



SEPTEMBER 5, 2017, CITY COUNCIL MEETING

The City Council of the City of Clinton, North Carolina, met in regular session at **6:00 PM** on September 5, 2017, in the City Hall Auditorium. The meeting was set at 6:00 PM so that an hour might be allowed for all in attendance to be updated on the progress of the NC Hwy 24 Improvement Project that has begun on Sunset Avenue. Mayor Starling presided. Present were Councilmembers Strickland, Turlington, Stefanovich, Bryant, and Mayor Pro Becton.

Also present was City Attorney Tim Howard, Howard and Carr, PLLC.

Also present were Interim City Manager Robert Hyatt; City Clerk Elaine F. Hunt; Planning Director Mary Rose; Public Works Engineer Russell Byrd; Recreation Director Jonathan Allen; Police Chief Donald Edwards; Human Resource Director Lisa Carter; Finance Director Kristin Stafford; Chris Medlin, Distribution & Collections System Manager; Janice Hillabrand, Budget Analyst; Lyle Moore, Senior Planner; and Austin Tew, Interim Fire Chief;

Bill Roberson, of the Sampson Weekly; and Chris Berendt, of the Sampson Independent, were also present.

Mayor Starling called the meeting to order.

Mayor Starling called upon Mayor Pro Tem Becton to give the invocation.

NC HWY 24 PROJECT UPDATE – NC 24 R2303D

Public Works Engineer Russell Byrd initiated the informative session. Mr. Byrd presented a memorandum to Mayor, City Council, and others which included the following information:

THE FOLLOWING IS A SUMMARY OF MILESTONE EVENTS TO DATE RELATED TO THIS PROJECT:

1. Prior to this project being bid, a Municipal Agreement for Relocation of Utilities was executed between the City and NCDOT in March 2013. The estimated cost included in this agreement was \$2,232,061. The NCDOT bid documents included the installation /relocation of water lines, relocation of some portions of the City's sanitary sewer lines, with others to remain in place, but did not anticipate or include any rehabilitation of sewer. Bids were received in November 19, 2013, followed by contract award to Fred Smith Company by the NCDOT Board of Transportation, December 20, 2013.
2. In April of 2015, staff requested and City Council authorized, the preparation of plans, easements, and permits, to add water and sewer mains within the new roadway (Pierce Street Extension), prior to paving of this roadway, again in an effort to avoid costly, disruptive pavement cuts. Plans, permits and easements were completed in the fall of 2015. Unfortunately, roadway construction was completed without the water and sewer lines being installed.
3. In the spring of 2015, utility construction began in Clinton, with the water main replacement being completed in the summer of 2016. As utility work began, it became apparent that field revisions to the plan would be necessary, in order to proactively serve the existing and potential future development needs within this corridor. NCDOT and City staff decided to install parallel water lines on both sides of certain portions of the construction corridor, in anticipation of redevelopment in this area, in order to avoid future traffic disruptions and costly pavement cuts in the new roadway. It was mutually agreed that this work would be done at bid/ contract unit prices for actual quantities installed, per the terms of the municipal agreement. Once the water line portion of this work was completed in the spring of 2016, these costs approached the total amount of the municipal agreement of \$2,232,061.
4. Prior to the installation of the new water main, private utilities were relocated to the new utility easements, which created constructability issues with both the proposed relocation of the water and sewer mains. In the summer of 2015, discussions began to find a solution to this constructability issue, particularly as it related to the proximity of the existing sewer mains and proposed storm drainage. After lengthy discussions between City and NCDOT staff, it was determined that relocation of the storm drainage would be required, and would result in the need for rehabilitation of the sewer system in its current location.

