

**Town of Mocksville
Regular Board Meeting
May 5, 2020**

The Town of Mocksville Board of Commissioners met for the Regular Board Meeting on Tuesday, May 5, 2020 at 6:00 p.m. The meeting was held at the Energy United Building located at 182 South Salisbury Street Mocksville, NC.

Present:	Mayor, Will Marklin	Absent:
Commissioners Present:	Amy Vaughan-Jones	
	Rob Taylor	
	Justin Draughn	
	Brian Williams	
	Eric Southern	

Others Present:
Matt Settlemyer, Town Manager
Lynn Trivette, Town Clerk
Pat Reagan, Police Chief
Tami Langdon, Community Development

Mayor Marklin called the meeting to order welcoming everyone in attendance.

The Town of Mocksville Board paused for a moment of silence.

Mayor Marklin led the Pledge of Allegiance.

Adoption of Agenda

A motion was made by Commissioner Williams to adopt the agenda as written. The motion was seconded by Commissioner Southern which carried by a unanimous vote 5-0.

Citizen Comments

Mayor reads; Under GS 160-81.1, the Board shall provide one period for public comment per month. Public comments are a valued part of the Board meeting but we also have to handle monthly business items. If your public comment is not heard this month we provide the same opportunity at each month's Board meeting. Public comments are limited to 3 minutes per comment. The Mayor asks that groups appoint spokespersons for groups supporting the same position, especially when the number of people wishing to attend the meeting exceeds the capacity of Town Hall. When the comments become repetitive and no longer provide new information then discussion for this meeting may be stopped. As a reminder, the comment period is not a question and answer session. As always, the Mayor shall provide for the maintenance of order and decorum in the conduct of the comment period.

No one spoke

Communications from Boards, Commissions and Agencies

Mayor, Marklin observed the following Proclamations; Firefighter's Day, National Prayer Day, Police Officer Memorial Day and Public Works Week.

Consent Agenda

A motion was made by Commissioner Taylor to adopt the consent agenda as presented. The motion was seconded by Commissioner Draughn which carried by a unanimous vote of 5-0. Items approved were: (A) March 3, 2020 Regular Board Meeting Minutes (B) April 16, 2020 Special Meeting Budget Workshop held by (zoom) public conference call (C) Monthly Financials (D) Tax Releases.

Presentation of Annual Budget Message for FY 2020-2021

Town Manager discussed the budget message for FY 2020-2021.

The good news is as of May 1 the Town is \$781,000 to the good in general fund and \$183,000 in the enterprise fund.

This time last year, the Town was \$(739,000) in the rears in general fund. Due to the hard work of the Board and Department Heads, \$1.5 million has been made up in the budget during this current year. In the enterprise fund, the Town was \$(135,000) in the rears at this time last year.

We appropriated \$500,000 in fund balance and have not used any of it thus far this year. This would be the first time since 2015 that fund balance has not been used.

Ad Valorem tax rate is proposed at 29 cents (\$0.29/\$100) and projected to generate \$2,623,404 for FY 2020-21. No increase.

Sales and Use tax are projected to be \$1,295,000. Franchise Tax is projected at \$482,000. These projections will have to be monitored in light of the ongoing response to the COVID-19 pandemic.

The consensus of the Board April 16, 2020 was acceptable to decrease the motor vehicle tax to \$15, which would generate \$50,000. The budget reductions for the \$15 motor vehicle tax includes:

Parks - \$5,000 reduction (eliminates paving for \$27,000 and adds concrete pad for \$22,000)

Special Projects-\$22,000 reduction (eliminates engineering study of traffic light at Gaither and Salisbury)

Community Development - \$3,620 reduction (eliminates decorative wraps for utility boxes at Main Street Park and the Square)

Police - \$22,000 reduction (eliminates 11 of the 22 LPR cameras)

Commissioner Vaughan-Jones asked Chief Reagan to elaborate on the cameras needed for the PD.

Chief Reagan addressed the Board: Non-violent crimes are one of the highest incidents with unsuccessful prosecution. This is mainly due to the lack of reliable and available evidence. Automatic license plate recognition technology can be used by stationary cameras to observe the identifying license plates on vehicles. This information can be used by law enforcement to help locate specific vehicles, types of vehicles, full or partial license plates, and even the direction of travel of vehicles that may have been

involved in a crime. By placing cameras at high traffic areas of the Town, officers anticipate increasing the possibility of identifying or locating vehicles without increasing staff resources.

