

TOWN OF ELIZABETHTOWN
Regular Meeting - Virtual
June 1, 2020

The Elizabethtown Town Council met for its regular meeting on Monday, June 1, 2020 at 7:00 p.m. via Zoom. Those present were Mayor Sylvia Campbell (Council Room), Mayor Pro Tem Rufus Lloyd (joined at agenda item #10), Council Members Herman Lewis (joined at agenda item #8), Howell Clark Jr., Paula Greene, Ricky Leinwand (Municipal Building), Rich Glenn, Town Manager Eddie Madden and Town Attorney Goldston Womble. Department Heads joining the zoom meeting included Fire Chief Nick West, Finance Director Jay Leatherman, Planner I Woody Horton, Public Services Director Hugh Bledsoe, Town Clerk Juanita Hester and Director of Communications & Marketing Terri Dennison. Representatives from the Press joining via zoom included Emily Williams and Joy Warren.

Mayor Sylvia Campbell opened the meeting and welcomed everyone, then gave the invocation. A motion was made by Council Member Howell Clark Jr., seconded by Council Member Ricky Leinwand, to approve the Agenda as presented (Unanimous).

Item #2: Approval of Previous Minutes

Council Member Howell Clark Jr., seconded by Council Member Rich Glenn, made a motion to approve May 4, 2020 Regular Meeting - Virtual Minutes (Unanimous).

Item #3: Public Hearing: Proposed FY 2020-21 General Fund and Water Fund Budget

Mayor Sylvia Campbell opened the Public Hearing and called upon Town Manager Eddie Madden to present. Mr. Madden noted that the Town will take a closer look at the sales tax revenue, local government will have a 50% decline in revenue in a 12-month period due to the reduce budget. Town Manager asked the Board to evaluate page 6 and to look at the potential savings in the amount of \$378,480. Town Manager requested the Board to adopt the budget as developed. Town Manager called upon Finance Director Jay Leatherman to present the budget. Mr. Leatherman stated there is no tax increase, 3% increase in solid waste and sanitation fees, sales tax increased 2%, March sales tax check over \$62,000 (higher than last year), interfund transfer increased from last year from water fund to general fund, page 26 water rates 5,000 gallons usage, added one to two steps that will affect 10-12% of customers and 2% cost of living. In Debt Services- closed with USDA on May 20th on the Streetscape Project at 2.35% which will save the Town \$10,000 over 40 years, water fund \$8,000 a month in late and cut-off fees that cannot be collected due to the Governor's Executive Order, general fund appropriations budgeted \$6,000 for the library but normally budgets \$1,000, White Lake \$10,000 and Airport

transfer \$16,667. Mayor Campbell closed the Public Hearing. (With this being a Virtual Meeting, voting on this item took place at the June 3, 2020 Recessed Noon Virtual Meeting.

Being a Virtual Meeting, notice was given to the Public that written comments for the scheduled Public Hearings could be submitted at any time between the Notice of Public Hearing and 24 hours after the Public Hearing.)

Item #4: Public Hearing: Annexation of Two Lots in the Elizabethtown Industrial Park

Mayor Sylvia Campbell opened the Public Hearing and called on Town Manager Eddie Madden to present. Mr. Madden noted that this hearing is to annex two (2) lots and noted Council Member Howell Clark's letter in the packet for review. Council Member Howell Clark stated that his letter is for agenda item #8. Mayor Campbell closed the Public Hearing. (With this being a Virtual Meeting, voting on this item took place at the June 3, 2020 Recessed Noon Virtual Meeting. Being a Virtual Meeting, notice was given to the Public that written comments for the scheduled Public Hearings could be submitted at any time between the Notice of Public Hearing and 24 hours after the Public Hearing.)

Item #5: Public Hearing: Incentive Agreements for Anthem Displays and Westwood Manufacturing

Mayor Sylvia Campbell opened the Public Hearing and called upon Town Manager Eddie Madden to present. Mr. Madden stated that at last month's meeting, the agreement was approved based on an amendment for the incentives to be applied to Town taxes. This item needs additional approval due to a response from Bladen's Bloomin' "stating that it is in the best interest of the Town not to make an amendment to the incentive agreement". Mayor Campbell closed the Public Hearing. (With this being a Virtual Meeting, voting on this item took place at the June 3, 2020 Recessed Noon Virtual Meeting. Being a Virtual Meeting, notice was given to the Public that written comments for the scheduled Public Hearings could be submitted at any time between the Notice of Public Hearing and 24 hours after the Public Hearing.)

Item #6: Ordinance to Approve FY 2020-21 General Fund and Water Fund Budget

This item will take place on June 3, 2020 at the Noon Recessed Virtual Meeting.

Item #7: Ordinance #2020-02 for Annexation of Two Lots in the Elizabethtown Industrial Park

Voting on this item will take place on June 3, 2020 at the Recessed Noon Virtual Meeting.

Item #8: Resolution #R-2020-11 – Amend the Current Annexation Policy

Council Member Howell Clark stated that in 2012, he was not on the Board, but he was involved in the Economic Development Commission, so he feels strongly about this because of the investment they must make. ~~The relations are not good between the Town and County.~~ (Council Member Howell Clark noted a correction from the minutes on June 1, 2020, Agenda Item #8, line #3. He stated that he did not say that "relations are not good between the Town and County."

