

August 9, 2016  
7:00 P.M.

The Town of Pink Hill held its monthly board meeting on Tuesday, August 9, 2016 at 7:00 p.m. in the town hall board room. Present for the meeting were Mayor Carol Sykes, Commissioners Mike Hill and James Quinn, Town Attorney George Jenkins, Public Works Director Timmy Kennedy, Town Clerk Kimberly Mitchell, and Assistant Clerk Shelia Ezzell. Commissioner Debra Grady was not present at this meeting.

Visitors present at the meeting were David Tuten and Linwood Stroud of Stroud Engineering.

Mayor Sykes called the meeting to order and requested for all cell phones to be turned off please. Mayor Sykes welcomed everyone to the meeting. Commissioner Hill then led everyone in the pledge of allegiance. Mayor Sykes stated that we have two of our board members present so we do have a quorum tonight. She said she received this letter or note this afternoon from Debra Grady dated August 9, 2016 to Carol Sykes, Mayor. Mayor Sykes then read the letter to the board. She said Debra Grady says in her letter that she is writing to formally notify you that I am resigning from my position as Commissioner effective immediately, Sincerely yours, Debra Grady. Mayor Sykes said that was the letter that she just received earlier today, but we do have a quorum and we will just discuss this later when we get down to updates or whatever. She stated that was all she knows. Commissioner Hill made a motion to approve the agenda with amendment 5a. Commissioner Quinn seconded the motion and it carried unanimously. Commissioner Hill made a motion to approve the consent agenda with regular board meeting minutes from July 12, 2016. Commissioner Quinn seconded the motion and it carried unanimously.

The first item on the agenda was discussion of Asset Application Grant Filed & Connect NC Bond for Sewer Projects. Mayor Sykes introduced Linwood Stroud and David Tuten with Stroud Engineering, P.A. Mr. Stroud stated he wanted to report to the board on the results of the grant application that we filed for the spring round and grant application for water system asset inventory and assessment and sewer system asset. He said, unfortunately, we did not make the cut. There were 185 applications submitted and of those 39 were funded and Pink Hill was number 47 and we missed it by 1 point. Mayor Sykes asked what was the 1 point about? Mr. Stroud stated they awarded points in three different categories which was project benefits, system management, and affordability. He said cutoff point was 16 points and Pink Hill scored 15 points and the highest scoring application was 22 points. He stated we do not know the mindset of how they graded these things. In fact this is the first time they have had any kind of grant applications where you didn't claim a certain number of points and then they review it to see if the claim was justified. In this case they just took the application and assigned the points themselves based on of course the material we submitted. So Pink Hill had 4 points for project benefit, 7 points for system management, and 4 points for affordability. He stated affordability calculates automatically based on the poverty rate and the immediate household income. Mr. Stroud said he thinks that we are close to getting funded and that is not the end because another round for this same program is coming up for the next cycle which applications are due September 29, 2016. He stated they have training scheduled tomorrow in Kinston to talk about the criteria for the next round and if they do like they have been doing these applications would

be recycled any way but you normally have the opportunity to go in and make amendments if there is some way you think you can pick up another point or two. Mayor Sykes asked where the meeting was going to be held. Mr. Stroud said it is at the Public Works Center in Kinston on Hwy. 258. He said they were asking for participants to preregister but they do have 75 seats in Kinston and if you wanted to attend, he doubted they would throw you out. Mayor Sykes said she would like for either Timmy or Commissioner Hill to go but Commissioner Hill stated he could not go but he had talked with Timmy about it. Mayor Sykes asked Timmy if he could go to the meeting. Timmy asked when it started. Mr. Stroud replied at 10:00 a.m. and it is supposed to run until midafternoon sometime. Mayor Sykes said she knows that he does not want to but she did wish that he could. She said she could go but she wouldn't be of any help to him unless he tells her what to say. Mr. Stroud said they will go through the application line item by line item and the guidance document that tells you what you have to do to qualify for points on each line. He said at the end you can have an opportunity to talk one on one with the DWI staff about your particular situation. Kim stated but we have already done the application right? Mr. Stroud replied we have done this application. Mayor Sykes asked can we use this application and maybe tweak it somehow. Mr. Stroud replied yes ma'am that is the idea, if there is anything we can do to tweak it. He said that is what we hope to learn tomorrow about how we can tweak it. Mayor Sykes said it starts at what time. Mr. Stroud replied at 10 o'clock at the Public Works Center on Hwy. 258. Mayor Sykes asked Timmy again if he thought he could go. Timmy said if it was in the afternoon because he has already got his morning planned. David Tuten said he is planning on scheduling a meeting with Raleigh to go over and discuss possible ways of tweaking some more points to get out of it. There again like you said there was already the first round to go through and they had no idea really of what they were looking for and they had no idea that they were going to get that many applications coming in. So they were completely blindsided when they saw how many were coming in. This was going to be the lower end of what they were expecting because this fall they thought they were going to get a lot but I think there is going to be a considerably higher number than what they got this spring. David said they are going to work with them on planning on tweaking it as much as possible to try to get us higher points. Mayor Sykes asked when the Raleigh meeting is because she would like for Commissioner Hill or Timmy or both to go to that meeting. She asked could they go with them to that meeting. David stated he was going to schedule a one on one with the individual in the asset management section. He said it was going to be like a 15 to 20 minute meeting.

