

**MINUTES OF MIDWAY TOWN COUNCIL REGULAR MEETING HELD ON FEBRUARY 1, 2021 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.

Mayor Pro Tem Mike McAlpine gave the invocation and led in the Pledge of Allegiance prior to the opening gavel.

Councilors present were: John Byrum, Mike McAlpine, Robin Moon, Keith Leonard, Jackie Edwards and Berkley Alcorn. Absent: None. Town Manager Tammy Michael, Town Clerk Linda Hunt, Town Attorney Jim Lanik, Deputy Clerk Tammy Robertson, Davidson County Planning Director Scott Leonard, Davidson County Zoning Officers Lee Crook and Travis Swain 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 Keith Leonard, Council voted unanimously to approve the minutes of the December 7, 2020 Town Council regular meeting as presented.

**PUBLIC ADDRESS**

There were none.

**ADOPT AGENDA**

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

**REGULAR BUSINESS**

**PRESENTATION – AUDIT REPORT FOR FISCAL YEAR ENDING JUNE 30, 2020 – EDDIE CARRICK CPA, PC**

Auditor Tony Brewer of Eddie Carrick, CPA, PC presented the audit report for fiscal year ending June 30, 2020. Mr. Brewer reported the Town received an “unqualified opinion.” An unqualified opinion is an independent auditor's judgment that the Town's financial statements are fairly and appropriately presented, without any identified exceptions, and in compliance with generally accepted accounting principles (GAAP).

Mr. Brewer stated the audit report is a public document and pointed out that pages 3-10 provide a narrative overview written and financial analysis of the financial activities of the Town of Midway for the year ended June 30, 2020. Mr. Brewer stated these pages are written in laymen's terms and encouraged readers to read the information presented in conjunction with the additional information that has been furnished in the Town's financial statements.

**Financial Highlights**

- The assets and deferred outflows of resources of the Town of Midway exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$8,239,951 (*net position*).

- The government's total net position increased by \$786,331, 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 \$5,438,855 with a net increase of \$230,486 in fund balance. Approximately 27 percent of this total amount, or \$1,509,843, is non spendable, restricted, or assigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,929,012, or 263 percent of the total General Fund expenditures for the fiscal year.
- The debt for the Town increased by \$1,587 due to an increase in accrued vacation of \$318, and an increase in net pension liability of \$1,269.

Mr. Brewer stated that the Town ad valorem tax collection rate of 97.69% remains steady.

A complete copy of the Audit Report for Fiscal Year ending June 30, 2020 is on file at Town Hall and on the Town's website at [www.midway-nc.gov](http://www.midway-nc.gov) for public inspection.

### **DISCUSSION – CONTRACT RENEWAL WITH GFL – TRASH AND RECYCLING SERVICES**

Solid Waste and Recycling Collection is a flagship service provided by the Town of Midway. Citizens are provided weekly collection of garbage and recycling at no additional costs.

North Davidson Garbage and Recycling has provided the collection services since May 1, 2008. The initial contract did not include recycling; however, the May 1, 2011 contract began providing recycling collection services. In August 2019, Waste Industries, d/b/a GFL Environmental acquired North Davidson Garbage and Recycling. GFL Environmental honored the contract in place, which expires May 1, 2021 and has submitted for Town Council's review, a proposal to continue the collection services. **Exhibit A** of the proposal outlines the terms of the new proposed agreement:

#### **Exhibit A:**

- Cost per household remain at \$9.21 per month, per household, for weekly collection of garbage and recycling (Note: most municipalities are moving to bi-weekly (every other week collection of recycling due to higher disposal fees and are limiting recyclable items.) GFL's proposal does not change current service levels for recycling.
- Town of Midway will continue to pay all landfill fees at actual cost (no administrative cost added for pre-paying the fees.) Collection and disposal costs for 2019-2020 were \$297,037.45.
- GFL Environmental will provide service to Town Hall, Fire Department, Police and Ambulance locations at no cost.

