

**TOWN OF BURGAW BOARD OF COMMISSIONERS
REGULAR MEETING**

DATE: May 14, 2013
TIME: 4:00 PM
PLACE: Burgaw Municipal Building
BOARD MEMBERS PRESENT: Mayor Kenneth T. Cowan
Mayor Pro-tem Howard Walker
Commissioners Jan Dawson, Wilfred Robbins, Charles Rooks and Elaine Tyson
STAFF PRESENT: Chad McEwen, Town Manager
Sylvia W. Raynor, Town Clerk
Robert Kenan, Town Attorney
Rebekah Costin, Planning Administrator
Bill Fay, Director of Public Works
Bill George, Fire Administrator
Louis Hesse, Building Inspector
Ashley Loftis, Finance Officer
Montrina Sutton, Chief of Police
MEDIA PRESENT: Andy Pettigrew – The Pender Post
Stephanie Bowens – Star News
INVOCATION: Bryant Crosson, Chaplain
PLEDGE OF ALLEGIANCE: All

Mayor Cowan called the meeting to order at 4:00 PM.

Approval of Agenda

Mayor Cowan asked if there were any requests for amendments to the agenda. Mr. McEwen requested that the meeting be recessed not adjourned for the purpose of reviewing and accepting the sewer re-hab contract on Friday, May 24, 2013. There being no further requests, Commissioner Tyson made a motion to approve the agenda as amended. The motion was seconded by Commissioner Walker and carried by unanimous vote.

Approval of Consent Agenda

Mayor Cowan asked if there were any requests to amend the consent agenda. There were several questions asked about the resolutions, but no amendments were made. There being no amendments requested, Commissioner Rooks made a motion to approve the consent agenda as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote. The consent agenda and the following items were approved:

- A. Approved Minutes of April 9, 2013 Regular Meeting and Approved Minutes of April 9, 2013 Closed Session**
- B. Resolution 2013-14 Declaring NC Blueberry Festival Day in Burgaw**

**RESOLUTION 2013-14
DECLARING NC BLUEBERRY FESTIVAL DAY IN BURGAW**

WHEREAS, the first annual N. C. Blueberry Festival was held in Burgaw on June 26th, 2004; and

WHEREAS, that festival has become a tradition enjoyed by thousands of people; and

WHEREAS, the tenth annual N. C. Blueberry Festival is planned for June 15th, 2013 in Burgaw; and

WHEREAS, the Board of Commissioners desires to make certain accommodations regarding the festival; and

NOW THEREFORE BE IT RESOLVED by the Town of Burgaw Board of Commissioners that June 15th, 2013 be declared "North Carolina Blueberry Festival Day" in Burgaw; and

SECTION 1. In order to accommodate the needs of the North Carolina Blueberry Festival, the following waivers and changes be placed in effect:

- All peddlers, privilege licenses, and zoning permits for vendors, exhibitors, and participants properly approved by the festival are waived for the day of the festival
- Fremont Street between Dudley Street and Walker Street is closed from 6 pm on June 14, 2013 through noon on June 16, 2013
- Fremont Street between Walker Street and Cowan Street is closed from 5 am on June 15, 2013 through midnight on June 15, 2013
- Wright Street between Satchwell Street and Wilmington Street is closed from 6 pm on June 14, 2013 through noon on June 16, 2013
- Walker Street between Fremont Street and Wilmington Street is closed from 6 pm on June 14, 2013 through midnight on June 15, 2013
- Dickerson Street between Satchwell and Wilmington Street is closed from 6 pm on June 14, 2013 through noon on June 16, 2013
- Courthouse Avenue between Wright Street and Dickerson Street is closed from 6 pm on June 14, 2013 through noon on June 16, 2013

Witness my hand and the corporate seal of said town of Burgaw this fourteenth day of May, 2013.