5. In the summer of 2016, NCDOT directed the contractor (Fred Smith Company) to prepare cost proposals to evaluate the existing sewer system, including video inspection of the sewer mains and manholes within the NC 24 construction corridor, and to include detailed recommendations and cost estimates for the needed repairs. At the direction of NCDOT Utilities, this evaluation work was performed by Hydrostructures, PA, a firm that specializes in sewer rehabilitation, under the Fred Smith contract. This evaluation began in the fall of 2016 and concluded in the spring of 2017. Based on this evaluation prepared by Hydrostructures, Fred Smith Company and their utility subcontractor, Moffatt Pipe, prepared estimates for recommended repairs to the system. The initial proposal amount for the sewer rehabilitation was approximately \$1,200,444.39. City and NCDOT staff have reviewed this proposal and have requested clarification of certain items and elimination of others, and are awaiting a response.

RECOMMENDATIONS:

1. In the interest of time, staff requests Council concurrence in authorizing NCDOT to direct Fred Smith Company to perform necessary point repairs to the sewer system on the western portion of the project, between Shields Street and Forest Drive, due to the imminent storm drainage installation within this area. This proposed storm drainage, located on the north side of the roadway west bound outside lane, is immediately adjacent to the existing thin wall PVC sewer. City staff has requested NCDOT to authorize only those repairs that are within the construction envelope. Additional damage to the existing thin PVC sewer is highly likely, given its proximity to the above mentioned storm drainage being installed by Fred Smith Company. It is hoped and expected that performing these point repairs now, will minimize both cost and further disruption of traffic flow. Depending on the condition of the existing sewer system after completion of the point repairs and the storm drainage installation, certain portions of this sewer system will likely need some additional rehabilitation (lining, etc.) , but that cannot be determined until underground storm drainage and sewer point repair work is completed, and the pipes re-inspected. Any other required point repairs to the sewer system located outside of the NC 24 construction corridor to the sewer system would be made by City forces at a later date as budgets and circumstances dictate.
2. Staff also recommends the rehabilitation of the existing (Vitrified Clay) sewer pipe and brick manholes east of Shields Street to and under the Faircloth Freeway bridge, after completion of the point repairs noted in item 1 above, and prior to traffic island installation and final paving by Fred Smith Company.

3. In order to offset the cost of additional parallel water mains and rehab of the existing sewer lines, it is the recommendation of staff that construction of the additional water and sewer lines proposed for Pierce Street Extension, be deferred until such time as there is a need to do so. It should be noted that revisions to permits and easements would be required, since the water and sewer was not installed within the roadway prior to paving, as was the intent.

SUMMARY:

1. City and NCDOT staff are in ongoing discussions regarding landscaping options for the median islands.
2. Traffic safety concerns have been raised by citizens regarding the danger of left turns, especially at the Fox Lake and Coharie Drive intersection. Current plans do not include a traffic signal at this location.
3. City and NCDOT staff have, and will continue to work with Fred Smith Company to complete this project, addressing these key issues, while minimizing impact on the adjacent property owners, utility customers, the travelling public, and the City's water and sewer system, and budget.

It was most disturbing to City Council that the Pierce Street Extension would be placed on hold, as well as the unexpected rehabilitation costs. Several unforeseen problems were mentioned during the session.

Mayor asked if the NC 24 Project was on track and the response was, "on track with the current schedule and a completion date of February 2019."

Interim City Manager Hyatt asked if City Council wishes staff to continue as they are doing and they stated, "Yes."

CITY COUNCIL

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, the minutes of the August 1, 2017, regular; August 9, 2017, special; and August 28, 2017, special city council meetings were unanimously approved.

RECOGNITION(S)

Recognition of the Minor League All-Star Baseball Team, District Tournament winner, was continued until the October regular city council meeting.

PUBLIC HEARING -- OATHS

Oaths were not needed during the September 5, 2017, city council meeting.

P & Z – ALONG FAISON HIGHWAY – JERSON NOEL MARADIAGA MEZA

Mayor opened a public hearing on a request by Jerson Noel Maradiaga Meza to rezone approximately 0.78 acres along Faison Highway from RA-20 Residential Agriculture to RA-20 MHO-B Residential Agriculture Mobile Home Overlay District for Class B Manufactured Homes.

Planning Director Rose explained the request and gave the staff and Planning and Zoning Board's recommendation to approve the request upon the findings of fact and zoning consistency statement.