*Changes to the current agreement (this will not affect services to citizens, however there is an impact to the annual budget)*

- *The Town of Midway will begin July 1, 2021, paying the processing fees for recycling (this is now standard practice in all municipalities.) The recycling market is volatile and historically most municipalities have paid little to nothing for recycling collection and disposal. The current processing fee is \$90 per ton at the North Davidson Recycling Center. Other local recycling centers range from \$125 to \$150 per ton. GFL Environmental will bill the Town of Midway actual processing fees (no administrative cost added for prepaying the fees.)*

- *The new recycling processing fees will impact the Town's annual budget by an estimated additional \$30,000.00. This projected amount is calculated upon the 2019-2020 recycling tonnage collected as reported on the annual Solid Waste Report.*
- *GFL Environmental is waiving the recycling charges for the remainder of the current contract (May – June.) The current fiscal budget will not be impacted by additional disposal costs.*
- *GFL Environmental will provide bulk item (such as sofas, chairs, tables, etc.-no construction, and demolition materials) and white goods (residential appliances such as stoves, refrigerators, microwave ovens, dishwashers, etc.) removal to the residents. This will be done as a direct transaction between Contractor and Resident. Residents will call Contractor and pay direct to Contractor with credit card for specific items to be scheduled for curbside collection. (Council has previously discussed options for this service and now it can be provided to residents with no additional revenue appropriations.)*

If Council chooses not to consider the proposal for renewal, the service will be required to go through the formal sealed bid process. If GFL Environmental chooses not to extend the contract, the Town could possibly be without garbage and recycling collection services until the bid process is completed and a contract awarded.

GFL Environmental Government Contract Manager Norma Yanez, and General Manager Seth Heath, were available to answer any questions that Council might have regarding the contract proposal for solid waste and recycling services for the Town.

Ms. Yanez stated that Waste Industries began in Raleigh, North Carolina in 1971. GFL Environmental, a Canadian based company, merged with Waste Industries a couple of years ago, but the United States Corporate office has remained in Raleigh.

Town attorney Jim Lanik reviewed the contract and suggested rewording section 9-b in the contract regarding negotiations on addendum to agreement to adjust service fee.

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Robin Moon, Council voted unanimously to approve the contract with Waste Industries LLC, d/b/a GFL Environment for solid waste and recycling collection services with Town Attorney Jim Lanik's revisions for the Town of Midway.

#### **UPDATE – CHAPTER 160D OF NORTH CAROLINA GENERAL STATUTES – TOWN ATTORNEY JIM LANIK**

The new Chapter 160D of the North Carolina General Statutes (N.C.G.S.) consolidates current city and county enabling statutes for development regulations (now in Chapters 153A and 160A) into a single, unified chapter. Chapter 160D places these statutes into a more logical, coherent organization. While the new law does not make major policy changes or shifts the scope of authority granted to local governments, it does provide many clarifying amendments and consensus reforms that will need to be incorporated into local development regulations.

Town attorney Jim Lanik stated that the new Chapter 160D is in effect now and that the contractors that the Town hired to conform the Town's current Zoning and Subdivision Ordinances have completed the process. The Town's current Zoning and Subdivision ordinances will remain in effect until the updates required by Chapter 160D are adopted and effective no later than July 1, 2021. The new Chapter 160D of the General Statutes consolidates all land use planning and zoning into one statute instead of multiple statutes, making it more consistent and useable.

Davidson County Zoning Officer Lee Crook stated that the main change that Chapter 160D makes to the ordinances is that conditional use zoning has been eliminated and conditional zoning will remain. Conditional zoning requires only one legislative action and that terms and conditions can be negotiated much easier.

A call for public hearing to adopt Chapter 160D of the N.C.G.S. will be added to the April 5, 2021 Town Council agenda for consideration and the public hearing to be held at the May 3, 2021 Town Council meeting.

Mr. Crook introduced Scott Leonard as the new Davidson County Planning Director as of February 1, 2021.

For information only.

**DISCUSSION – CONTRACT RENEWAL WITH PINWILZ COMPANY, LLC – WEBSITE**

Website presence and access is one of the first and foremost communication portals for citizens, businesses, and the public; and is historically the first place searched for information. The Town of Midway's new website designed and maintained by PinWilz, LLC, positively represents the Town.

The Town of Midway currently contracts with PinWilz, LLC to maintain the website pages. Town Staff continues to update the agenda, minutes, and calendar features. PinWilz, LLC assists with the more complicated updates, revisions, and redesigns.

- PinWilz LLC, representative Dru Heldman has submitted a quote (Exhibit A) for Annual Recurring Services in the amount of \$690.00. This amount covers the annual software renewal cost (\$325.00), and the antivirus protection annual software renewal (\$365.00).
- Webmaster retainer \$510.00 (Exhibit A) renewable in blocks of six (6) hours (\$85.00 per hour.)

Town attorney Jim Lanik has reviewed and approved the contract.