C. Resolution 2013-15 NC Small Town Main Street Program

**RESOLUTION 2013-15
ADOPTING AN AGREEMENT TO CONTINUE PARTICIPATION IN THE
NORTH CAROLINA SMALL TOWN MAIN STREET PROGRAM
2013-2014**

WHEREAS; the North Carolina Department of Commerce, Office of Urban Development has established a Small Town Main Street Program to provide technical assistance in downtown revitalization, utilizing the “Main Street Four-Point Approach” of Organization, Design, Promotion and Economic Restructuring to selected small towns in eastern North Carolina; and

WHEREAS; several towns were selected to receive a more detailed level of service incorporating all of the “Main Street Four Points”; and

WHEREAS; the Department of Commerce selected the Town of Burgaw to participate in the program and the Town wishes to continue its participation for an additional year; and

WHEREAS; both parties agree that a high level of community participation and commitment is required on the part of the Town and community in order to ensure that the program is as successful as possible: and

WHEREAS; there is no cost to the Town except reimbursement for travel related expenses that may be requested by the Town;

THEREFORE, BE IT RESOLVED; that the Town agrees to continue its participation in the Small Town Main Street Program and to abide by the following conditions:

1. The Town will actively participate in the Small Town Main Street Program for an additional period of no less than twelve (12) months beginning July 1, 2013.
2. The Town will designate a contact person in the community for the technical assistance team to coordinate with in order to provide continuity and leadership for the effort.
3. The Town will continue to maintain a volunteer committee and working subcommittees that are representative of the entire community, to provide focus for the program.
4. The Town will continue its support for the volunteer committee and will assist the committee and team in conducting community projects and any other necessary activities.
5. The Town will cooperate with the Small Town Main Street technical assistance team and support the community vision and plan of action.
6. The Town will continue to implement the plan of action to the fullest extent possible.
7. The Town will continue to develop and actively participate in local and regional partnerships and networks, and share resources and information gained through the program with other communities in the region.
8. The Town agrees to reimburse the Office of Urban Development for travel related expenses for any travel requested by the Town as submitted.

ADOPTED BY THE TOWN BOARD of BURGAW THIS 14TH DAY OF MAY, 2013

D. Resolution 2013-16 North Carolina Film Industry Support Resolution

**TOWN OF BURGAW RESOLUTION 2013-16
NORTH CAROLINA FILM INDUSTRY SUPPORT RESOLUTION**

WHEREAS the Film and Television Industry has been an important clean industry in North Carolina for over 30 years, and

WHEREAS North Carolina seeks and wishes to attract clean, knowledge-based industries that position the state well for 21st century job expansion, and

WHEREAS the Film and Television Industry has contributed to jobs and increased economic activity in over 50 North Carolina counties, and

WHEREAS over 4,000 families depend on this industry for well-paying jobs and the industry workforce has multiplied in each of the last three years, and

WHEREAS this industry will provide more highly skilled jobs and opportunities in the future and contribute significantly to workforce earnings potential, and

WHEREAS our skilled crew base, well-trained talent, excellent facilities and diverse scenery make North Carolina an excellent place to film, and

WHEREAS every level of public education trains technical employees for this industry and post-secondary job placement in the industry is very strong, and

WHEREAS film over the last five years has exceeded one billion dollars in gross domestic product for the state, and

WHEREAS the current North Carolina tax structure encourages productions from around the world to economically produce movies and television series in our state, and

WHEREAS films and TV series produced in North Carolina attract destination tourism to filming locations, contributing to the state's travel economy, and

WHEREAS this board supports job growth of high skilled, high wage industries, then

NOW THEREFORE BE IT RESOLVED THAT WE, THE TOWN OF BURGAW BOARD OF COMMISSIONERS ACTING JOINTLY, do hereby declare our support for both the North Carolina Film and Television Industry and the current state tax policy that has caused this industry to grow. We call upon our representatives in the North Carolina General Assembly to continue support of this important industry.

Approved this fourteenth day of May, 2013.

E. Resolution 2013-17 Declaring Surplus Items

**RESOLUTION 2013-17
SURPLUS PROPERTY**

WHEREAS, the Town of Burgaw wishes to surplus obsolete property; and

WHEREAS, the Town has declared the items listed below as surplus; and

WHEREAS, the Town desires to sell the above-referenced surplus properties by auction through GovDeals; and

WHEREAS, the Town authorizes the proceeds of the sales to be placed in the Vehicle Replacement Fund.

