

**MINUTES  
SEPTEMBER 12, 2016**

**REGULAR MEETING  
7:00pm**

Mayor Pardue and all Council Members were present except for Council Member Wolfe. Ms. Judith Wolfe passed away September 8, 2016.

Mayor Pardue called the meeting to order and led the invocation followed by the Pledge of Allegiance.

**PUBLIC COMMENT PERIOD**

Jerry Brown addressed the Board concerning his sewer bill and culvert issue.

Heather Macy addressed the Board discussing 30<sup>th</sup> Anniversary Tri-C.

Virginia Wagoner addressed the Board about Ms. Wolfe and invited people to visit the History Center.

**APPROVAL OF MINUTES**

Council Member Moore made the motion to adopt the minutes for August 8, 2016, and Council Member Wall seconded the motion, passed unanimous 4-0.

**PUBLIC HEARING – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) APPLICATION**

Town staff has been working with an engineering firm on an application package for a Community Development Block Grant (CDBG) application. We have identified a number of locations in Town that are in need of water line replacement and/or repair. The CDBG program is designed to assist areas with predominantly low to moderate income households.

The areas that we identified as being in most need of immediate attention and most likely to be awarded grant funding include North Mineral Springs Drive, River Road and Shaw Street.

The first step in the process is to conduct a public hearing to allow the public to provide input on the proposed application. We will need to schedule a follow up meeting later this month to complete the application process.

Mayor Pardue recognized Mr. Clarence Lockamy to describe the CDBG program and our application specifically. Mr. Lockamy described as follows.

**TOWN OF JONESVILLE**  
**FY2016 CDBG-INFRASTRUCTURE GRANT APPLICATION**  
**PUBLIC HEARING SUMMARY**

**General CDBG**

- Required public hearing for the FY2016 Small Cities Community Development Block Grant (CDBG) application
- Purpose of public hearing is to allow citizens an opportunity to express views concerning the proposed project and activities, funding proposals, community development priorities of the Town, and review of program compliance prior to the Town's grant application to the state.
- This federal funding comes from the United States Department of Housing and Urban Development (U.S. HUD)
- CDBG program activities must meet one of the national objectives: (1) Benefit low- and moderate- income (LMI) persons; (2) Prevent or eliminate slum and blight; (3) Address an urgent need
- Eligible locations (non-entitlement communities):
  - All NC small cities except the 24 entitlement cities
  - All NC counties and except Cumberland, Mecklenburg, Union, and Wake
- Available funding in North Carolina- Economic Development (job creation/retention) and Infrastructure (water and sewer)
- **Economic Development** (projects for job creation/retention) - Administered by NC Department of Commerce (DOC) Rural Development Division (RDD). Grants are presented by DOC to the NC Rural Infrastructure Authority for approval.
- **Infrastructure** (water and sewer for LMI persons) - Administered by NC Department of Environmental Quality (NCDEQ) Division of Water Infrastructure (DWI). Grants are presented by DEQ-DWI to the State Water Infrastructure Authority (SWIA) for approval.
- The state received approx. \$43 million each year for the past 4 years.
- The estimated FY2016, and FY2017 Program Funding Years include about \$26 million for public infrastructure and about \$16 million for economic development

**Infrastructure Funding**

- Town is applying to DEQ for CDBG-Infrastructure grant funds
- Approx. \$26 million of the FY2016 funding is available- **Application deadline is 5:00 pm, September 30, 2016. This is the only application round for 2016 funding.**
- Awards in FY2016 are contingent on the State receiving the HUD grant, anticipated in after finalization of the state budget
- Awards are expected to be announced in January 2017
- Applicants can request and receive up to \$2 million over 3 years, consistent with N.C.G.S. 159G and SWIA rules
- Purposes of the CDBG-I program:
  - Improve quality of life for LMI persons by providing a safe, clean environment and clean drinking water through water and sewer infrastructure improvements and service extensions
  - Must benefit residential areas where at least 51% of beneficiaries are LMI as defined by HUD

- Perform activities eligible under federal guidelines and regulations
- Minimize displacement and provide displacement assistance as necessary
- Water projects can include (but are not limited to):
  - Resolving water loss in distribution systems
  - Extending public water to areas with contaminated wells
  - Extending water lines to areas with dry wells
  - Assisting with low water pressure in public water systems
  - Regionalization of two or more water systems
  - Rehabilitation or replacement of a water treatment plan
- Wastewater projects can include (but are not limited to):
  - Resolving inflow and infiltration to collection systems and surcharges from pumps stations and manholes
  - Extending public sewer to areas with failed septic tanks
  - Rehabilitation of a wastewater treatment plant to allow for greater efficiency/compliance with regulations

