

**MINUTES OF MIDWAY TOWN COUNCIL REGULAR MEETING HELD ON
NOVEMBER 5, 2018 AT 7:00 P.M. IN THE COUNCIL CHAMBER AT MIDWAY
TOWN HALL, 426 GUMTREE ROAD, MIDWAY, NORTH CAROLINA**

CALL TO ORDER

Mayor Pro Tem Mike McAlpine called the meeting to order and welcomed everyone present.

Councilor Jackie Edwards introduced Carl Tuttle of Midway who gave the invocation and led in the Pledge of Allegiance prior to the opening gavel.

Councilors present were: Mike McAlpine, Todd Nifong, Robin Moon, Keith Leonard and Jackie Edwards. Absent: Mayor John Byrum. Town Attorney Jim Lanik, Interim Town Manager/Town Clerk Linda Hunt and Deputy Clerk Tammy Robertson 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 Councilor Jackie Edwards, seconded by Councilor Robin Moon, Council voted unanimously to approve the minutes of the October 1, 2018 Town Council regular meeting as presented.

On motion by Councilor Todd Nifong, seconded by Councilor Jackie Edwards, Council voted unanimously to approve the minutes of October 15, 2018 Town Council special meeting as presented.

PUBLIC ADDRESS

There were none.

ADOPT AGENDA

The agenda was amended as follows:

Under VII. REGULAR BUSINESS, **delete item 2.** Award of Bid for Town Park Walking Trails.

On motion by Councilor Todd Nifong, seconded by Councilor Jackie Edwards, Council voted unanimously to adopt the agenda as amended.

PROCLAMATION

Mayor Pro Tem Mike McAlpine proclaimed Monday, November 12, 2018, as Veterans Day in the Town of Midway in tribute to the veterans of all wars: the living, the disabled, and the deceased, and urged all citizens to join in the expression of appreciation to the many veterans in our community who have given so much on our behalf in times of both war and peace.

**PROCLAMATION
VETERANS DAY 2018**

WHEREAS, our nation was founded on the belief that all citizens are guaranteed the inalienable rights of life, liberty, and the pursuit of happiness; and

WHEREAS, since our nation's inception, our veterans have served with honor and distinction, protecting the liberties of our state and nation, at home and abroad; and

WHEREAS, many have paid the supreme sacrifice so that we may enjoy the essential principles of liberty and free government while maintaining peace and honor; and

WHEREAS, in 1954, President Dwight D. Eisenhower signed the first Veterans Day proclamation calling on our nation to "pay appropriate homage to the veterans of all its wars who have contributed so much to the preservation of this nation";

NOW, THEREFORE, BE IT RESOLVED that I, Mike McAlpine, Mayor Pro Tem of the Town of Midway, do hereby proclaim Monday, November 12, 2018, as

VETERANS DAY

in the Town of Midway in tribute to the veterans of all wars: the living, the disabled, and the deceased, and urge all citizens to join in the expression of appreciation to the many veterans in our community who have given so much on our behalf in times of both war and peace.

This the 5th day of November, 2018

REGULAR BUSINESS

PRESENTATION – AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2018 – EDDIE CARRICK CPA, PC

Auditor Eddie Carrick of Eddie Carrick, CPA, PC, presented the audit report for fiscal year ending June 30, 2018. Mr. Carrick reported that the Town received an "unqualified opinion." An unqualified opinion is an independent auditor's judgment that a company's financial records and statements are fairly and appropriately presented, and in accordance with Generally Accepted Accounting Principles (GAAP).

Mr. Carrick stated that the audit report is a public document and pointed out that pages 3-10 provide a narrative overview and analysis of the financial activities of the Town of Midway for the year ended June 30, 2018. Mr. Carrick encouraged readers to read the information presented in conjunction with additional information that has been furnished in the Town's financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of fiscal year by \$6,634,919 (net position).
- The government's total net position increased by \$722,355, due to increases in the governmental type activities net position.
- As of the close of the current fiscal year, the Town of Midway's governmental fund reported an ending fund balance of \$4,476,596 with a net increase of \$650,043 in fund

balance. Approximately 24 percent of this total amount, or \$1,064,683, is restricted or assigned.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,411,914, or 365 percent of the total General Fund expenditures for the fiscal year.
- The debt of the Town decreased by \$88,339 due to principal debt payments of \$65,800, an increase in accrued vacation of \$2,279, and a decrease in net pension liability of \$20,260.