- One (1) 2004 Crown Victoria, VIN 2FAFP74W94X184610 – Odometer 91,345
- Twenty nine (29) stacking aluminum/plastic chairs (teal)
- Three (3) miscellaneous cameras – Polaroid OneStep Express, Nikon N70 35mm camera with 28-80mm lens, Super VHS VHSC Video Recorder
- Two (2) Cargo storage containers – 8 ft. X 20 ft.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT the above referenced items be declared surplus property and that the Town Manager is authorized to dispose of said property by auction. **Approved this fourteenth day of May, 2013.**

SPECIAL PRESENTATION

Mayor Cowan presented a plaque of appreciation to retiring Fire Administrator Bill George. Mr. George was thanked for his 20 years of service as fire administrator.

DEPARTMENTAL ITEMS

Finance Items

Ordinance 2013-05 Amending the FY 12-13 Budget to Provide Funding for New Christmas Lighting and Decorations

Ashley Loftis, Finance Officer advised on March 14, 2013, the Town of Burgaw Board of Commissioners were presented a phone poll by Commissioner Dawson in regards to purchasing new Christmas lights and decorations. Commissioner Dawson was authorized an appropriation of \$11,115. She said currently, in the Christmas Lighting line item there is approximately \$2200 that will be included with this supplemental appropriation to fund the purchase totaling \$13,188.41. Ms. Loftis advised the recommendation is the approval of the appropriation to use unassigned fund balance reserves to fund the purchase of new Christmas decorations and lights in the current fiscal year.

There being no discussion, Commissioner Robbins made a motion to approve Ordinance 2013-05 as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

**ORDINANCE 2013-05
AMENDING FISCAL YEAR 2012-2013 ANNUAL BUDGET
Increasing Revenues and Expenditures**

WHEREAS, the Town of Burgaw Board of Commissioners passed an ordinance adopting a budget for FY 2012-2013 on June 12, 2012; and

WHEREAS, the Town of Burgaw Board of Commissioners participated in a phone poll on March 14, 2013 presented by Commissioner Dawson in regards to the purchase of new Christmas lights and decorations; and

WHEREAS, the Board of Commissioners voted to authorize an appropriation of up to half of the cost, \$11,115 to include with existing funds within the Christmas Lighting line item, and

WHEREAS, the additional funds will come from proceeds of the recent filming in town.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT:

Section 1: The FY 2012-2013 budget be altered to reflect the following changes:

INCREASE BUDGETED REVENUE

Account Number	Account Description	Amount
10-00-3900-900	Fund Balance Appropriation	\$11,115

INCREASE BUDGETED EXPENDITURE

Account Number	Account Description	Amount
10-80-6900-990	Burgaw Christmas Lighting	\$11,115

Adopted: May 14, 2013

Ordinance 2013-06 Amending the FY 12-13 Budget to Provide Funding for the Phase 1 of the NC 53 Corridor Project

Ms. Loftis advised on June 14, 2011, the Town Board of Commissioners approved a Capital Project Ordinance authorizing Phase 1 of the NC 53 Corridor Plan which included improvements at the Walker and Bridgers Street

intersection and the Walker and Wilmington Street intersection and would be funded by NC DOT Small Construction Agreement.

Ms. Loftis said NCDOT agreed to a maximum funding of \$100,000. In the beginning, NCDOT performed preliminary surveying and engineering work of \$11,496.83. This money was deducted from the \$100,000 leaving the Town \$88,503.17 available for reimbursement towards necessary work during Phase 1 of the project. To date, the Town has spent a total of \$99,306 on land acquisition and plans and specifications. These expenditures will be offset by the \$88,503 reimbursement received by NCDOT.

Ms. Loftis said to fund the remainder of expenditures in this project an appropriation of fund balance is required. The Town's available General Fund fund balance is over \$1.4 million and is in excess of 50% of the annual budget. The Town's adopted policy for fund balance reserves is a minimum of 25% of the annual budget. Included in the appropriation ordinance is reimbursement from NCDOT. She advised the recommendation is the approval of the appropriation to use unassigned fund balance reserves to fund the expenditures related to Phase 1 of the NC 53 Corridor Project in the current fiscal year.

Commissioner Rooks asked why we went over budget on this project. Mr. McEwen advised the last change order was about \$25,000 and above the amount allowed. He advised the redesign of the roundabout components caused the increase in cost.

After a lengthy discussion, Commissioner Dawson made a motion to approve Ordinance 2013-06 as presented. The motion was seconded by Commissioner Tyson. The motion carried 4-1 with Commissioner Rooks being opposed.

