCAL YEAR 2016-2017

At the Town Council Special Meeting held on May 23, 2016, Interim Town Manager Gary Looper presented his budget message and proposed budget for Fiscal Year 2016-2017, after which the Town Council called for a public hearing to be held on Monday, June 6, 2016, at 7:00 p.m. at Midway Town Hall to receive citizen input on the proposed budget.

The public hearing was advertised in the *The Dispatch* as required by law and also posted on the Town's website.

A. PUBLIC HEARING TO ADOPT BUDGET ORDINANCE

Mayor Byrum opened the public hearing on the proposed Town of Midway Budget Ordinance for Fiscal Year 2016-2017.

Ms. Emily Smith, President of Midway Swim Club, requested that funds be added to the budget to help the Midway Swim Club, adding there are some repairs that do need to be made to the pool area. Interim Town Manager Gary Looper told Ms. Smith he has sent Council the information she had submitted to him.

Mayor Pro Tem Mike McAlpine commented to Ms. Smith that she has done a great job presenting her case; however, he encouraged her to follow the process by completing and submitting the grant application.

Mayor Byrum added that Ms. Smith's pleas on behalf of the Midway Swim Club have not fallen on deaf ears.

Mr. James Wayne Smith commented that the Midway Swim Club is not a public pool and he does not believe that tax dollars should go to a private organization.

There being no further public comments, Mayor Byrum closed the public hearing.

B. ADOPTION OF TOWN OF MIDWAY BUDGET ORDINANCE FOR FISCAL YEAR 2016-2017

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Jackie Edwards, Council voted unanimously to adopt the Town of Midway Budget Ordinance for Fiscal Year 2016-2017.

TOWN OF MIDWAY
BUDGET ORDINANCE
FISCAL YEAR 2016-2017

Be it ordained by the Town Council of the Town of Midway, North Carolina, at a regular meeting on the 6th day of June, 2016 at 7:00 p.m. that the following departmental expenditures and anticipated fund revenues, together with certain restrictions, are adopted.

Section I

General Fund Appropriations

The following amounts are hereby appropriated in General Fund for operation of the Town Government and its activities for the fiscal year beginning July 1, 2016 and ending June 30, 2017.

Governing Board	\$ 42,800
Administration	405,650
Public Safety	75,000
Public Works	607,500
Planning & Zoning	50,150
Debt Service	155,000
Sewer Extension	250,000
Total Appropriations	\$ 1,586,100

Section II

Anticipated General Fund Revenues

The following revenues are estimated to be available in the General Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017.

Ad Valorem Taxes	
Taxes-Ad Valorem -Current	\$ 159,000
Taxes-Ad Valorem-DMV	15,000 -
Taxes-Ad Valorem- Prior	3,400
Penalties & Interest	1,000
Refunds/Discounts	(900)
Sales Tax	840,000
Utility/Franchise Taxes	175,000
Solid Waste Tax	2,200
Investment Earnings	3,300
Planning Permits	1,000
Other	5,000
Fund Balance Appropriated	382,100
Total General Fund Revenues	\$ 1,586,100

Section III

Ad Valorem Taxes

It is estimated that the total valuation of property for the purpose of taxation is \$362,541,119 and the estimated collection rate is \$97.69%. There is hereby levied a tax at the rate of five (.05) cents per one hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2016 for the purpose of raising revenues listed as "Ad Valorem Tax, Current Year" in Section II, General Fund Revenues of this Ordinance.

Section IV

Finance Officer Transfer Authority

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

- a. May transfer amounts up to \$5,000 between objects of expenditure within a department or between departments of the same fund with a report being submitted at the next regularly scheduled meeting of the Town Council.
- b. May not transfer any amount between fund accounts nor from contingency appropriations without prior approval of the Town Council.
- c. That the Town Council shall receive written request for authorization of funds to other agencies.
- d. That the Finance Officer provides a monthly report of expenditures and revenues.

Section V

Budget Ordinance Copies

Copies of the Budget Ordinance shall be furnished to the Finance Officer, the Budget Officer and the Tax Supervisor of this Town for their direction in carrying out of their duties.

Adopted this 6th day of June, 2016.

CONSIDER ADOPTION OF RESOLUTION DECLARING CERTAIN PERSONAL PROPERTY SURPLUS AND AUTHORIZING DISPOSITION OF SURPLUS PROPERTY IN ACCORDANCE WITH N.C.G.S. 160A-267 AND N.C.G.S. 160A-266(d)

In accordance with N.C.G.S. 160A-266(a)(b), a city may dispose of real or personal property belonging to the city by private negotiation and sale. Private negotiation and sale may be used only with respect to personal property valued at less than thirty thousand dollars (\$30,000) for any one item or group of similar items. Per N.C.G.S. 160A-267, when the council proposes to dispose of property by private sale, it shall at a regular council meeting adopt a resolution or order authorizing an appropriate city official to dispose of the property by private sale at a negotiated price. The resolution or order shall identify the property to be sold and may, but need not, specify a minimum price. A notice summarizing the contents of the resolution or order shall be published once after its adoption, and no sale shall be consummated thereunder until 10 days after its publication.