Additionally, since these cameras may have widespread applications, the cost of these cameras may be offset from contributions from businesses, industries, and even community associations. Cameras can be added or deleted from the network and even physically moved if the recorded information is not as valuable as initially perceived. The number of cameras deployed will depend on the total funds available.

In 2019, the Board of Commissioners approved the establishment of Capital Reserve Funds for the General Fund. Capital Reserve Funds serve as a long-range financial planning tool to finance future capital projects. With the proposed budget for FY 2020-21 we have included \$50,000 for the future purchase of a fire truck.

The \$100,000 for paving would include Hemlock and Crow Street. The paving of Depot Street would be included but how far is unknown.

The COVID-19 will have an impact on revenues for the future budget but how much is unknown. The plan for capital project purchases is to wait until the fall of 2020 and revisit the revenues. Purchases will require management approval.

The FY 2020-21 Budget for the Water and Sewer Fund is proposed to be \$6,910,173 and includes a 7% rate increase. For a resident of the Town using 3,000 gallons of water bi-monthly, this would equate to a monthly increase of \$4.42. The operations makes up 4% of the 7%.

Commissioner Vaughan-Jones does not think a 7% increase in the enterprise fund would be a good idea. Too many citizens struggling daily with their bills and the loss of jobs. We should look at the percentage again and see what is best for this year.

Commissioner Vaughan-Jones would like the vehicle tax to go back to \$0.00.

Commissioner Southern wanted to know what 5% would look like for the enterprise fund.

The Town has numerous capital improvements budgeted for FY 2020-21 that include the following:

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|--------------------------------------------|--------------------|
| • CDBG Infrastructure Improvements (grant) | \$2,650,000 |
| • Water and Sewer Line Replacement | \$ 550,000 |
| • Misc. Site and Mechanical Improvements | \$ 200,000 |
| • Automatic Water Meter Installation | \$ 250,000 |
| • Bulk Sodium Hydroxide Tank | \$ 100,000 |

In the Enterprise Fund we have budgeted an annual payment of \$223,040 for the Wastewater Treatment Plant renovations. The first payment for these improvements is due in May of 2021 and the outstanding balance is \$3,630,000. This annual payment makes up 1% of the 7% increase.

April 16, 2020, Mr. Willis from Willis Engineers explained the importance of these Capital Projects including the ongoing yearly maintenance. Mr. Willis agreed the 7% increase was essential knowing the rate study would come in at a higher percentage. These projects makes up 2% of the 7%.

The consensus of the Board on April 16, 2020 was acceptable to the 7% increase.

Commissioner Vaughan-Jones thinks the Town should implement a flat pay no COLA index for FY 2020-21. She knows the employees work hard and deserve an increase but this year due to the impact of COVID-19 and the unknown revenues it would be best to eliminate the 2.5% COLA. The State is not giving a raise to their employees. If the economy looks better during the year, the Board could amend at a later time.

Commissioner Williams would like more information on the sales tax.
Commissioner Southern would like more information on the franchise tax.

Commissioner Vaughan-Jones would like to see the unemployment analysis inside the city limits (%).

A motion was made by Commissioner Williams to schedule a public hearing regarding the FY 2020-2021 annual budget on June 2, 2020 at 6:00pm located at the Energy United Building 182 S. Salisbury Street. The motion was seconded by Commissioner Southern which carried by a unanimous vote 5-0.

Consider Resolution for Municipal Clerks Week May 3 through May 9, 2020

A motion was made by Commissioner Taylor to adopt the resolution for Municipal Clerks Week May 3 through May 9, 2020. The motion was seconded by Commissioner Draughn which carried by a unanimous vote 5-0.

Consider Mocksville Tourism Development Authority Board Appointments

A motion was made by Commissioner Taylor to re-appoint Tami Langdon, Chhaya Barad and Caroline Moser to the MTDA Board term ending June 2022. The motion was seconded by Commissioner Williams which carried by a unanimous vote 5-0.

A motion was made by Commissioner Taylor to appoint Justin Draughn to the MTDA Board term ending June 2022. The motion was seconded by Commissioner Williams which carried by a vote of 3-2. Commissioner Vaughan-Jones and Commissioner Southern voting, against.