Mrs. Helen Faison, property owner adjacent to the proposed site, appeared before City Council with concerns. Mr. Jerson Noel Maradiaga Meza spoke and resolved Mrs. Faison's concerns.

No one else wished to be heard, and the hearing was closed.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, the following amendment **#2017.09.01** to the Zoning Ordinance was unanimously adopted:

WHEREAS, in accordance with the provisions of North Carolina General Statute 160A-383, the City of Clinton Planning Board does hereby find and determine that the recommendation of ordinance amendment RZ-8-17-1 to be rezoned from RA-20 Residential Agriculture to RA-20 MHO-B Residential Agriculture Mobile Home Overlay District for Class B Manufactured Homes is consistent with the goals and objectives of the Clinton 2035 Comprehensive Plan and other long range planning documents. Section 6. B. 5 of the 2035 Clinton Comprehensive Plan encourages low density residential land uses to be located where development pressures are the least, such as in the Extraterritorial Jurisdiction.

WHEREAS, upon the recommendation of the Planning and Zoning Board and after public hearing and due notice thereof as required by law, the City Council of the City

of Clinton, NC, does enact as follows: The Zoning Ordinance of the City of Clinton be and the same is hereby amended as follows: That approximately 0.78 acres along Faison Highway, is hereby rezoned from RA-20 Residential Agriculture to RA-20 MHO-B Residential Agriculture Mobile Home Overlay District for Class B Manufactured Homes.

P & Z – 216 & 218 BEAMAN STREET – COMMUNITY REAL ESTATE

Mayor opened a public hearing on a request by Community Real Estate to rezone approximately 0.69 acres located at 216 & 218 Beaman Street from R-8 Residential to O & I Office and Institutional.

Planning Director Rose explained the request and gave the staff and Planning and Zoning Board's recommendation to approve the request upon the findings of fact and zoning consistency statement.

Mr. Stan Figlewski, property owner appeared before City Council and spoke briefly, regarding his request to rezone the parcels. He further stated that he resides in Rocky Mount, NC.

No one else wished to be heard, and the hearing was closed.

Upon a motion made by Councilmember Strickland, seconded by Mayor Pro Tem Becton, the following amendment **#2017.09.02** to the Zoning Ordinance was unanimously adopted:

WHEREAS, in accordance with the provisions of North Carolina General Statute 160A-383, the City of Clinton Planning Board does hereby find and determine that the recommendation of ordinance amendment RZ-8-17-2 to be rezoned from R-8 Residential to O & I Office and Institutional is consistent with the goals and objectives of the Clinton 2035 Comprehensive Plan. Section 7. F, Economic Development of the Clinton 2035 Comprehensive Plan encourages the revitalization and reuse of currently unused or underutilized structures.

WHEREAS, upon the recommendation of the Planning and Zoning Board and after public hearing and due notice thereof as required by law, the City Council of the City of Clinton, NC, does enact as follows: The Zoning Ordinance of the City of Clinton be and the same is hereby amended as follows: That approximately 0.69 acres located at 216 & 218 Beaman Street, is hereby rezoned from R-8 Residential to O & I Office and Institutional.

P & Z – ALONG TRAM ROAD – RANDY SIMMONS

Mayor opened a public hearing on a request by Randy Simmons to rezone approximately 3.08 acres located along Tram Road from RA-20 Residential Agriculture to RA-20 Residential Agriculture MHO-B Residential Agriculture Mobile Home Overlay District for Class B Manufactured Homes.

Planning Director Rose explained the request and gave the staff and Planning and Zoning Board's recommendation to approve the request upon the findings of fact and zoning consistency statement.

Mr. Simmons, property owner appeared before City Council and spoke briefly, regarding his request to rezone the parcel. He stated that his youngest son is preparing for marriage and if approved, a starter home will be placed at this location for him.

No one else wished to be heard, and the hearing was closed.