N.C.G.S. 160A-266(d) provides that a city may discard any personal property that (i) is determined to have no value; (ii) remains unsold or unclaimed after the city has exhausted efforts to sell the property using any applicable procedure under Article 12; or (iii) poses a potential threat to the public health or safety.

On motion by Councilor Jackie Edwards, seconded by Councilor Robin Moon, Council voted unanimously to adopt the Resolution Declaring Certain Personal Property Surplus and Authorizing Disposition of Surplus Property in accordance with N. C. G. S. 160A-267 and N. C. G. S. 160A-266(d).

**RESOLUTION DECLARING CERTAIN PERSONAL PROPERTY SURPLUS AND
AUTHORIZING THE DISPOSITION OF
SURPLUS PROPERTY BY PRIVATE SALE AND NEGOTIATION**

WHEREAS, the Town Council of the Town of Midway desires to dispose of certain surplus property of the Town of Midway; and

WHEREAS, the North Carolina Statute 160A-267 permits the Town to sell such property by private sale, upon authorization by the governing board at a regular meeting; and

WHEREAS, North Carolina General Statute 160A-266(d) authorizes municipalities to discard personal that that is determined to have no value.

NOW, THEREFORE, BE IT RESOLVED by the Town Council that:

1. The following described property is hereby declared surplus to the needs of the Town of Midway:

- 1 Ricoh Copier/Printer (1 SPC 231 SF) – SOC Series
- 10 Chairs Public Seating, fabric with metal frame, stackable, with armrest (worn)
- 1 Small refrigerator – 1.7 cu. ft. (operable)
- 1 Small microwave - .9 cu. ft. (operable)
- 1 Safe – Fire Resistant – combination unknown
- 1 Phone system – 1 base unit, 1 wireless handset with chargers

2. The Interim Town Manager is authorized to dispose of the described property by private sale at a negotiated price.

3. The Town of Midway Clerk shall publish notice summarizing this Resolution in accordance with G. S. 160A-267.

4. The sale may be consummated not earlier than 10 days from the date of publication.

5. All items shall be sold on an “as is” basis and the Town makes no guarantee or assumes no responsibility for any of the items.

BE IT FURTHER RESOLVED that the following described personal property is determined to have no value to the Town of Midway and the Interim Town Manager is authorized to discard the personal property as listed:

- 1 Small office desk with one drawer – 2 x 4 ft. – drawer broken
- 1 Office desk – 5 drawers – 3 x 5 ft. – drawers broken
- 1 Coffee maker – Carafe Drip Type
- 1 Vacuum cleaner
- 1 Computer – Laptop
- 1 Carry case – Laptop

Adopted this the 6th day of June, 2016.

CONSIDER ADOPTION OF RESOLUTION DECLARING CERTAIN PERSONAL PROPERTY SURPLUS AND AUTHORIZING DONATION OF SURPLUS PROPERTY TO OTHER GOVERNMENTAL UNIT IN ACCORDANCE WITH N.C.G.S. 160A-280

In accordance with N.C.G.S. 160A-280, a city may donate to another governmental unit within the United States, a sister city, or a nonprofit organization incorporated by (i) the United States, (ii) the District of Columbia, or (iii) one of the United States, any personal property, including supplies, materials, and equipment, that the governing board deems to be surplus, obsolete, or unused. The governing board of the city shall post a public notice at least five days prior to the adoption of a resolution approving the donation.

The Town wishes to donate a large oval conference table together with the ten conference table chairs to the Midway Fire and Rescue Department.

The public notice was posted on June 2, 2016.

On motion by Councilor Todd Nifong, seconded by Councilor Keith Leonard, Council voted unanimously to adopt the Resolution Declaring Certain Personal Property Surplus and Authorizing Donation of Surplus Property to the Midway Fire and Rescue Department in accordance with N. C. G. S. 160A-280.

RESOLUTION DECLARING CERTAIN PERSONAL PROPERTY SURPLUS AND AUTHORIZING THE DONATION OF SURPLUS PROPERTY TO OTHER GOVERNMENTAL UNIT

WHEREAS, the North Carolina Statute 160A-280 permits the Town to donate to another governmental unit any personal property, including supplies, materials, and equipment, that the governing board deems to be surplus, obsolete, or unused; and

WHEREAS, the Town Council of the Town of Midway desires to donate certain surplus property of the Town of Midway to the Midway Fire and Rescue Department; and

WHEREAS, Town of Midway Clerk has posted a public notice of the donation of the surplus personal property to the Midway Fire and Rescue Department at least five days prior to the adoption of a resolution approving the donation.

NOW, THEREFORE, BE IT RESOLVED by the Town Council that the following described personal property is declared surplus to the needs of the Town of Midway

- 1 Large Oval Conference 4 x 10 ft.
- 10 Conference Table Chairs, fabric, height adjustable with armrests

BE IT FURTHER RESOLVED by the Town Council that the said surplus personal property hereby authorizes the donation of said surplus personal property to the Midway Fire and Rescue Department.