ORDINANCE 2013-06
AMENDING FISCAL YEAR 2012-2013 ANNUAL BUDGET
Increasing Revenues and Expenditures

WHEREAS, the Town of Burgaw Board of Commissioners passed an ordinance adopting a budget for FY 2012-2013 on June 12, 2012; and

WHEREAS, the Town of Burgaw has received reimbursement from NCDOT and there are unassigned fund reserves in the Town's General Fund fund balance that may be used for expenses associated with NC 53 Improvements Project; and

WHEREAS, the Town of Burgaw has incurred expenditures for land acquisition and plan specifications, additional revenue and expenditure must be recognized.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT:

Section 1: The FY 2012-2013 budget be altered to reflect the following changes:

INCREASE BUDGETED REVENUE

Account Number	Account Description	Amount
10-00-3900-900	Fund Balance Appropriated	\$10,803.00
44-00-7150-300	DOT Small Construction	\$88,503.00

INCREASE BUDGETED EXPENDITURE

Account Number	Account Description	Amount
44-00-7150-720	Land/Row Acquisition	\$28,026.00
44-00-7150-790	Plans/Specifications	\$71,280.00

Approved May 14, 2013.

Resolution 2013-18 Approving a Contract with Edmunds & Associates for the Installation and Implementation of Finance Software

Ms. Loftis advised during the budget workshop this year, an upgrade to CSI Smart Fusion was budgeted. For this upgrade, the Town budgeted \$900. In January, she requested a new quote from CSI to make sure that the price had not changed. Unfortunately, the quote had been increased to \$10,821.11. She advised that when she received this

quote she questioned CSI as to why there was such a large increase in the quote. She was informed the increase was due to their recent merger with Harris and Harris' policies require them to charge for particular items that had not been charged for previously. Ms. Loftis commented that during this year, Finance has experienced very poor customer service from CSI, including a very long waiting period during times of need. She said she was informed that the database, FoxPro, which supports our current software, will no longer be operational in 2014. For our Finance software this means that it will still operate, however CSI will no longer make changes to it and upgrade the information. Eventually, this will force everyone to convert to SmartFusion and Accounting Plus will become obsolete.

After much research, Ms. Loftis advised she feels that Edmunds would be able to offer us a software package that would meet our needs at a very reasonable price. With this software, we will be able to streamline several processes that currently are very time consuming. Also, with this software, we will be able to implement modules that we are currently lacking through CSI.

Ms. Loftis advised in addition, the software will require an annual maintenance contract in the amount of \$9,830. Currently, we are paying an annual maintenance fee to CSI in the amount of \$10,386 and have been told by our CSI representative that this fee will increase to \$12,982.50, a 20% increase, for the upcoming year. With Edmunds, the Maintenance fee includes updates on all federally and state mandated changes, annual application enhancements and upgrades, as well as unlimited phone, email, and web based support.

Ms. Loftis stated that for the current fiscal year, we will pay for 50% of the cost with a General Fund fund balance Appropriation and the remaining 50%, as well as the maintenance contract, are budgeted to be paid during FY 13-14. The fund balance Appropriation will be in the amount of \$23,950 (quoted total, \$49,700 x 50% = \$24,850 - \$900 budget in current year = \$23,950).

There being no discussion, Commissioner Rooks made a motion to approve Resolution 2013-18 as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

**RESOLUTION 2013-18
RESOLUTION APPROVING A CONTRACT WITH EDMUNDS & ASSOCIATES FOR INSTALLATION AND
IMPLEMENTATION OF FINANCE SOFTWARE**

WHEREAS, the Town of Burgaw wishes to upgrade our existing financial software, and

WHEREAS, the upgrade will improve the Town staffs' ability to provide timely and efficient services to the citizens of the Town of Burgaw, and

WHEREAS, due to issues with our current software as well as increased pricing, the decision was made to seek other vendors, and

WHEREAS, pursuant to these wishes an informal bid process was conducted beginning February 2012, and

WHEREAS, the Town received two quotes including one from our current software vendor as well as a quote from Edmunds & Associates for \$49,700, and

WHEREAS, the software will require ongoing maintenance services for \$9,830 annually.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS:

Section 1: The Board of Commissioners hereby approves a contract with Edmunds and Associates in the amount of \$49,700 as well as the annual maintenance fee of \$9,830.