Mr. Carrick noted that the Town had experienced a collection rate of 97.6% of ad valorem taxes which is above the state average.

A complete copy of the Audit Report for Fiscal Year ending June 30, 2018 is on file at Town Hall and on the Town’s website at www.midway-nc.gov for public inspection.

AWARD OF BID FOR TOWN PARK WALKING TRAILS

This item was removed from the agenda.

PRESENTATION – WATERPROOFING QUOTES FOR TOWN HALL BASEMENT – JAMES SMITH

Town Hall Committee member Mr. James Smith presented to Council quotes that he has received from several waterproofing companies regarding water leaks in the basement of Town Hall. Originally, it was believed to only be one leak, but several leaks were noticed that resulted from heavy rains from hurricanes Florence and Michael.

Waterproofing quotes and services are as follows:

COMPANY	SERVICES	PRICE QUOTE
AMCO WATERPROOFING	Contractor to remove approximately 6” of concrete slab around perimeter walls in basement.	172’ H2NO Basement Waterguard Drain System \$7,740.00
	Remove sheetrock along middle of left wall to access concrete slab.	H2NO Super Sump Pump and drain up to 15’ from building (quantity 2) \$3,000.00
	Install XL waterguard system and 2 sump pumps (1 at existing sump pump location and 1 in front left corner in the basement).	New dedicated GFCI outlet for sump pump \$350.00
	Pipe off drain lines from sump pumps at least 15’ from building.	Labor to remove and replace wall material and any other components of the wall \$300.00
	Electrician to install one dedicated GFCI outlet for the sump pump in front left corner of basement.	Santa Fe Classic Upright Dehumidifier \$1,500.00
	The system comes with a lifetime transferable warranty and sump pumps have a 3 year manufacturer’s warranty.	Total Cost \$12,890.00

<p>WILLARD WATERPROOFING</p>	<p>Install an interior french drain system to all walls of basement leading to a 30" catch basin and ½ horsepower sump pump discharging the water away from the building with 1 ½" pvc pipe.</p> <p>Price of job can increase \$300-600 if sandstone or rock is hit while digging.</p> <p>The sump pump if needed, is guaranteed by the manufacturer for a period of one year.</p>	<table> <tr> <td>Total Cost</td> <td>\$7,265.00</td> </tr> <tr> <td>Deposit</td> <td>\$1,265.00</td> </tr> <tr> <td>Balance due</td> <td>\$6,000.00</td> </tr> </table>	Total Cost	\$7,265.00	Deposit	\$1,265.00	Balance due	\$6,000.00		
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<p>TARHEEL BASEMENT SYSTEMS</p>	<p>Install 176' of basement gutter. This includes:</p> <p>Removing concrete as needed</p> <p>Drilling weep holes as necessary in the interior cores of the block</p> <p>Installation of non-clogging waterproofing drainage system</p> <p>Clean drainage rock and reinstallation of concrete.</p> <p>Install triple pump system with large liner, 1/3 horsepower cast iron primary AC pump, ½ horsepower cast iron AC back-up pump and battery back-up pumping system with charging/control box with alarm and 120 amp sealed maintenance free battery. Includes 3 pump stands, airtight lid with airtight floor drain and water alarm system. Will require installation of 2 dedicated outlets at CUSTOMER'S EXPENSE.</p> <p>Run dedicated circuit to equipment from service panel, install GFCI breaker.</p> <p>Proposal includes up to \$1,000.00 in electrical work</p> <p>Offers 25 year life of structure warranty</p>	<p>Price Proposed Products</p> <p>176' of basement gutter</p> <p>5 mini grate drains</p> <p>SafeDri Triple Sump Pump</p> <p>Santa Fe Elite (upright) Dehumidifier</p> <p>Electrical</p> <p>5 year service plan</p> <table> <tr> <td>Total Contract Price</td> <td>\$16,079.00</td> </tr> <tr> <td>Deposit</td> <td>\$6,431.60</td> </tr> <tr> <td>Due upon completion</td> <td>\$9,647.40</td> </tr> </table>	Total Contract Price	\$16,079.00	Deposit	\$6,431.60	Due upon completion	\$9,647.40		
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<p>BDRY WATERPROOFING</p>	<p>Contractor will remove concrete slab around perimeter of the walls and install 181' of Free Flo Drain System.</p> <p>Install ¾ horsepower sump pump</p> <p>Pump alarm and battery backup system</p> <p>Basement and crawlspace dehumidifier</p> <p>Recommends replacing drywall due to being wet over a period of time (not included)</p>	<table> <tr> <td>181' Free Flo Drain System</td> <td>\$10,860.00</td> </tr> <tr> <td>BDry 5000 ¾ hp Sump Pump with battery backup</td> <td>\$3,100.00</td> </tr> <tr> <td>Santa Fe Dehumidifier</td> <td>\$1,380.00</td> </tr> <tr> <td>Total Cost</td> <td>\$15,340.00</td> </tr> </table>	181' Free Flo Drain System	\$10,860.00	BDry 5000 ¾ hp Sump Pump with battery backup	\$3,100.00	Santa Fe Dehumidifier	\$1,380.00	Total Cost	\$15,340.00
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Santa Fe Dehumidifier	\$1,380.00									
Total Cost	\$15,340.00									