Mr. Stroud stated the other thing that is coming up for the fall funding cycle will be the first cycle for the Connect NC Bond money for infrastructure water and sewer. There is going to be \$100,000,000 statewide in the fall round to be awarded as a combination of grants and loans. The bond referendum resorted in allocation of \$300,000,000 approximately altogether for water and sewer and that is going to be divvied out over three rounds which will be the next three rounds. Mayor Sykes asked what the percentage for grant and loan was. Mr. Stroud handed out a paper to the board for them to look at as he talked. He stated primarily the percentage of loan and grant is dependent on your water or sewer rate depending on which one you are applying for and actually he thought that Pink Hill was going to come in at 100 percent but we didn't. He said they based it on the sewer bill for residential in-town sewer bill for 5,000 gallons and for Pink Hill that calculates that it would be \$50 a month. He said that puts us in the category of a 75 percent grant and 25 percent loan. Mr. Stroud said to get to 100 percent grant our sewer bill

will have to be \$59 a month and we are \$9 short of that. Kim said the rates that he has were before July 1, 2016 and our July sewer rates did go up. Our flat rate for sewer went up \$1 and the price per 1,000 gallon went up \$0.50. Mr. Stroud said that would be another \$3.50 which would get us up to \$53.50 but would still not be enough. He said the only way to get to a 100 percent grant would be if your sewer bill was \$59 a month. Kim stated she was just saying as finance officer that the town is loaned out as far as being able to pay and Mayor Sykes agreed.

Mr. Stroud said there is still the CDBG money but there is not much of that and the competition is fierce and our chances are pretty slim on getting a CDBG grant. Mayor Sykes asked if that would be all grant. Mr. Stroud said yes that is 100 percent grant if you get it but typically less than 10 percent of them get awarded that because there is only like \$20,000,000 per round. Basically in the case of your sewer system if you are not operating under SOC and doing sewage in the creek and that kind of stuff, you are not going to get it. He said the kind of projects that he has seen awarded in the past on those type of grants are where you have failing septic tanks and you are running sewer out in the neighborhood. Mr. Stroud said he was hoping to bring us a little bit better news but hopefully we can get this asset management grant in the next go round. He said he feels like we have a good shot at it. Mayor Sykes asked if it was 100 percent grant. Mr. Stroud said it is 100 percent but when I say 100 percent there is a 20 percent match required but that can be inclined later. David said if anything changes and you do not show up for the meeting, because what we are basing this off of is the instructions that they placed on the website. Mayor Sykes said she would just like to hear it and to find out why we missed it by one point. David said you are not going to hear that at the meeting. He said you have to schedule a personal meeting.

George said on that third category, the one about population, poverty level and all that, there is no fudge there. Mr. Stroud said no there is no fudge there, it would have to come out of the first two and we do not know where the cutoff point will be on the next round. He said it might be higher or it might be lower. Mr. Stroud stated they are hoping that they don't get another flood of those kind of applications, but you know everybody that submitted last time is going to be going for it again. He said but with us being so close to the cutoff line it seems like we should have a shot at it. David said he thinks one of the things that we are kind of behind on is that we do not know how they were grading these. He was told there was going to be three people in a room and kind of split it up, so your idea of a good application might be different than her idea. He said it was kind of funny to see how things ranged so much and how the points were adjusted.