ADOPTED this the 14th day of May 2013.

Ordinance 2013-07 Amending the FY 2012-2013 Budget – Finance Software

Ms. Loftis advised it will be necessary to approve Ordinance 2013-07 in conjunction with the previous resolution to amend the budget for the purchase of the new software.

Commissioner Robbins made a motion to approve Ordinance 2013-07 as presented. The motion was seconded by Commissioner Walker and carried by unanimous vote.

ORDINANCE 2013-07
AMENDING FISCAL YEAR 2012-2013 ANNUAL BUDGET
Increasing Revenues and Expenditures

WHEREAS, the Town of Burgaw Board of Commissioners passed an ordinance adopting a budget for FY 2012-2013 on June 12, 2012; and

WHEREAS, the Town of Burgaw Board of Commissioners budgeted \$900 for a finance software upgrade; and

WHEREAS, the Town received a quote in the amount of \$49,700 to purchase new finance software; and

WHEREAS, the Town will fund this software 50% from General Fund, 25% from Water Fund, and 25% Sewer Fund; and

WHEREAS, there are unassigned fund reserves in the Town's General Fund fund balance that may be used for the purchase the new software.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT:

Section 1: The FY 2012-2013 budget be altered to reflect the following changes:

INCREASE BUDGETED REVENUE

Account Number	Account Description	Amount
10-00-3900-900	Fund Balance Appropriation	\$23,950

INCREASE BUDGETED EXPENDITURE

Account Number	Account Description	Amount
10-00-4200-160	Repair & Maintenance-Equipment	\$23,950

Adopted May 14, 2013.

Planning Items

Resolution 2013-19 Approving Amendments to Burgaw Incubator Kitchen Policy Handbook and Tenant Agreement

Rebekah Costin, Planning Administrator advised in regards to revision of existing Burgaw Incubator Kitchen policies, fees and tenant agreement that over the past couple of years, the town has decided to exercise greater authority over the working of the kitchen and both local and federal food safety rules have changed, making this change in tenancy an opportunity to re-examine the policies that govern the kitchen facility. She provided detailed background information regarding the history of the kitchen and the new requirements that are being handed down by the state for the management of the kitchen. There was much discussion regarding the stringent requirements being put in place by state law and the amount of training that will be required for staff to meet the requirements.

Upon completion of her presentation, Commissioner Tyson commented that Ms. Costin has spent a lot of time working on this project and she feels that a time is coming that the Board will have to consider hiring someone to run the incubator kitchen because it is taking so much of Ms. Costin's time. Ms. Costin commented that without Custom Fit Meals in the kitchen it will require much oversight and training of town staff to keep up with state standards for managing the kitchen. Ms. Costin said she will have to take courses and learn to use the kitchen herself in order to make sure that everything is done correctly. She advised that approval of the resolution and attached amendments gives staff the ability to handle the administrative duties required and some determination needs to be made on how much board oversight is going to be required in order to allow staff to manage the kitchen.

Commissioner Rooks asked what the town's obligations are to manage the kitchen and where we can draw a line when it becomes more to manage than it is worth. He commented that the requirements for Ms. Costin to meet the training standards of the government are over and above what the town ever planned for. Commissioner Rooks said

he is not interested in hiring a full time employee to manage the kitchen unless someone can confirm revenues to be earned. Commissioner Rooks said he feels the town needs to look at this situation carefully before going any further and spending more money for training or hiring someone to manage the kitchen.

Commissioner Tyson said we are fast approaching a time when we either have to spend the money or consider shutting down the kitchen. Commissioner Rooks asked if we have any choices. Mr. McEwen commented there has been discussion regarding approaching USDA about closing down the kitchen. Mr. McEwen asked the Board if we are at the point of going to USDA and asking what our options are for the kitchen. Mr. McEwen said it is a complicated matter to operate the kitchen. Attorney Kenan recommended that either the Mayor or Manager make contact with the proper authority regarding the kitchen to determine if the town has any options. He recommended that this be brought back to the Board for discussion at the next meeting. Commissioner Rooks stated that he would like to find out about options and to discuss the matter further after getting the facts. Mr. McEwen was asked to make the call to USDA.