After reviewing each quote, Councilor Todd Nifong commented that Amco Waterproofing was the only company that offered a lifetime transferrable warranty as well as a three year manufacturer's warranty on the sump pumps and said that it was important for Council to contract with a company that would do a good job in order to protect the Town's investment.

After discussion, it was the consensus of Council to contract with Amco Waterproofing for the water leak repairs needed in the basement of Town Hall. Town Attorney Jim Lanik will prepare the contract between Amco Waterproofing and the Town to be presented to Town Council for approval at the December 3, 2018 regular Town Council meeting.

Also discussed was the option of having a battery backup for the sump pumps or purchasing a generator that would serve the sump pumps and provide backup electricity for Town Hall if needed. Councilor Keith Leonard asked Mr. Smith how long a battery backup generally lasts. Mr. Smith responded by saying that battery backups typically last between two and five years.

After discussion, Council agreed that the purchase of a generator for Town Hall was the best option; however, due to the cost of a generator large enough to serve the entire Town Hall, it was the consensus of Council to not purchase the generator at this time but to include funds for the purchase in next year's budget.

ADOPT 2019 TOWN COUNCIL MEETING SCHEDULE

On motion by Councilor Keith Leonard, seconded by Councilor Jackie Edwards, Council voted unanimously to adopt the 2019 Town Council Meeting Schedule as presented.

2019 MIDWAY TOWN COUNCIL MEETING SCHEDULE

Meetings of the Midway Town Council are generally held on the 1st Monday of each month, unless otherwise listed, at 7:00 p.m., in the Town Hall Council Chambers located at 426 Gumtree Road.

January 7
February 4
March 4
April 1
May 6
June 3
July 15
August 5
September 3
(Tuesday)*
October 7
November 4
December 2

* To observe the Labor Day Holiday, the September regular meeting will be held on the first Tuesday of the month.

ADOPT 2019 TOWN OF MIDWAY HOLIDAY SCHEDULE

On motion by Councilor Todd Nifong, seconded by Councilor Jackie Edwards, Council voted unanimously to adopt the 2019 Town of Midway Holiday Schedule.

2019 TOWN OF MIDWAY HOLIDAY SCHEDULE

New Year's Day	Tuesday, January 1
Martin Luther King, Jr. Day	Monday, January 21
Good Friday	Friday, April 19
Memorial Day	Monday, May 27
Independence Day	Thursday, July 4
Labor Day	Monday, September 2
Veterans Day	Monday, November 11
Thanksgiving	Thursday, November 28 Friday, November 29
Christmas	Tuesday, December 24 Wednesday, December 25 Thursday, December 26

TOWN MANAGER'S REPORTS

MONTHLY FINANCIAL REPORT

Council was provided with monthly financial reports for October 2018 as follows:

October 31, 2018

Total Income	\$ 559,823	44.0 % of overall budget
Total Expenses	\$ 199,292	15.7 % of overall budget

For information only.

CHRISTMAS PARADE – SATURDAY, NOVEMBER 24, 2018

The Midway Christmas Parade is scheduled for Saturday November 24, 2018 at 1:00 p.m.

For information only.

MAGILLA ENTERTAINMENT TO FILM IN DAVIDSON COUNTY

Magilla Entertainment will be filming in Davidson County November 22 – December 22 for an upcoming Discovery Channel film.