Mayor Sykes asked how many were awarded this time. Mr. Stroud replied 39. He said actually they had four different scenarios that they took to the infrastructure committee and if they had chosen #4 we would have made the cut but they chose #3. Mayor Sykes said well we will try again and hopefully it will work this time. Mayor Sykes told Mr. Stroud and David Tuten that they appreciated them coming.

The next item on the agenda was to officially appoint Shelia Ezzell as Assistant Clerk. Mayor Sykes said we have an assistant town clerk and she doesn't think she has been officially appointed but she suggested that she come to the meeting tonight and for the board to make it official. Mayor Sykes asked for a motion to appoint Shelia Ezzell as our assistant clerk to Kim. She said she has done a great job and she would like to see her officially put in. Commissioner

Hill made a motion to appoint Shelia Ezzell as assistant clerk. Commissioner Quinn seconded the motion and it carried unanimously. Mayor Sykes presented Shelia with her name plaque.

The next item on the agenda was to change September meeting date. Commissioner Hill made a motion to change the September 13, 2016 board meeting to September 20, 2016 at 7:00 p.m. Commissioner Quinn seconded the motion and it carried unanimously.

The WASA report was next on the agenda. Commissioner Hill said the farm bill where farmers were being exempt from having to keep up with their water was taken out. He said the two senators that introduced the visualization to let them be exempt neither one are in the capacity use area. The attorney for WASA knows that now. He didn't know it at that time but he does now. They could care less about the people with capacity use plan so that is what he is looking into to give us support. George stated so they have amended the bill to take out the authorization to let farmers drill into the black creek aquifer. Commissioner Hill said it will let them be exempt from keeping up with their records. George said but they can still drill into the aquifer as long as they keep records. Commissioner Hill replied no they cannot drill into the aquifer neither. They cannot drill into the black creek, it was taken out. Commissioner Hill said they also voted to only meet every other month instead of every month. He said they are going to try that for a while because their meetings have only been lasting about 30 minutes but if they get to being 2 or 3 hour meetings, then they will go back to every month.

The next item on the agenda was Police Updates. Chief Thigpen was unable to attend the meeting to give his report due to police business.

The Fire Department Report was next on the agenda. Fire Chief Tony Heath said over the last 30 days they have had 1 service call, 7 EMS assignments, 5 traffic accidents, and 1 structure fire. He said they have had a busy month. He stated they applied for a grant back in February with Tri-County and he received notification in July that they were approved for that grant. Tony said it was a 100 percent grant and Tri-County is paying for all of it in the amount of \$4,195. He said they are going to use those funds to add some air equipment on their trucks. With that being said, they have deposited the check which Tri-County has awarded us but we need to do a budget amendment so that we can use that money that is allocated in there for this equipment. Mayor Sykes said so we need a motion to do that. Kim stated she didn't have it typed up but they could verbally do a budget amendment. George replied yes. Commissioner Hill made a motion to do a budget amendment to the Fire Department budget on the grant money they received from Tri-County. Commissioner Quinn seconded the motion and it carried unanimously.

Fire Chief Tony Heath said the 50/50 grant that they were awarded also, he still has to get some papers documented. Kim said she had the papers with her and one of them he needs to sign with a witness, the other one the Mayor has already signed but he needs to sign, and then we have to have one thing notarized. Kim said she can go ahead and give him back the one where he needs to sign and have a witness sign and the one where the Mayor has already signed. Kim stated these papers are to complete their application for the grants that they received. They have to do a conflict of interest statement which has to be done every year through the State Fire Marshal Association and then agreement of payment form that is just saying that we are going to follow the rules and make the payment and the Mayor has to sign and the Fire Chief. Commissioner

Hill asked if that was for new equipment. Fire Chief Tony Heath said it was for six sets of new fire equipment. He stated also within the next month or so they should find out on the big grant that they applied for which is \$100,000 whether they were awarded it or not. Mayor Sykes asked what that grant was for. He said it would outfit the entire fire department with new turnout gear. Mayor Sykes thanked Tony for the work that he is doing.