ADOPTED this the 6th day of June, 2016.

CONSIDER ADOPTION OF BUDGET AMENDMENT TO APPROPRIATE FOR TOWN HALL SITE PREPARATION AND DEBT SERVICE PAYMENTS - BUDGET AMENDMENT 1-16

Interim Town Manager Gary Looper advised Council that the Town's auditor, Eddie Carrick, had recommended moving funds around in the budget to align the items accordingly. These changes are simply transferring funds from one account to another and do not change the total budget.

On motion by Mayor Pro Tem Mike McAlpine, seconded by Council Keith Leonard, Council voted unanimously to adopt Budget Amendment 1-16 to appropriate for Town Hall site preparation and debt service payments.

BA-1-16

Town of Midway
Budget Amendment
For Year Ended June 30, 2016

Be it ordained by the Town Council of the Town of Midway, North Carolina at its regular meeting on the 6th of June, 2016 at 7:00 p.m. that the following budget amendment be adopted to appropriate for Town Hall Site Preparation and Debt Service Payments.

	Increase (Decrease)
<u>General Fund</u>	
Town Hall Site Prep Parking	\$ 205,000
Fund Balance Appropriation	\$ (205,000)
Debt Service	\$ 250,000
Payments and Transfers	\$ (250,000)

CONSIDER APPROVAL OF CONTRACT WITH INDEPENDENT ELEVATOR SERVICE, INC. -INSPECTION AND LUBRICATION AGREEMENT

Town Attorney Jim Lanik advised Council he has reviewed the proposed Inspection and Lubrication Agreement with Independent Elevator Service, Inc. for the elevator located in Town Hall and he has some major concerns with the contract as written, mostly notably under the Terms and Conditions which he says will require some fairly extensive changes.

Interim Town Manager Gary Looper noted that the company will still come if we call them whether or not we have this contract with them.

After some discussion, it was the consensus of Council to delay consideration of this item until the next regular Town Council meeting on July 18, 2016.

CONSIDER DISCUSSION OF LAND DEVELOPMENT ORDINANCE (LDO)

Mayor Byrum recognized the Midway Planning Board members who were present and assured them that the Council has not forgotten about the Land Development Ordinance.

Councilor Robin Moon stated he had requested this item be placed on the agenda. Councilor Moon said he wants to make sure that all the changes have been made and then for Council to call for a public hearing so the Town can receive input from Midway citizens on the LDO.

Mayor Pro Tem Mike McAlpine commented that the Council has not had an LDO packet since January of this year.

Mayor Byrum noted he received an email on January 26 regarding the LDO but that was the latest email he had received on the subject.

Councilor Jackie Edwards, who was appointed to fill the vacant seat on Council and was sworn into office on March 7, 2016, said she has not seen the revised LDO.

Interim Town Manager Gary Looper stated he would contact Benchmark to get most recent copy of the LDO and forward it on to the Council.

Discussion followed. No action taken.

TOWN MANAGER'S REPORTS
MONTHLY FINANCIAL REPORT

Interim Town Manager Gary Looper provided Council with the monthly financial report.

Total Income

July 1, 2015 – June 2, 2016	\$1,154,865
Forecast for Fiscal Year 2015-2016	\$1,130,000

Note: As of June 2, 2016, the Town has received \$24,865 more revenues than anticipated for fiscal year 2015-2016.

Expenses

July 1, 2015 – June 2, 2016	\$1,685,450
Forecast for Fiscal Year 2015-2016	\$2,200,900

Note: As of June 2, 2016, the Town has expended only 76.58% of its budgeted expenditures for fiscal year 2015-2016. With the budget amendment, the amount of expenditures is reduced to 69%, which is well under budget.

For information only.

TOWN HALL CLOSED MONDAY, JULY 4, 2016 – INDEPENDENCE DAY HOLIDAY

Interim Town Manager Gary Looper stated that in accordance with the adopted 2016 Holiday Schedule, Town Hall will be closed on Monday, July 4, 2016 in observance of Independence Day.

For information only.

NEXT TOWN COUNCIL MEETING – MONDAY, JULY 18, 2016

Interim Town Manager Gary Looper reminded Council that the next regular Town Council meeting is scheduled for Monday, July 18, 2016.

For information only.

Other matters of information:

- The cost of insurance for Town Hall remains the same.
- Contract with North Davidson Garbage, Inc. for Solid Waste and Recycling Collection is a 10-year contract and does not expire until April 31, 2021.
- Contract with Benchmark CMR, Inc. will be an hourly contract.

ADJOURNMENT

On motion by Councilor Jackie Edwards seconded by Mayor Pro Tem Mike McAlpine, Council voted unanimously to adjourn the meeting at 7:58 p.m.

John E. Byrum, Mayor

Linda A. Hunt, Town Clerk