For information only.

REMINDER: TOWN HALL WILL BE CLOSED – OBSERVANCE OF HOLIDAYS

Town Hall will be closed on Monday, November 12, 2018 in observance of Veterans Day and on Thursday, November 22 and Friday November 23, 2018 for Thanksgiving Holidays.

For information only.

RECESS TO CLOSED SESSION

On motion by Councilor Todd Nifong, seconded by Councilor Keith Leonard, Council voted unanimously to recess to closed session in accordance with N.C.G.S. 143-318.11(a)(3)(4)(6) to discuss matters pertaining to attorney client privilege, economic development and personnel.

(Mayor Pro Tem Mike McAlpine called for a ten-minute recess.)

RECONVENE TO OPEN SESSION

On motion by Councilor Todd Nifong, seconded by Councilor Keith Leonard, Council voted unanimously to reconvene to open session.

On motion by Councilor Todd Nifong, seconded by Councilor Moon, Council voted unanimously to add the following items to the agenda following Closed Session:

1. Renewal of Contract with Retail Strategies, LLC – Year Two – and Adoption of Budget Ordinance No. 19-03.
2. Authorization to proceed with legal action against the record owners of 154 Livengood Drive, Winston Salem, NC, including but not limited to, Dustin Sean Floyd, for violations of Town of Midway Solid Waste Ordinance, Zoning Ordinance and other ordinances as may be determined.

RENEWAL OF CONTRACT WITH RETAIL STRATEGIES, LLC – YEAR TWO – AND ADOPTION OF BUDGET ORDINANCE NO. 19-03

On motion by Councilor Robin Moon, seconded by Councilor Keith Leonard, Council voted to approve the renewal of the contract with Retail Strategies, LLC for year two by a 3-2 split vote. Voting in favor were Councilors Robin Moon, Keith Leonard and Todd Nifong. Voting against were: Mayor Pro Tem Mike McAlpine and Councilor Jackie Edwards.

On motion by Councilor Todd Nifong, seconded by Councilor Robin Moon, Council voted to adopt Budget Ordinance No. 19-03 to appropriate Fund Balance for costs associated with the contract with Retail Strategies, LLC by a 3-2 split vote. Voting in favor were Councilors Robin Moon, Keith Leonard and Todd Nifong. Voting against were: Mayor Pro Tem Mike McAlpine and Councilor Jackie Edwards.

TOWN OF MIDWAY, NC
BUDGET ORDINANCE NO. 19-03

AMENDMENT TO THE TOWN OF MIDWAY ANNUAL BUDGET FOR FY 2018-2019 TO
APPROPRIATE FUND BALANCE FOR COSTS ASSOCIATED WITH CONTRACT
WITH RETAIL STRATEGIES, LLC

BE IT ORDAINED by the Town Council of the Town of Midway, North Carolina that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2019:

	Increase (Decrease)
<u>General Fund</u>	
General Government	
Midway Economic Development	\$ 15,000
Fund Balance Appropriated	\$ (15,000)

Adopted this 5th day of November, 2018

AUTHORIZATION TO PROCEED WITH LEGAL ACTION AGAINST THE RECORD OWNERS OF 154 LIVENGOOD DRIVE, WINSTON SALEM, NC, INCLUDING BUT NOT LIMITED TO, DUSTIN SEAN FLOYD, FOR VIOLATIONS OF TOWN OF MIDWAY SOLID WASTE ORDINANCE, ZONING ORDINANCE AND OTHER ORDINANCES AS MAY BE DETERMINED.

On motion by Councilor Todd Nifong, seconded by Councilor Jackie Edwards, Council voted unanimously to authorize James C. Lanik, Town Attorney, to take legal action, including but not limited to filing an action in the District Court of Davidson County, against the record owner or owners of 154 Livengood Drive, Winston Salem, NC, including but not limited to Dustin Sean Floyd, for violations of Town of Midway Solid Waste Ordinance, Zoning Ordinance and other ordinances as may be determined.

ADJOURNMENT

On motion by Councilor Todd Nifong, seconded by Councilor Jackie Edwards, Council voted unanimously to adjourn the meeting at 9:58 p.m.

Mike McAlpine, Mayor Pro Tem

Tammy H. Robertson, Deputy Clerk