The next item on the agenda was Water/Sewer Report. Timmy said they have budgeted for a new truck and he has had it ordered since the first of July and it has not come in yet. He said it cannot come in quick enough because the Dodge truck has already had to have some used tires put on it because the tires were slick. Timmy said he didn't want to buy a brand new set for us to be selling the truck. He said now the water pump has gone out on it and Alex is having to put water in it two or three times a day. Mayor Sykes asked how long will it be before he gets his new truck. Timmy said they told him six to eight weeks and this week makes six weeks. Mayor Sykes asked who he ordered it from. Timmy replied from Brock Motor Company and it will be a 2017 model and that is probably why it is taking so long.

Kim said the only other thing that she wanted to make the board aware of is at the last meeting about the chlorinator. She said that Timmy mistakenly said that we had money in the budget which there is money in the budget but we didn't budget for that in Capital Outlay. Kim said she did go ahead and pay the bill but just to let the board know later in the fiscal year we will probably have to do a budget amendment and take some money and put back in the Capital Outlay. She stated she might do it next month but it depends on the new truck. Kim said she can do transfers right now because we are just starting in our new budget so we are good but we just didn't foresee that when we were doing the budget and things like that happen. She stated that bill was almost \$5,000 but we had to have it. Mayor Sykes told Timmy to not forget that when he signs the papers that the truck needs to go in the Town's name. Timmy replied yes.

Commissioner Hill said that he had worked on a grant for Timmy today. He said it is a give back grant by CMT (Carolina Management Team). They always give back \$50,000 to a system in North Carolina. Commissioner Hill said they are looking at rehabbing the wet well at the new sewer plant and the lagoon and they picked three manholes hoping they can come in and do the insides of them again so they won't leak. Mayor Sykes asked when would we know. Commissioner Hill replied in September. Timmy said in those three particular manholes there is some inflow coming in, ground water, just little cracks in the walls. So we are treating ground water is what it amounts to. Commissioner Quinn asked if they go out and epoxy it up to keep the ground water from seeping in. Commissioner Hill said that is what they do. They do coating or finishing of wet wells and they come in and do the whole thing. It is epoxy but there is something else mixed with it to make it last longer.

Commissioner Hill stated that someone that was at the meeting when they approved the grants said that Duplin County was awarded the grant to run sewer to Pink Hill for the B.F. Grady School. He said he is waiting for them to call us and want to come back to the meeting. Commissioner Hill said he was told that they got the grant to run it to Pink Hill and not Kenansville. The grant was for \$1. some million dollars.

The next item on the agenda was Budget Amendments if needed. Kim stated there were no other budget amendments at this time.

Remarks by Town Attorney was next on the agenda. George said that he was pleased to be here and honored to work for the town. He said he appreciated it. Mayor Sykes replied that we appreciate him too.

The next item on the agenda was Comments by the Board. Mayor Sykes brought up about the tree at Broadway Street and Turner Street. She said that Kim has already called DOT and Duke Progress and both have said that they would not do anything with the dead tree until it fell. Mayor Sykes said tomorrow she is going to the transportation meeting and John Rouse who is the District Engineer is going to be there and she is going to mention it to him. If that doesn't work then she is going to come back and call Duke Progress.

Mayor Sykes asked Kim to explain about the cell tower. Kim told the board that she got to thinking about it in July when she had not seen anybody working on the cell tower. So she sent an email to Michael Doran and he emailed her back and said that our cell tower had been pushed back until 2017 but he didn't say what month of 2017. Kim said we budgeted for the income so she is going to leave it right now until she hears back later at the first of the year, but we did receive our \$850 payment and called George to confirm were they supposed to be paying the \$850 a month because we have already signed the contract. George explained to the board that the deal was in April when everything was signed they had to pay us \$850 for the option for 18 months and that is all that \$850 was, it was not rent. He said that gives them the option for 18 months to decide whether or not to use that spot. If they decide to use it, then as soon as they start construction they have to start paying \$850 a month in rent as opposed to the option. He said if in 18 months they decide well we really want to think about it a little bit more, they can pay us \$850 and get an additional 6 months to continue testing or thinking about it or whatever they want to do and then kick in to the \$850. If they decide to not use it, then we don't get anything. If they decide they want to use it for 10 years, at the end of 5 years the rent goes up 15 percent per month. He said they can renew it for five renewals but each time they renew it the rent goes up 15 percent. Mayor Sykes thanked George for clarifying that for us.