### **Proposed Project**

- It is proposed for the Town to request up to \$2 million (100% of total project costs) for a water project.
- **Proposed project activities include rehabilitation/replacement of approx. 6,076 linear feet (LF) of 2”- 8” water lines with 6” and 8 “ water lines along portions of Mineral Springs Road, Shaw Street and River Road. The project’s purpose is to rehabilitate or replace aging infrastructure that is allowing poor water quality to exist in the water system. Project activities will take place within the Town municipal limits. Only residential areas in non-floodway areas can be served by CDBG funding.**
- Formal public hearings have been held for every CDBG-I application round to inform citizens of the potential project and obtain feedback.
- The current proposed project is similar to the grant application submitted in the 2015 CDBG-I Application round.
- A total of 100% of CDBG-I funding will be used to benefit LMI persons. Based on the Town’s area-wide LMI and income surveys, the project area has been determined to have an LMI of approximately 82%.
- Grant funding includes costs for construction, environmental review, engineering reporting and design, construction administration and observations, legal activities, surveying and grant administration

### **Compliance**

- The Town has not received a CDBG grant in recent years.
- If awarded a CDBG-Infrastructure grant, the Town will adopt a Program Manual with plans required by U.S. HUD that will govern fiscal management, efficient operation and maintenance, and program compliance. Included in the CDBG Program Manual are plans such as:
  - American with Disabilities Act/Section 504 Plan to address non-discrimination in the treatment of and program access to handicapped/disabled persons
  - Fair labor standards in accordance with the U.S. Department of Labor (DOL) Davis-Bacon & Related Acts

- Citizen participation in and access to program information and implementation
- Equal opportunity and procurement through program implementation
- Fair Housing Plan to affirmatively furthering fair housing
- Language Access Plan to provide meaningful access to those with limited English proficiency
- Section 3 Plan to encourage job creation for local low-income persons
- Section 519 provision to prohibit the use of excessive force by law enforcement agencies within the jurisdiction against any individuals engaged in non-violent civil rights demonstrations
- Residential Anti-Displacement and Relocation Plan to ensure no that displacement / relocation of residents occurs during project implementation without public notification and just compensation
  - If awarded, the plan will be adopted by the Town.
  - Anti-displacement and relocation is primarily applicable to housing-related projects, however acquisition of public utility easements on private property also triggers the Uniform Relocation Act (URA)
  - No displacement of residents is anticipated during this infrastructure project; however, water/sewer service may be disrupted at times. Residents will be notified of any disruptions in service during project implementation.
  - Displacement assistance as necessary will be available for any legal fees and compensation

### **Citizen Comments**

- Application materials will be available at Town Hall upon request, between the hours of 8:00 AM and 5:00 PM.
- For additional information or to submit written comments, please contact: Lynn D. Trivette, Town Clerk Officer at 1503 NC Hwy 67, Jonesville, NC 27576, phone 336-835-3426.
- Comments should be postmarked no later than September 19, 2016 and a written response will be made within 10 business days.

### **Resolution**

- One resolution is associated in submitting the CDBG application for the Town delegate authority to persons to complete application documents that do not otherwise require board action.

*We open the floor for comments and questions about the CDBG program and about the proposed project.*

Public Hearing closed no one spoke.

## **RESOLUTION AUTHORIZING CDBG APPLICATION**

The second step in the process is for the Town Council to adopt the resolution included in your packet which gives the Mayor and/or Town Manager the authority to execute documents needed to submit the application package.

Council Member Moore made the motion to adopt the resolution which gives the Mayor and/or Town Manager the authority to execute documents to submit the application package and Council Member Wall seconded the motion, passed unanimous 4-0.

The Council also discussed the State Revolving Fund Grant / Loan program. This program may be applied for at the same time as the CDBG, however the funding may be part grant and part repayable loan. After discussion the Council agreed to apply for this funding program as well. Motion made by Council Member Moore, seconded by Council Member Darnell and passed unanimously.

## **PUBLIC HEARING – WATER RATES**

As discussed at recent meetings, the Town water department needs to average collections of approximately \$65,000 monthly to cover our budgeted expenses. Our current rates are projected to be 7.25% lower than needed to reach this amount. As requested at the workshop staff has prepared several rate options for the Council to consider that we believe would address the shortfall.

Public Hearing closed and no one spoke.

## **ACTION ITEM – WATER RATES**

### **RATE OPTIONS:**

- A.) Increase base fee (maintain base usage at 2,000 gallons) by \$2.00 per month and increase volumetric rate by \$1.00 to \$7.50 per 1,000
- B.) Maintain volumetric rate at \$6.50 per 1,000, eliminate base usage included in base fee (all usage is billed at volumetric rate) - base fee could be reduced to about \$15.00
- C.) Reduce base usage to 1,000 gallons per month and base fee to \$15.00 per month (only 1,000 gallons included in base fee, all other usage counted in volumetric rate)

Additional usage of approximately 935,000 gallons monthly would be included in the volumetric rate. Volumetric rate would need to increase by about \$1.85 per 1,000 gallons from \$6.50 to \$8.35 per 1,000.