On motion by Councilor Jackie Edwards, seconded by Councilor Keith Leonard, Council voted unanimously to renew the contract with PinWilz LLC for maintenance of the Town's Website for a period of one year.

**TOWN MANAGER'S REPORTS**

**SET DATE FOR VISION WORKSHOP**

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Keith Leonard, Council voted unanimously to schedule a Vision Workshop on Thursday, February 25, 2021 at 6:00 p.m. at Town Hall.

**SET DATES FOR BUDGET WORKSHOPS**

On motion by Councilor Jackie Edwards, seconded by Councilor Berkley Alcorn, Council voted unanimously to schedule a Budget Workshop on Thursday, March 25, 2021 at 6:00 p.m. at Town Hall.

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Berkley Alcorn, Council voted unanimously to schedule a Budget Workshop on Thursday, April 22, 2021 at 6:00 p.m. at Town Hall.

**PRESS RELEASE – NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2021**

The recently approved National Defense Authorization Act for Fiscal Year 2021 includes three new Agent Orange presumptive illnesses for Vietnam veterans. In addition to the recognized fourteen

presumptive illnesses that a veteran could receive service-connected disability compensation for, the Veteran's Administration will add Parkinsonism, bladder cancer and hypothyroidism as Agent Orange presumptive illnesses for Vietnam veterans.

For more information, contact Veterans Services Director Rick Johnson at 336-242-2037 or email at [ricky.johnson@davidsoncountync.gov](mailto:ricky.johnson@davidsoncountync.gov)

**DAVIDSON COUNTY SENIOR SERVICES – LIKE A GOOD NEIGHBOR CAMPAIGN**

In an effort to combat social isolation and loneliness in order adults, Davidson County Senior Services is excited to introduce the *Like a Good Neighbor Campaign*. Because of COVID-19, the lack of daily personal contact has left many senior adults lonely and missing the connections of family and friends. As a result, Davidson County Senior Services developed a toolkit that includes activities to engage and resources to help lonely older adults feel connected again.

Davidson County Senior Services invites all citizens to take part in this campaign by leading a project in their neighborhood, church, or community network. The toolkit can be accessed on the web at [www.co.davidson.nc.us/seniorservices](http://www.co.davidson.nc.us/seniorservices), or by emailing [senior.services@davidsoncountync.gov](mailto:senior.services@davidsoncountync.gov) or calling (336)-242-2290.

**MONTHLY FINANCIAL REPORT**

Council was provided with monthly financial reports for December 31, 2020 and January 31, 2021 as follows:

December 31, 2020

Total Income	\$ 924,190	65.3 % of overall budget
Total Expenses	\$ 421,234	29.7 % of overall budget

January 31, 2021

Total Income	\$ 1,060,137	74.9 % of overall budget
Total Expenses	\$ 490,063	34.6 % of overall budget

Town Manager Tammy Michael updated Council on the status of a Certificate of Deposit (CD) the Town currently holds with Home Trust Bank. The CD is due to renew on February 15, 2021. The interest rate that was earned on the CD in 2020 was 1.99%. The current rate is 1.65%. Home Trust representatives have proposed the following five scenarios of future investment options for the money as follows:

CD Term	Rate of Return
3 - months	.07%
6 - months	.07%
9 - months	.01%
12 - months	.12%
18 - months	.18%

The Town's Money Market account is currently earning .08%. Home Trust has a Fixed Annuity option for investing the money allowing the interest to be accrued and paid at the end of the term. The Town's interest earnings on the current CD are down approximately \$14,000 from this time last year. Home Trust's representatives are continuing to look at investment options for the Town.

For information only.

(Mayor Byrum called for a five-minute recess).

**RECESS TO CLOSED SESSION**

On motion by Councilor Robin Moon, 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) for matters pertaining to attorney-client privilege.

**RECONVENE TO OPEN SESSION**

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Jackie Edwards, Council voted unanimously to reconvene to open session.

Upon returning to open session, on motion made by Councilor Robin Moon, seconded by Councilor Berkley Alcorn, Council voted unanimously to authorize Town Attorney Jim Lanik to proceed with the Settlement Agreement and Judgment between the Town of Midway and Karyn R. Divine regarding real property located at 272 Stephen Boulevard, Winston-Salem, North Carolina 27107.

**ADJOURNMENT**

On motion by Councilor Jackie Edwards, seconded by Councilor Berkley Alcorn, Council voted unanimously to adjourn the meeting at 8:28 p.m.

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John E. Byrum, Mayor

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Tammy H. Robertson, Deputy Clerk