Mayor Sykes asked Shelia if she would like to say anything. Shelia stated she was glad to be here. Mayor Sykes thanked Shelia and said hers and Kim's hard work is appreciated. Mayor Sykes said she would also like to thank James Quinn again for becoming one of our commissioners.

Mayor Sykes said that she would like for the board to discuss a replacement for Commissioner Grady. She stated that whomever takes Commissioner Grady's seat will have to run in 2017. Kim informed the board that Commissioner Grady and Commissioner Hill would be up for reelection in November 2017 and Mayor Sykes and Commissioner Quinn would be up for reelection in November 2019. Mayor Sykes said we can think about somebody that can take her place. Mayor Sykes said that she and Kim had talked and she forgot that Kim had mentioned this person before for previous election years. Mayor Sykes recommended to the board Konya Houston. She informed the board that she is married to Jimmy Houston and is a school teacher at Northeast Elementary School in Kinston and she received Teacher of the Year for this year.

Mayor Sykes said she thinks that she would be a perfect candidate but doesn't know if she would be interested, I have not mentioned it to her because I just found out about Debra this afternoon. Commissioner Quinn asked so there was no rhyme or reason for Commissioner Grady to just come in and give you her resignation. Mayor Sykes replied actually her son came in and handed it to us. Mayor Sykes told the board if they could think of anybody, but she thinks if Konya would accept it she would be a perfect fit. Mayor Sykes asked the board again if they can think of somebody? She asked the board if they minded if she kind of interviewed Konya or see if she would even be interested in it and she may not be. Mayor Sykes asked the board if they have anybody? Commissioner Hill stated not right now and Commissioner Quinn stated I don't. Town Attorney George Jenkins stated that there is a requirement that the person has to live in the city limits and has to be a registered voter in the Pink Hill 2 Precinct. Mayor Sykes said she thinks if Konya would take it she would be a perfect fit. She said this is just her opinion and now y'all certainly have got your opinions and she is open to hear. George stated to Commissioner Hill and Commissioner Quinn that the two of you are the ones to pick. He said one of them would make the motion that she be elected to fill the unexpired term and the other would seconded it and then you vote. George said and unless the two of you disagree, then the mayor wouldn't get a vote. George used an example as if one wanted "Smith" and one wanted "Jones", then the mayor is going to break the tie. Kim told the board that they really need to have a backup because she might not be interested and because her plate might be full with teaching. Commissioner Hill said we will think about it. Mayor Sykes said she may not even be interested. Kim stated that she had actually mentioned her to Carol in the past when they were trying to think of new board members for the board. Mayor Sykes said think of somebody and I can talk to her and get back with you. Mayor Sykes said she will talk to her as soon as she can. She said she will talk to her tomorrow, if she gets back in time or she will the next day. She asked the board if they can think of somebody. Commissioner Quinn stated he cannot think of somebody right now. Mayor Sykes said if you do think of somebody, before you mention it to them let's get back together. George stated they can't get back together without announcing that you're having a meeting. Mayor Sykes said I mean at our next meeting, because this will come up at our next meeting. George said if the three of you get together and have a cup of coffee together, you have to give notice of having a meeting. Mayor Sykes said I know that's a meeting and I understand and that's why I said the next meeting. Commissioner Quinn asked, so all three of us can't be together? George replied not and do town business or anything involving the town. He said if all three of you go to a covered dish supper that's not a problem. Kim stated as long as you don't discuss business if all three of you are there. Kim asked so at the next board meeting in September you are wanting to go ahead and vote or are you wanting them to bring ideas? Commissioner Hill replied and said to bring ideas back and then we can all sort them out and see which one we want. Kim stated she just wanted to get clarification that they were not voting on someone at the next meeting. Mayor Sykes said not unless we would only have one person that would be willing to serve and the board decides to vote. Commissioner Quinn said so if we do get somebody we will at least have somebody that may want to put their name on the ballot for the next term. Mayor Sykes said at the next election time you never know who is going to run. Kim stated that it really puts us in a bind only having you two because if one of you can't be here we can't have a meeting because we wouldn't have a quorum.

The next item on the agenda was Public Comment Period if needed. There were no public comments at this time.

The next item on the agenda was Closed Session if needed. There was no need for a closed session at this time.

With there being no further business to be discussed the meeting was adjourned.