- D.) Reduce base usage to 1,000 gallons per month and maintain base fee at \$20.00 per month (only 1,000 gallons included in base fee, all other usage counted in volumetric rate)

Additional usage of approximately 935,000 gallons monthly would be included in the volumetric rate. Volumetric rate would need to increase by about \$1.35 per 1,000 gallons from \$6.50 to \$7.85 per 1,000.

E.) Increase base usage to 4,000 gallons per month and increase base fee to \$40.00 per month. Keep volumetric rate at \$6.50 per 1,000.

Council Member Moore made the motion to approve rate option A and Council Member Wall seconded the motion, passed unanimous 4-0.

### **PUBLIC HEARING – REZONING REQUEST**

The owner of the property located at 114 Osborne Street (Yadkin County parcel number 122791, same being recorded in book 1187, page 832 of the Yadkin County Registry) has requested that the property be rezoned from R-12 (Medium Density Residential) to R-12 MH (Residential Manufactured Housing). The Planning Board met on August 25, 2016 and voted unanimously to recommend approval of the request. Prior to considering the request the Council must conduct a public hearing to hear citizen input.

Public Hearing closed no one spoke.

### **CONSIDERATION OF REZONING REQUEST**

Following the conclusion of the public hearing, the Council may consider approval of the requested rezoning for 114 Osborne Street.

Council Member Green made the motion to approve the rezoning at 114 Osborne Street and Council Member Wall seconded the motion, passed unanimous 4-0.

### **REQUEST TO UTILIZE TOWN PROPERTY – MAURICE RONDEAU**

Mr. Rondeau is proposing to start a business providing tube and kayak rentals along with transportation to an upstream location along the Yadkin River. He is requesting permission to use the Town owned property located at the end of Deer Run Road as a location for clients to disembark from the river. This property was acquired by the Town as part of the greenway grant project.

Council Member Wall made the motion to approve Mr. Rondeau using town property located at the end of Deer Run Road for clients to disembark from the river and Council Member Moore seconded the motion, passed unanimous 4-0.

### **BUDGET AMENDMENT – DAMAGE AT WATER PLANT**

A lightening storm has caused damage to equipment at the water plant. These items have been reported to our insurance carrier and we expect to receive reimbursement for our expenses.

Council Member Moore made the motion to approve budget amendment and Council Member Wall seconded the motion, passed unanimous 4-0.

## **CONTINUED DISCUSSION – OLD TOWN HALL**

As directed at last month's meeting Town staff has received bids to perform an asbestos survey of the old Town Hall. The survey must be completed to determine if there are any asbestos containing materials within the building that must be removed prior to demolition of the structure. The cost estimates are outlined below. Mr. Dewitt Whitten with Allied Consulting and Environmental is the only one of the three that actually came to look at the building. The others gave us a price over the phone without looking at the building.

Allied Consulting and Environmental Services, LLC	-	\$1,500
Trinity Environmental	-	\$600 to \$700
Pilot Environmental	-	\$1,000

Council Member Wall made the motion to approve the asbestos survey but not to go over \$700.00 and Council Member Darnell seconded the motion, passed unanimous 4-0.

## **REQUEST TO LEASE OLD LIBRARY PROPERTY**

A local business person (Terry Brown) has requested to lease the old library building to expand a current screen printing business. The offer is to pay \$300 per month rent in addition to performing certain repairs to the building including replacing window and door frames and other repairs as may be necessary.

Council Member Darnell made the motion to approve leasing the library month to month and Council Member Moore seconded the motion, passed unanimous 4-0.

## **RESOLUTION DECLARING SURPLUS PROPERTY**

Northwest corner of Shaw Street and River Road. The Town has received a bid of \$500 for the lot at the northwest corner of Shaw Street and River Road. The property was acquired jointly by the Town and Yadkin County via tax foreclosure. Staff recommends initiating the upset bid process as was recently used to dispose of town owned properties on W. Main Street and Osborne Street.

Council Member Wall made the motion to approve initiating the upset bid process for the Northwest corner of Shaw Street and River Road and Council Member Darnell seconded the motion, passed unanimous 4-0.

## **PURCHASING POLICIES AND PROCEDURES**

The purpose of the proposed policy is to implement procedures to encourage and promote responsible, efficient, ethical, and legal utilization of all Town purchases. Since the proposal is an administrative policy it does not require formal Council approval. However management wants the Council to be aware of the new procedures. Prior to this time Town staff has followed many of these processes, the written policy simply makes the process official.

Council Member Moore made the motion to approve purchasing policies and procedures (pre-audit) and Council Member Darnell seconded the motion, passed unanimous 4-0.

## **DEPARTMENTAL REPORTS**

The departmental reports are included in your agenda packet. The Council will need to make a motion to approve the monthly financial report.

Council Member Darnell made the motion to approve August financial reports and Council Member Moore seconded the motion, passed unanimous 4-0.

With no pending business to discuss Council Member Darnell made the motion to adjourn and Council Member, Moore seconded the motion and passed unanimous 4-0.

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Gene Pardue, Mayor

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Lynn Trivette, CMC, NCCMC