Upon a motion made by Councilmember Strickland, seconded by Mayor Pro Tem Becton, the following amendment **#2017.09.03** to the Zoning Ordinance was unanimously adopted:

WHEREAS, in accordance with the provisions of North Carolina General Statute 160A-383, the City of Clinton Planning Board does hereby find and determine that the recommendation of ordinance amendment RZ-8-17-3 to be rezoned from RA-20 Residential Agriculture to RA-20 Residential Agriculture MHO-B Residential Agriculture Mobile Home Overlay District for Class B Manufactured Homes is consistent with the goals and objectives of the Clinton 2035 Comprehensive Plan and other long range planning documents. Section 6 B. 5 of the Clinton 2035 Comprehensive Plan encourages low density residential land uses to be located where development pressures are the least, such as in the Extraterritorial Jurisdiction.

WHEREAS, upon the recommendation of the Planning and Zoning Board and after public hearing and due notice thereof as required by law, the City Council of the City of Clinton, NC, does enact as follows: The Zoning Ordinance of the City of Clinton be and the same is hereby amended as follows: That approximately 3.08 acres located along Tram Road, is hereby rezoned from RA-20 Residential Agriculture to RA-20 Residential Agriculture MHO-B Residential Agriculture Mobile Home Overlay District for Class B Manufactured Homes.

P & Z— LAND DEVELOPMENT ORDINANCE – CHAPTER 3. ZONING DISTRICTS

Mayor Starling opened a public hearing on a text amendment request by Jenny Gayle Beard to amend Chapter 3 Zoning Districts of the Clinton Land Development Ordinance to include motor vehicle or boat services (no vehicle storage) as a conditional use in the Central Business District.

Planning Director Rose stated that Ms. Beard would like to use the old J & J building on Vance Street if City Council approves this request. She stated that there will be no storing vehicles to pull parts. Councilmember Stefanovich questioned who will monitor the activities and Director Rose stated, “Planning Staff.”

After some discussion, the public hearing on a text amendment request by Jenny Gayle Beard to amend Chapter 3 Zoning Districts of the Clinton Land Development Ordinance to include motor vehicle or boat services (no vehicle storage) as a conditional use in the Central Business District was continued until the October regular city council meeting.

OFFER TO PURCHASE CITY PROPERTY—LOCATED OFF ROWAN ROAD

Interim City Manager Hyatt informed City Council that he and City Attorney contacted the city employee who made an offer to purchase the property owned by the City located off Rowan Road, and the employee has increased his offer. He stated that the employee was scheduled to be at the meeting.

The city employee never arrived. City Council continued this item until the October regular city council meeting.

CONTRACT – POLICE SERVICES – CLINTON CITY SCHOOLS

The contract between the City of Clinton and Clinton City Schools; whereas, Clinton City Schools will pay \$119,000.00 for a term of one year for the services of two (2) school resource officers, which passed unanimously at the August 1st city council meeting was amended, due to the omission of the indemnity clause.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, the amended contract between the City of Clinton and Clinton City Schools, passed unanimously. The indemnity clause was added.

CONTRACT – POLICE SERVICES – EASTERN CAROLINA REGIONAL HOUSING AUTHORITY

The contract between the City of Clinton and Eastern Carolina Regional Housing Authority; whereas, Eastern Carolina Regional Housing Authority will reimburse the City in a total amount not to exceed \$44,065.00 for a term of one year for the service of a minimum of one (1) police officer, which passed unanimously at the August 1st city council meeting was amended, due to the omission of the indemnity clause and the addition of an insurance coverage clause.

Upon a motion made by Mayor Pro Tem Becton, seconded by Councilmember Bryant, the amended contract between the City of Clinton and Eastern Carolina Regional Housing Authority, passed unanimously. The indemnity clause was added and the insurance clause was omitted per the Clinton Police Department staff.

