

May 11, 2021
MINUTES OF REGULAR MEETING
TOWN OF MAIDEN

The Maiden Town Council met on Tuesday, May 11, 2021 at 6:00 p.m. for their regularly scheduled meeting, held in the Town of Maiden Council Chamber.

Present for the meeting were, Mayor Max Bumgarner Jr., Mayor Pro Tem Danny Hipps, Councilmembers Trina Michael, Beth Rudisill, Bob Sigmon, and Ronnie Williams.

Also, present were Town Manager Todd Herms, Town Attorney Scott Conrad, Town Clerk-HR Officer Wanda Barnes.

Others attending: See attached sheet.

The meeting was called to order at 6:00 p.m. by Mayor Max Bumgarner Jr.

The invocation was given by Mayor Max Bumgarner, Jr.

The Pledge of Allegiance was led by Mayor Max Bumgarner, Jr.

4. Approval of the Agenda

MOTION WAS MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER BOB SIGMON TO APPROVE THE AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY 5-0.

5. Approval of Regular Meeting Minutes

MOTION WAS MADE BY MAYOR PRO TEM DANNY HIPPS AND SECONDED BY COUNCILMEMBER BOB SIGMON TO APPROVE THE 4/13/2021 MINUTES AS PRESENTED. MOTION CARRIED UNANIMOUSLY 5-0.

6. Citizens Request & Comments

Bryan Duckwork states the spring paving project for this year consist of North C Avenue, part of Carpenter to South D to the bridge and also include West pine, Main street to Sixth Avenue. We're fortunate enough for some contractor availability and pricing market. DOT holding projects until July 1st. There is some money leftover we would like to run that money out on Union Street all the way to Providence if, possible. We are currently getting additional pricing from contractors. Part of the project is one block of 1 ninth and Union to klutz. The project will run a couple of weeks and we're working on West Pine today, South D tomorrow and move to Union street next week.

Samantha Saunders states the first concert is June 11th, and Maiden Business Association is working to have a beer garden up and running. That is the goal to get everything up and running as projected.

Town Manager Mr. Todd Herms states to make sure we followed protocol, we had to do some massaging of the dates, to make it all work. We added June 11th as the Extraordinaires night and move gospel night to August 5th. Everything will be scheduled on Friday except gospel night. The lineup is the Extraordinaires June 11, To Much Sylvia June 25th, July 23rd Band of OZ, August 5th gospel night and we will not have a beer garden, August 13th Cozic Cowboys and Mama Remedy, September 17, Ace Party Band August 13th and September 17th are football season. I talked with Butch Parker and he said, if we stay on those dates, we should be fine. One is an open date and the other is an away game. We should not have a conflict with the home football game. That the lineup and all band will take the stage at 6:30. Kevin Sanders will be the lead with the bands. He will make sure the bands get here early and play music until they take the stage. This event was hosted within the budget, with an extra day. Councilmember Trina Michaels asks, if we have vendors lined up. Samantha Saunders states, the Maiden business association will handle the vendors. Town Manager Mr. Todd Herms states we will make sure the events end around 9:30 or 10:00 PM, since its downtown near residents.

Councilmember Ronnie Williams states who scheduled the BBQ food truck downtown. Mr. Todd Herms states it was a fundraiser for pet rescue. The downtown pet business scheduled the food truck.

Mayor Pro Tem Danny Hipps states the Maiden fire department celebrated their 100th birthday this past month in April. Later in the fall this year we need to recognize the history of our fire department. and those men and women who had laid that groundwork to protect our community for over 100 years I would like to challenge Luke to work with our staff and council to do something special to recognize that organization. I appreciate the Maiden Fire Department.

7. Consent Agenda

A. Finance Officer's Report – March

MOTION MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER BOB SIGMON TO APPROVE THE FINANCE OFFICER'S MARCH REPORT; MOTION CARRIED UNANIMOUSLY. 5-0.

8. New Business

A. Resolution Contract for Lowdermilk Church & Company For Pension Attestation (Motion)

Town Manager Mr. Todd Herms states we were chosen to be audited for a pension attestation and it will cost about \$6000. This resolution is to fund the cost of the Audit.

MOTION MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER BETH RUDISILL TO APPROVE THE PENSION ATTESTATION AUDIT; MOTION CARRIED UNANIMOUSLY. 5-0.

B. Annexation Petition – Clerk to Investigate Island Ford Road (Motion)

Town Manager Mr. Todd Herms states This give the Clerk permission to investigate the property in the petition.

MOTION WAS MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER BOB SIGMON TO APPROVE THE ANNEXATION PETITION INVESTIGATION. MOTION CARRIED UNANIMOUSLY 5-0.

C. Annexation Petition – Clerk to Investigate Land Along S US 321 HWY 321 (Motion)

Town Manager Mr. Todd Herms states This give the Clerk permission to investigate the property in the petition.

MOTION WAS MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER BETH RUDISILL TO APPROVE THE ANNEXATION PETITION INVESTIGATION. MOTION CARRIED UNANIMOUSLY 5-0.