He stated, "relations are good." "He said that Economic Development and County are agreeing to annexation not because they want to but because they have to.") Offices and residential should be annexed but exempt Industrial and or Manufacturing because the equipment in the building is expensive. The first thing the company looks at is the tax base. Council Member Rich Glenn stated that he has been on both sides of the fence, studied and prayed over the last month about this and called different counties. He noted that he has been on the Economic Board for 10-15 years; and it is a struggle for County and the Town to attract business. Council Member Paula Greene thanked Council Member Howell Clark Jr. for his letter and that she encourages growth in the Park; however, she believes that we can use our incentive to keep budget resources available. Council Member Ricky Leinwand stated that he appreciates the Board and the County Commission is with us on this. Council Member Ricky Leinwand noted that the Town needs to try and get more business here. Council Member Howell Clark Jr., seconded by Council Member Rich Glenn, made a motion to amend the current annexation policy. Council Members Paula Greene, Ricky Leinwand and Herman Lewis voted against any changes. There were 3 ayes and 2 nays. (Mayor Pro Tem Rufus Lloyd had not yet joined the Zoom Meeting.) Copy of Council Member Clark's letter attached and incorporated herein by reference.

Item #9: Monthly Projects Update

Town Manager noted that the Cemetery Public Meeting is June 16th from 12:00 pm to 6:30 pm at the Farmer's Market, have applied for drive-way permits for Greene's Lake, Fire Station is going through the punch list with DeVane Builders and the ribbon cutting for the new Fire/Rescue building has been postponed to a later date.

Item #10: Budget Amendments #2020-07

Finance Director Jay Leatherman stated that the budget amendment is for 3 capital projects. Fund 127 to balance out departments to the end of the year, \$4,801,050 additional cost to repair cemetery that will be reimbursed 100% from FEMA, Board approved \$134,000 of Town funds, received obligation from FEMA for additional reimbursement for cemetery repairs of \$5,276,327 due to Hurricane Florence and Streetscape Project on West Broad \$25,000 less than budget. Council Member Rich Glenn, seconded by Council Member Howell Clark Jr., moved to approve Budget Amendment #2020-07 (Unanimous). Copy attached and incorporated herein by reference.

Item #11: Amend Industrial Development Incentive Grant Program Agreements with Anthem Displays and Westwood Manufacturing

This item will be voted on at the June 3, 2020 Virtual Meeting. Town Attorney Goldston Womble stated that the Town will provide grants that cannot equal more than 99%, no taxes for 5 years with the option to extend for an additional 5 years. (Voting occurred at the June 3, 2020 Recessed Noon Virtual Meeting.)

Item #12: Reschedule Date for July 6th Town Council Meeting

The July Town Council Meeting has been rescheduled to July 13th at 7:00 pm. Council Member Rich Glenn, seconded by Council Member Howell Clark Jr., moved to approve the rescheduled date (Unanimous).

Item #13: Appointments: ABC Commission, Airport/Economic Development Commission, and Planning Board

Council Member Howell Clark Jr., seconded by Council Member Herman Lewis, moved to approve the appointments (Unanimous). Copy of appointment letters attached and incorporated herein by reference.

Item #14: Loan Agreement from Office of Recovery & Resiliency for Cemetery Project

With no discussion, Council Member Rich Glenn, seconded by Council Member Howell Clark Jr., moved to approve the loan agreement from the Office of Recovery & Resiliency (Unanimous). Copy attached and incorporated herein by reference.

Item #15: Monthly Financial Report

Finance Director Jay Leatherman stated that he will be leaving the last of June and he will miss working with the Town. The Town has completed 11 months at 91.67%, 96.5% taxes, water & sewer fund is close to budget. In May, the Town paid \$14,438 for the FY 2018-19 inmate labor contract and should get one (1) more invoice this year. Total combined funds \$191,921, should finish the year with a positive result. Council Member Howell Clark Jr., seconded by Council Member Rich Glenn, moved to approve the monthly financial report (Unanimous). Copy attached and incorporated herein by reference.

Item #16: "Briefly"

Town Manager briefed on the following:

Mark Gillespie has submitted a letter from Dixie Youth Baseball about practicing during Phase 2. No decision was made on the state tournament due to the interpretation of NC Governor's Executive Order 141. Council feels it is not safe for the children; therefore, the Town will follow the Governor's Order. Maybe play later in the season July or August for the safety of the children.

Appreciate Town staff for putting together this agenda.

Appreciate Police & Fire.

Fire/Rescue ribbon cutting June 25th (postponed).

Opening Town Hall front doors – Council feels it is best to wait another week but still social distant, wear a mask, hand sanitizer and clean afterwards.

Item #17: Open Forum: Three (3) Minutes Per Citizen...Should State Name/Address

Written comments may be submitted to Town Clerk Juanita Hester by email:

jhester@elizabethtownnc.org or placed in the Town's Drive Thru Drop Box due to this being a virtual meeting.

Item #18: Closed Session: In Accordance with NCGS 143-318.119(a)(3) Attorney-Client Privilege and NCGS 143-318.11(a)(4) Economic Development

Council Member Howell Clark Jr., seconded by Mayor Pro Tem Rufus Lloyd, moved to enter into Closed Session (Unanimous).

Sylvia Campbell, Mayor