STREET CLOSINGS – 31st ANNUAL COURT SQUARE STREET FAIR AND 24th ANNUAL BARBEQUE COOK-OFF

Planning Director Rose informed the group regarding the upcoming 31st Annual Court Square Street Fair and 24th Annual Barbeque Cook-off. She stated that a map showing the proposed closed streets and parking lots were in the agenda packet. It was requested that City Council close Vance Street from Sampson to Wall Street and the parking lot at the west end of the Sampson County Courthouse from 5:00 PM on Friday, October 13th to 4:30 PM on Saturday, October 14th. It was stated that after Alfredo's is closed at 9:00 PM on Friday evening, staff requests that Main Street from Wall Street to Lisbon Street be closed until 4:30 PM on Saturday, October 14, 2017.

In addition, Ms. Rose requested that Vance Street from Fisher Drive to Sampson Street, Main Street from Lisbon Street to Connestee Street, Connestee Street from Vance Street to College Street, College Street from Devane Street to Sampson Street, Sampson Street from College Street through the intersection of Vance Street, College Street Parking Lot, Lisbon Street Parking Lot, Vance Street Parking Lot, Elizabeth Street from Lisbon Street to Wall Street, Lisbon Street from John Street to Main Street, and a short section of Graham Street adjacent to the Lisbon Street Parking Lot be closed from 5:00 AM until 4:30 PM on Saturday, October 14th. She informed City Council that all areas under consideration for closing were exhibited on the map included in the agenda packet and the areas were the same as in the past years.

Planning Director Rose stated that staff spoke with the owners of the businesses downtown to assure that they were comfortable with the proposed street closings and times. Also, staff reviewed the proposed closures with Police Chief Donald Edwards.

Upon a motion made by Councilmember Turlington, seconded by Councilmember Strickland, it passed unanimously to close the abovementioned streets and parking lots for the “31st Annual Court Square Street Fair and 24th Annual Barbeque Cook-off.”

2018 SPRING CLEAN-UP & FALL CLEAN-UP WEEKS – APRIL 9-13, 2018, AND OCTOBER 8-12, 2018, RESPECTIVELY

Mayor Starling announced the designated clean-up weeks. He further stated that during these times, Interim City Manager Hyatt and staff request that City Council suspends Sections 11-4 (e) (g) and (i), except the collection of batteries of the City Code, unless hazardous to city staff or items that the landfill will not accept. The requested dates for Spring Clean-up Week and Fall Clean-up Week are April 9-13, 2018, and October 8-12, 2018, respectively.

Upon a motion made by Councilmember Strickland, seconded by Mayor Pro Tem Becton, the request to suspend sections of the City Code was unanimously approved and Spring Clean-up Week was designated as April 9-13, 2018, and Fall Clean-up Week, was designated as October 8-12, 2018, respectively.

NC DEPARTMENT OF ENVIRONMENTAL QUALITY DIVISION OF WATER INFRASTRUCTURE GRANT(S) -- ADOPTION OF RESOLUTION

Public Works Engineer Russell Byrd asked for City Council’s support to apply for a Division of Water Infrastructure (DWI) asset inventory and assessment grant(s). He stated that the grants provide up to \$150,000 with a 20% match for the identification (including placement, length, and type of material) and mapping of utilities for the purpose of asset management. He stated that this resolution request is similar to the request presented to City Council at its May 3, 2016, city council meeting. He further stated that this resolution in support of NC Department of Environmental Quality Division of Water Infrastructure funding programs is required from City Council.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, the following resolution passed unanimously:

**RESOLUTION BY CLINTON CITY COUNCIL
IN SUPPORT OF
NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER INFRASTRUCTURE FUNDING PROGRAMS**

WHEREAS, the Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of **an Asset Inventory and Assessment (AIA) of the City of Clinton Water Distribution and/or Sewer Collection Systems**, and

WHEREAS, the **City of Clinton** has need for and intends to **perform a comprehensive Asset Inventory and Assessment (AIA) of the City of Clinton's existing water distribution and sewer collection systems**, and

WHEREAS, this assessment may include, but not limited to ,any or all of the following: additional GIS locates of system components, physical and video observation, metering of flows, smoke detection, documentation, and evaluation of the water and sewer system components including, manholes, mains and service pipes, service connections, pump stations, force mains, valves, hydrants, meters, backflow prevention devices. The purpose of this assessment is to identify and evaluate potential structural, functional, environmental, and safety deficiencies, including leaks, pipe degradation, infiltration and inflow (I/I), or other conditions, in order to document and prioritize appropriate repairs, rehabilitation, and replacement as needed, and