After a very lengthy discussion, Commissioner Rooks made a motion to approve Resolution 2013-19 and new guidelines until further changes can be made. The motion was seconded by Commissioner Robbins and carried by unanimous vote.

**RESOLUTION 2013-19 APPROVING AMENDMENTS TO BURGAW INCUBATOR KITCHEN POLICY HANDBOOK
AND TENANT AGREEMENT**

WHEREAS, the Town of Burgaw established the Burgaw Incubator Kitchen in 2009 as a way to transition small farmers to new markets and to assist small food business entrepreneurs hoping to capitalize on the growing demand for local and specialty foods, and

WHEREAS, Burgaw Incubator Kitchen (BIK) is a shared-use commercial kitchen facility located in the historic Burgaw Depot that provides health department and Department of Agriculture approved kitchen space and equipment to specialty-food producers, offsetting many of the start-up costs for culinary businesses, and

WHEREAS, the existing policy handbook and tenant agreement were adopted when the facility was governed by the appointed Depot Authority and run by a kitchen manager paid on a commission basis, and

WHEREAS, in 2012, the responsibility for managing and administering the kitchen facility was absorbed by the town at the same time the Depot Authority was dissolved and replaced by the Depot Board, which has more circumscribed powers, and

WHEREAS, over the past several years, major changes to state and federal food safety regulations have taken place, namely the passage of the FDA Food Safety Modernization Act in 2011 and North Carolina's adoption of *Rules Governing the Sanitation of Food Service Establishments* 15A NCAC 18A-2600 in 2012, and

WHEREAS, the policy handbook and tenant agreement have not been revised to reflect the current management structure and to comply with current food safety requirements, and

WHEREAS, the following amendments to the Burgaw Incubator Kitchen Policy Handbook and Tenant Agreement are proposed in order to meet new food safety requirements and reflect the existing management system, and

WHEREAS, at their April 16, 2013 meeting, the Depot Board recommended approval of the attached policy handbook and tenant agreement;

NOW THEREFORE BE IT RESOLVED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS:

Section 1: The Board of Commissioners adopts the attached amendments to the Burgaw Incubator Kitchen Policy Handbook and Tenant Agreement.

SECTION 2: The Board of Commissioners entrusts town staff to create the necessary operating procedures, rules, and documents needed for carrying out the objectives of the policy handbook.

ADOPTED this the 14th day of May 2013.

ITEMS FROM ATTORNEY

Attorney Kenan advised the requested correction on the Tourism Development Authority bill has been approved at the legislative level. He also advised the offer to Central Builders has been accepted and he will be bringing a formal agreement for consideration to the meeting next week.

ITEMS FROM MANAGER

Mr. McEwen advised the Tourism Development Authority has met and approved a budget.

ITEMS FROM MAYOR AND BOARD OF COMMISSIONERS

Commissioner Tyson commented that window treatments are needed in the Community House to aid in improvement of the acoustics in the building.

Commissioner Tyson asked where we are with e-recycling. Mr. McEwen said it is up to the Board to decide how to manage the site. After discussion, Commissioner Robbins suggested that Mr. McEwen and Mr. Fay set a date and time for collection at the public works building. Mr. McEwen advised they will properly advertise the event for the public.

Commissioner Tyson asked about the status of curbside recycling with new roll carts. Mr. McEwen advised there is still an issue regarding the apartment complexes and the fact there is no mechanism for recycling at apartments. He also advised that the owner of the company prefers to lease the roll carts instead of the customer purchasing the carts. After much discussion, Mr. McEwen said he will contact the owner of OCS and bring back a contract amendment next month.

Commissioner Tyson asked where we are with the old jail and the county's public purposes requirement. Mr. McEwen advised he has approached the county authorities on several occasions and requested removal of the public purposes requirements on the building with no results. Commissioner Rooks made a motion to send a letter to Pender County offering to give the old jail back to Pender County to avoid the town spending more money on the building since the county will not allow us to renovate the building for rental revenue or release the public purpose requirement. The motion was seconded by Commissioner Tyson. After a lengthy discussion, Commissioner Rooks called for the question. The motion carried by unanimous vote.

Commissioner Tyson also commented that the property located at 605 NC Hwy 53 East looks bad and asked if anything can be done to get the owner to clean it up.