Consider Engineering Contract for Utility Improvements to Serve Brakebush Brothers

Willis Engineers is pleased to submit the attached Agreement for Engineering Services for your consideration. The scope of work contemplated by the Agreement would include the technical services necessary for design, regulatory, survey, subsurface, bidding and construction of the water and wastewater improvements to serve Brakebush Brothers Chicken as defined by the Preliminary Engineering Report (PER) of October 17, 2019. We have based our fees on our best estimate of time and expenses with a total amount not to exceed \$330,000 as suggested in the PER. These amounts represent approximately 15% of the estimated construction costs.

A motion was made by Commissioner Southern to approve the engineering contract for utility improvements to serve Brakebush Brother. The motion was seconded by Commissioner Taylor which carried by a unanimous vote 5-0.

Consider Resolution Declaring Statutorily Mandated Public Hearings as Essential Governmental Operations Pursuant to the North Carolina Governor's Executive Order No. 121 Dated March 27, 2020

The resolution declares that all statutorily mandated public hearings are Essential Governmental Operations as defined by Executive Order 121. The Commissioners, the Town Manager, the Town Clerk, the Town Attorney, and other employees and contractors designates, including law enforcement officers,

are authorized to perform all functions necessary or desirable to conduct such public hearings and to accommodate the attendance of citizens and members of the public at such public hearings.

A motion was made by Commissioner Vaughan-Jones to adopt the resolution declaring statutorily mandated public hearings as essential governmental operations pursuant to the NC Governor's Executive Order No. 121 dated March 27, 2020. The motion was seconded by Commissioner Taylor which carried by a unanimous vote 5-0.

Consider the Annual Inter-Local Agreement between the Davie County Economic Development Commission (EDC) and the Town of Mocksville

The inter-local agreement provides:

Advice and recommendations to the County, Mocksville, and Bermuda Run for the development and formulation of goals and objectives for the overall economic development of Davie County and its towns.

Promotion of industrial growth and expansion which is beneficial to the welfare of Davie County, Mocksville, Bermuda Run and citizens thereof and to the preservation of the environment of Davie County and all of its towns.

Initiate and support activities in Davie County, Mocksville, Bermuda Run, and all of its towns, which are directed toward increasing and developing a pool of trained local industrial labor.

Develop and maintain up-to-date data on Davie County, Mocksville, Bermuda Run and all towns in the county, which are conducive to promoting economic development in Davie County, Mocksville, Bermuda Run, and all towns in the county.

Endeavor to keep abreast of Federal and State Legislative actions, which may impact economic development of Davie County, Mocksville, Bermuda Run, and all towns in the county.

Identify and search for grants and investors to facilitate the accomplishment of development projects.

In return for these services, Davie County, Mocksville and Bermuda Run will each provide funding to EDC annually with the annual amount being determined by the percentage of tax base based on the audited Financial Statements and Compliance Reports as of June 30 for each applicable fiscal year. The calculations for the fiscal year ending on June 30, 2019 are:

Mocksville-2020-2021	\$921,662,759.00	0.000078	\$71,890.00
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A motion was made by Commissioner Williams to approve the annual inter-local agreement between the Davie County EDC and the Town. The motion was seconded by Commissioner Draughn which carried by a unanimous vote 5-0.

Communication from Town Staff

Town Attorney: Absent

Town Manager: The Town has submitted all documentation to the LGC for the REDLG loan to be approved. This resolution was approved November 5, 2019. The resolution approved the granting of economic development incentives to Davie Industrial Center, LLC by way of the grant participation in the REDLG program for a USDA zero interest loan up to \$500,000. The Town will pledge a first lien security interest to the lender in a deposit account for \$500,000 funded out of the General Fund of the Town, pursuant to the authority of NC Gen. Stat. 160A-17.2 as amended under S.L. 2015-207 (HB 538).

A \$500,000 loan from the lender, funded by a loan/grant from the USDA Rural Economic Development Loan and Grant (REDLG) passed through the lender to the County.

No cost to the Town and it will be placed in a separate bank account titled escrow agreement.

Communication from Mayor and Town Board

Commissioner Southern: Congratulations to Lynn for Municipal Clerks Week and thanks for he the good budget numbers this year and the hard work.

Adjourn

A motion was made by Commissioner Williams to adjourn the May 5, 2020 Regular Board Meeting. The motion was seconded by Commissioner Taylor which carried by a unanimous vote 5-0.

William J. Marklin, Mayor

Lynn Trivette, Town Clerk, NCCMC