WHEREAS, this evaluation will conclude with a written report that describes in detail the scope of the project, an assessment and condition rating of the components of the water distribution and sewage collection systems, a prioritized list of areas of greatest need for rehabilitation, and recommendation for a phased, prioritized implementation plan, including associated cost estimates and recommended annual funding levels for implementation of corrective measures, for inclusion in future operating and capital budgets, and

WHEREAS, the **City of Clinton** intends to request state loan/grant assistance For the project,

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLINTON:

That **the City of Clinton**, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State loan/grant award.

That the **City Council of City of Clinton** will adopt and place into effect on or before completion of the project, a schedule of fees and charges and other available funds which

will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the **City Council of City of Clinton** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of **The City of Clinton** to make scheduled repayment of the loan, to withhold from **The City of Clinton** any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That the **City of Clinton** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That **Luther D. Starling, Jr., Mayor**, or **Robert Hyatt, Interim City Manager**, is hereby authorized to execute and file an application on behalf of the **City of Clinton** with the State of North Carolina for a loan/grant to aid for the project described above.

That the **Mayor, Interim City Manager, or City Manager** and successors so titled, are hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **City of Clinton** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

CONTRACT FOR WATER AND SEWER RELOCATION—BEAMAN STREET BRIDGE REPLACEMENT

Public Works Engineer Russell Byrd stated that on August 10, 2017, the City of Clinton received four (4) bids for the City of Clinton Beaman Street Bridge Utility Relocation Project. He stated that Herring Rivenbark was the lowest bidder in the amount of \$431,050; while, Triangle Grading & Paving was the highest bidder in the amount of \$989,800. Mr. Byrd asked City Council to award the contract to Herring Rivenbark for the Beaman Street Bridge Utility Relocation Project.

Upon a motion made by Councilmember Turlington, seconded by Councilmember Bryant, a contract was awarded to Herring Rivenbark by the Clinton City Council for the Beaman Street Bridge Utility Relocation Project. As previously stated, Herring Rivenbark's amount was \$431,050.00.

RESOLUTION APPROVING FINANCING TERMS – BB&T – HL0083 HYUNDAI FRONT LOADER

Finance Director Kristin Stafford informed City Council that the City received National Joint Powers Alliance cooperative purchasing pricing for a HL0083 Hyundai Front Loader. She stated that the front loader is part of the City's CIP and in the FY2017-2018 Budget. It was further stated that the pricing for the front loader is \$155,700. Mrs. Stafford stated that the loader will be financed at 100%.

Mrs. Stafford stated that proposals were requested from six banking institutions; however, the following two institutions submitted proposals: Select Bank and Trust and BB&T Governmental Finance. BB&T Governmental Finance was the lowest bidder with a 1.98% interest rate and no origination fee. Mrs. Stafford stated that BB&T will require an annual payment of \$40,870.67 for four (4) years. Finance Director Stafford asked City Council to adopt a resolution approving the financing terms for the abovementioned front loader.

Upon a motion made by Mayor Pro Tem Becton, seconded by Councilmember Strickland, the following resolution was unanimously adopted:

Resolution Approving Financing Terms

WHEREAS: The City of Clinton ("City") has previously determined to undertake a project for the financing of a front loader, (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The City hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated August 21, 2017. The amount financed shall not exceed \$155,700.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.98%, and the financing term shall not exceed four (4) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is

authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City's general fund, or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict.

This resolution shall take effect immediately.

ORDINANCES—BUDGET

Interim City Manager Hyatt informed City Council that he received the following letter from the Duke Energy Account Manager dated August 15, 2017 regarding a malfunctioning of a meter located at the Larkins Wastewater Treatment Plant:

Aug. 15, 2017

Mr. Robert Hyatt
Clinton City Manager
221 Lisbon Street
Clinton, NC 28328

Dear Mr. Hyatt:

On behalf of Duke Energy, I am writing to summarize a billing correction that effects the City of Clinton.