Appointment of Planning Board Member

Commissioner Robbins made a motion to appoint Bill George to the planning board. The motion was seconded by Commissioner Rooks and carried by unanimous vote. For the record, clarification was made that Mr. George could not take office until after his retirement date.

BREAK 5:00 PM – 5:07 PM

PUBLIC FORUM

Karen Harding resides at 411 South Dudley Street in Burgaw. Ms. Harding advised she is here to complain about a trash issue at Cedar Commons Apartments located in the 300 block of South Dudley Street. She said it has become commonplace for the complex to empty out an apartment after the debris pickup has been done on Friday and the debris is left beside the street for a week until the town comes back around on the following Friday to pick up again. She said it is an unsightly mess and she would like for something to be done. Mr. McEwen and Mr. Fay commented that there have been many issues at this location. After a lengthy discussion, it was the consensus that since the complex owner has a private contract with the solid waste service provider they need to have excess debris handled through their contract not with the town. The owner will be sent a courtesy letter informing him that the town will not be picking up debris at their site. The letter will provide a date by which debris will no longer be picked up at that location.

Ms. Harding also reported that one of the balconies at Cedar Commons has been walled in with plywood. Mr. Hesse advised that is a code violation and he will look into the problem.

MEETING RECESSED

Per the Board’s amendment to the agenda, Commissioner Tyson made a motion to recess the meeting until Friday, May 24, 2013 at 11:30 AM. The motion was seconded by Commissioner Dawson and carried by unanimous vote. The meeting recessed at 5:18PM.

MEETING RECONVENED

The meeting of May 14, 2013 was reconvened and called into order by Mayor Cowan at 11:30 a.m. on Friday, May 24, 2013. The following persons were present: Mayor Cowan, Commissioners Dawson, Robbins and Rooks; Chad McEwen, Town Manager; Sylvia Raynor, Town Clerk; Ashley Loftis, Finance Officer and Robert Kenan, Attorney. Commissioner Tyson and Mayor Pro-tem Walker were absent.

Ordinance 2013-08 Amending the Capital Project Ordinance for the Town of Burgaw Wastewater System Improvements

Ashley Loftis, Finance Officer advised the Board that on April 14, 2009 the Town of Burgaw Board of Commissioners approved an original Capital Project Budget for the Town of Burgaw Wastewater System Improvements in the amount of \$12,300,000. She advised on December 8, 2009 this budget was amended to total \$8,977,981 due to the reduction of revenue bonds needed for the project. She further advised that since the last amendment, more revenue has been received by American Recovery and Reinvestment Act (ARRA) in the amount of \$1,000,000. These funds were in the form of principal forgiveness. Ms. Loftis said we anticipate receiving \$430,000 from a NC Rural Center Grant due to the creation of 43 jobs within the Town of Burgaw. She said this budget ordinance will amend the total budget to \$10,864,757.57. Ms. Loftis advised approval of this ordinance will recognize all revenues received to date and all anticipated revenues as well as covering all expenditures needed to complete the capital project.

There being no discussion, Commissioner Robbins made a motion to approve Ordinance 2013-08 as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

**ORDINANCE 2013-08
AMENDMENT OF CAPITAL PROJECT ORDINANCE
For
Town of Burgaw Wastewater System Improvements**

BE IT ORDAINED by the Town of Burgaw Board of Commissioners that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The project authorized is the construction of wastewater transmission forcemain and decommissioning of permitted wastewater treatment plant to be financed by two state grants, sale of revenue bonds, federal stimulus loan and local funds.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the grant documents and the budget contained herein.

Section 3. The Capital Project Fund is amended as follows.

Section 4. The following amounts are appropriated for the project:

Engineering	\$ 485,500.00
Legal & Administrative	80,000.00
Construction	9,328,910.57
Land Acquisition	50,000.00
Additional Services	148,240.00
Capitalized Interest	400,000.00
Contingency	372,107.00
	<u>\$10,864,757.57</u>

Section 5. The following revenues are anticipated to be available to complete this project:

NC Clean Water Management Trust Fund Grant	\$ 1,812,716.00
NC Rural Center Grant	430,000.00
Proceeds from revenue bonds	2,000,000.00
Sales Tax Refund	216,319.98
Interest Income	2,911.32
Clean Water SRF – ARRA Loan	4,000,000.00
Local funds – Pender County	2,005,440.00

Transfer from Impact Fees Fund

397,370.27
\$10,864,757.57

Section 5. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements and federal and state regulations. The Town Manager and Finance Officer are hereby authorized to make any Fund or accounting adjustments necessary to establish, implement and maintain this Capital Project Fund.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7. The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 4 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 9. Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 24th day of May, 2013.