On Sept. 16, 2016, a Duke Energy field technician identified a failed transformer associated with a meter that measures electric usage at the Larkins Wastewater Treatment Plant. We quickly scheduled the equipment repair which was then delayed in the aftermath of Hurricane Matthew response efforts. The repair was rescheduled and completed on Jan. 17, 2017. Immediately following the repair, the meter showed a sustained increase in energy usage from pre-repair usage levels.

Based on further analysis and past usage records, we determined that, due to the equipment failure, the meter did not accurately measure energy usage at the treatment facility for a period of at least 12 months. According to rules outlined by the North Carolina Utilities Commission (NCUC), Duke Energy must recoup lost revenue for a period of one year if a metering issue existed for that length of time or greater. In this instance, we determined that we under collected approximately \$63,000 in energy usage costs from Jan. 2016 to Jan. 2017. This cost estimate was determined based on the historic energy usage of the account. It is important to note that the repair delay did not affect the dollar amount owed by the City of Clinton. Duke Energy has scheduled this amount to be collected in 12 monthly increments in accordance with our typical billing procedure.

I regret this equipment failure and billing correction was not remediated prior to the implementation of the City of Clinton's annual budget, and apologize for the inconvenience it has caused.

We greatly value the opportunity to serve the City of Clinton, and look forward to our continued partnership.

Respectfully,

Graham (Gray) Tompson

Account Manager, Duke Energy

Interim City Manager Hyatt stated that he invited Duke Energy rep to the city council meeting; however, no one agreed to come.

Finance Director Kristin Stafford stated that \$63,000 has to be paid for the prior year. She further stated that the auditor recommends that this amount comes from last year's budget and that the City pays in full. Mrs. Stafford stated that the books for FY 2016-2017 would remain open—unless—the City paid the total amount of \$63,000.

City Council was bewildered as to how a mistake such as this could occur.

Nevertheless, upon a motion made by Councilmember Stefanovich, seconded by Councilmember Turlington, it passed unanimously to pay the full amount of \$63,000, and adopt the following amendment #2017.09.04:

**Budget Ordinance Amendment
Fiscal Year 2017-2018 Budget**

#2017.09.04

BE IT ORDAINED by the City Council of the City of Clinton, NC, that the following amendment be made to the Annual Budget Ordinance for the fiscal year ending June 30, 2018, is hereby amended as follows:

Section 1. To amend the Water & Sewer Fund, the expenditures are to be changed as follows:

<u>Account #</u>	<u>Account Title</u>	<u>Increase</u>	<u>Decrease</u>	<u>Total</u>
30-6600-9600	Transfer to Capital Proj.		\$25,000	
30-8200-1300	Utilities	\$25,000		
		_____	_____	
	TOTAL EXPENDITURES	\$25,000	\$25,000	\$0

Section 2. Copies of this budget amendment shall be furnished to the City Clerk, City Manager, and Finance Director for their direction.

LEASE AGREEMENT – INDEPENDENT MAILING SYSTEMS – POSTAGE SERVICE

Finance Director Stafford stated that the City of Clinton’s postage machine lease agreement expired in May 2017. She stated that proposals were sought from three qualified postage machine leasing firms. Mrs. Stafford stated that previously, the City paid \$139 per month for postage lease service. She stated that the following firms ensured that they could meet the needs of the City:

Anza.....	\$151 per month.....	\$9,060 for a 5-year lease
Pitney Bowes.....	\$172.41 per month.....	\$10,344.36 for a 5-year lease
Independent Mailing Systems....	\$146 per month.....	\$8,760 for a 5-year lease

Mrs. Stafford asked City Council to approve a lease agreement with Independent Mailing Systems.

Upon a motion made by Councilmember Strickland, seconded by Mayor Pro Tem Becton, it passed unanimously to approve a lease agreement with Independent Mailing Systems for a lease cost of \$146 per month and \$8,760 for a 5-year lease cost.

APPOINTMENT(S)

Mayor Starling informed City Council that Mr. Dempsey Craig has decided to remain on the ABC Board if City Council chooses to allow the reappointment.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, it passed unanimously to reappoint Mr. Dempsey Craig to the ABC Board for a three-year term. This term will expire in August 2020.

REPORTS

The code enforcement, police, personnel, and fire reports were acknowledged.

STAFF REPORTS

Chief Donald Edwards thanked Councilmember Bryant for allowing the Clinton Police Department to be a part of his vision involving the youth. He stated Councilmember Bryant visualized a police camp for youth and recently, it was brought to fruition. He stated that community service is a part of Clinton Police Department’s mission and goal. He thanked Sampson Center Recreation Department for partnering with them. He stated that the youth learned from the officers and the officers learned from the youth. Chief

Edwards stated that various topics were discussed: bullying, drugs, alcohol awareness, etc. He further stated that other activities included fishing, swimming, going to the movies, and a block party. Chief Edwards stated that a ceremonial service concluded the police camp.

Before concluding his report and thanking the parents and the kids, he stated that more events such as the camp is on the horizon.

Councilmember Bryant thanked Clinton Police Department and the Sampson Center Recreation Department. He stated that approximately 400 people were in attendance. He further stated that the communities really appreciated this endeavor.

Mayor Pro Tem Becton praised Clinton Police Department, the Sampson Center Recreation Department, parents, and the youth for a remarkable job. He stated that a member of his church participated in the camp and thoroughly enjoyed it all.

CITY MANAGER REPORTS

Interim City Manager Hyatt presented the following City of Clinton “2018 Holiday Schedule:”

<u>HOLIDAY</u>	<u>OBSERVANCE DATE</u>	<u>DAY OF WEEK</u>
New Year's Day	January 1, 2018	Monday
Martin L. King Jr.'s Birthday	January 15, 2018	Monday
Good Friday	March 30, 2018	Friday
Memorial Day	May 28, 2018	Monday
Independence Day	July 4, 2018	Wednesday
Labor Day	September 3, 2018	Monday
Veteran's Day	November 12, 2018	Monday
Thanksgiving	November 22 & 23, 2018	Thursday & Friday
Christmas	December 24, 25 & 26, 2018	Monday, Tuesday, & Wednesday

Upon a motion made by Mayor Pro Tem Becton, seconded by Councilmember Turlington, the City of Clinton 2018 Holiday Schedule passed unanimously.

PUBLIC COMMENTS

Mary Smith, who resides off Sunset Avenue, asked, “Is there a specific location to take donations for Hurricane Harvey’s victims?” It was stated that Clinton Family Worship Center, Pastor Lynn Blackburn’s church is taking donations.

Police Chief Edwards stated that the Clinton Police Department is partnering with others on September 30th at the Clinton City Market to gather donations and items for the victims.

Mrs. Smith was on the air with Broadcaster Michael Boykin, Station WCLN, pleading for assistance for the victims of Hurricane Harvey.

CLOSED SESSION

Upon a motion made by Councilmember Strickland, seconded by Mayor Pro Tem Becton, the following resolution passed unanimously to enter closed session to discuss matters relating to personnel:

RESOLUTION TO ENTER CLOSED SESSION

Be It Resolved that the regular meeting of the City Council of the City of Clinton, North Carolina held at 6:00 PM on September 5, 2017, entered closed session as allowed by G. S. 143-318.11(a)(6) to discuss matters relating to personnel.

Upon a motion made by Mayor Pro Tem Becton, seconded by Councilmember Strickland, it passed unanimously for Council to re-enter regular session.

ADJOURNMENT

Upon a motion made by Councilmember Turlington, seconded by Mayor Pro Tem Becton, it passed unanimously to schedule the regular October city council meeting for the second Tuesday, October 10th at 7:00 PM.

The meeting adjourned at approximately 7:55 PM.

Elaine F. Hunt, City Clerk, MMC, NCCMC

Lew Starling, Jr., Mayor