Resolution 2013-20 Authorizing a Contract with A. C. Schultes of Carolina, Inc. for Phase 2 of the Sanitary Sewer Rehabilitation Project

Mr. McEwen advised that on April 30, 2013 the Town and Kimley Horn and Associates held a bid opening for Phase 2 of the Sanitary Sewer Rehabilitation project. Three bids were received and after evaluation by Kimley Horn it was determined that A.C. Schultes was the lowest responsible bidder. The submitted bids were as follows:

- 1) A.C. Schultes- \$1,558,925.50
- 2) Step Construction- \$1,940,538.54
- 3) Wateree Construction Co.- \$1,834,564.00

Mr. McEwen advised that the recommendation to approve this contract is based on receipt of concurrence by Rural Development regarding the bid submitted by A.C. Schultes. Mr. McEwen advised the recommendation is the approval of Resolution 2013-20 authorizing a contract with A.C. Schultes of Carolina, Inc. for Phase 2 of the Sanitary Sewer Rehabilitation Project.

After a brief discussion, Commissioner Rooks made a motion to approve Resolution 2013-20 as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

RESOLUTION 2013-20

Resolution Authorizing a Contract with A.C. Schultes of Carolina, Inc. for Phase 2 of the Sanitary Sewer Rehabilitation Project

WHEREAS, the Town of Burgaw wishes to address infiltration and inflow (I&I) issues within the town's sanitary sewer system, and **WHEREAS**, in order to address these issues the town has contracted with Kimley Horn and Associates to conduct an extensive condition's assessment of the sewer lines and manholes that were not addressed as part of Phase 1 of the Sanitary Sewer Rehabilitation Project, and

WHEREAS, following the completion of this condition's assessment, the areas that constituted the most prevalent I&I concerns were prioritized, and

WHEREAS, based on this prioritization a scope of work was determined based on the remaining funds left over from the Burgaw-Wallace Transmission Line project, and

WHEREAS, based on these remaining funds, the Town of Burgaw bid out the prioritized scope of work and received the following bids;

- 1) A.C. Schultes- \$1,558,925.50
- 2) Step Construction- \$1,940,538.54
- 3) Wateree Construction Co.- \$1,834,564.00, and

WHEREAS, based on the bids received, Kimley Horn has submitted a letter of Recommendation for Award dated May 22, 2013 which recommends the award of the contract to A.C. Schultes of Carolina, Inc. as the lowest response bidder.

NOW THEREFORE BE IT RESOLVED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT:

SECTION 1: A contract with A.C. Schultes of Carolina, Inc. for \$1,558,925.50 is hereby authorized for the work described above.

SECTION 2: The recommendation and approval of this resolution is subject to contract concurrence being received from USDA Rural Development

SECTION 3: The Town of Burgaw Board of Commissioners hereby authorizes the Mayor or Town Manager to execute the required contract with A.C. Schultes of Carolina, Inc.

ADOPTED this the 24th day of May, 2013.

Settlement Agreement – Central Builders

Attorney Kenan presented a copy of the settlement agreement with Central Builders regarding the Town of Burgaw Wastewater System Improvements project. Mr. Kenan said the plaintiff has agreed to settle the issue in the amount of \$114,400.00 as previously discussed. He advised payment will be made after the engineer advises that warranty issues have be addressed. He also said the settlement will not affect the project budget. After a brief discussion, Commissioner Rooks made a motion to accept the settlement agreement and release as presented. The motion was seconded by Commissioner Robbins and carried by unanimous vote. A copy of the agreement is on file in the clerk’s office and is hereby incorporated into these minutes by reference.

Adjournment

There being no further business, Commissioner Dawson made a motion to adjourn. The motion was seconded by Commissioner Robbins and carried by unanimous vote.

The meeting adjourned at 11:50 a.m.

Kenneth T. Cowan, Mayor

Attest: _____
Sylvia W. Raynor, Town Clerk