9. Old Business

A. Update Jive After Five

10. Ordinance/Resolutions

A. Resolution # 6 -2021 A Resolution to Amend The Personnel Policy For The Town of Maiden Article VI Section 7/ (Motion)

Town Manager Mr. Todd Herms states, This resolution will Grandfather in any employee that was hired before July 9th, 2007 to the previous personnel policies conditions.

MOTION WAS MADE BY COUNCILMEMBER TRINA MICHAEL AND SECONDED BY MAYOR PRO TEM DANNY HIPPS. TO AMEND THE PERSONNEL POLICY ARTICLE VI SECTION 7. MOTION CARRIED UNANIMOUSLY. 5-0

B. Resolution #7 -2021 A Resolution Opposing House Bill 401 and Senate Bill 349 of the 2021 North Carolina Legislative Session (Motion) .

Director Planning and Zoning Blake Wright states, This pertains to the state and they are basically looking to have a bill that forces the consideration of certain land uses that may not be beneficial. Cities in North Carolina that are passing these resolutions in oppose to these house bills. Mayor Pro Temp Danny Hips states, they're trying to come in and tell us what we can do with the land. Mr. Wright states, that's exactly correct.

MOTION WAS MADE BY MAYOR PRO TEM DANNY HIPPS AND SECONDED BY COUNCILMEMBER BOB SIGMON. TO OPPOSING HOUSE BILL 401 AND SENATE BILL 349 OF THE NC LEGISLATIVE SESSION. MOTION CARRIED UNANIMOUSLY. 5-0

- C. Resolution # 8-2021 An Resolution Directing the Clerk to Investigate a Petition at Island Ford Road Received Under GS 160-A-31.

Town Manager Todd Herms states, This is directing the Clerk to Investigate a petition on Island Ford Road. Councilmember Ronnie Williams states, how many acres is Island Ford Road. Mr. Wright states, it's just over 15 acres.

MOTION WAS MADE BY MAYOR PRO TEM DANNY HIPPS AND SECONDED BY COUNCILMEMBER BETH RUDISILL. TO DIRECT THE CLERK TO INVESTIGATE A PETITION ON ISLAND FORD ROAD. MOTION CARRIED UNANIMOUSLY. 5-0

- D. Resolution # 9 -2021 A Resolution Directing the Clerk to Investigate a Petition on Land Along S US 321 HWY Received under GS 160 A-31 (Motion)

Town Manager Todd Herms states, This is directing the Clerk to Investigate a petition on Land Along S US 321 Hwy. Mr. Wright states that Land Along is 6.3 acres.

- E. Ordinance # 14-2021 An Ordinance to Amend The FY 2020-2021 Budget To Record the Donation of Money From Mary Lou Freeman In the Police Department Budget. (Motion)

Town Manager Mr. Todd Herms states, Mrs. Mary Lou Freeman passed away and this is a donation to the Police Department. She left each police individual money that was to be given on a gift card.

MOTION WAS MADE BY MAYOR PRO TEM DANNY HIPPS AND SECONDED COUNCILMEMBER RONNIE WILLIAMS. TO AMEND THE FY 2020-2021 BUDGET TO RECORD THE DONATION OF MONEY FROM MARY LOU FREEMAN IN THE POLICE DEPARTMENT BUDGET. MOTION CARRIED UNANIMOUSLY. 5-0

- F. Ordinance # 15-2021 An Ordinance To Amend The FY 2020-2021 Budget In the Electric Fund To Record Reimbursement From Insurance Company For Damages To Transformer At Papa Pizza.

Town Manager Mr. Todd Herms states, This is a reimbursement from insurance company for damages to our transformer where an 18-wheeler back into it.

MOTION WAS MADE BY COUNCILMEMBER TRINA MICHAEL AND SECONDED COUNCILMEMBER BETH RUDISILL. TO AMEND THE FY 2020-2021 BUDGET IN THE ELECTRIC FUND TO RECORD THE REIMBURSEMENT FROM THE INSURANCE COMPANY. MOTION CARRIED UNANIMOUSLY. 5-0

G. Proclamation of National Police Officers Week

Town Manager Mr. Todd Herms said, This Proclamation states, this week is declared Police Officers week in the Town of Maiden by Mayor Max Bumgarner and Councilmembers.

11. Budget Presentation

A. Town Manager Mr. Todd Herms states, This year's budget we want to start with the same goal. We want to balance the town revenues and our responsibility is to provide quality municipal services at the lowest possible cost to taxpayers of Maiden NC. That has been the goal of mine as a manager since I first started with the town. I always use that quote because, it's exactly what we need to think about during this process. The town wholesale rates and contractors, the wholesale electric rate has no change. The wholesale water rate, this is the cost to us. The water rate increase is 3% with the City of Hickory. The Republican Service trash collection will increase by 3.5. When I completed the budget, I anticipated an increase of 12% in health insurance. After negotiations and moving a few things around I got it down to a 1% increase. We are going to change the MERP, which is the Medical Employee Reimbursement plan, from a \$5000 plan to a \$6000 plan. The town will take on an additional \$1000 liability risk. In order to do that we save 11.5%, which is around \$60,000.00. We average between one and five MERP cases a year. The most MERP cases we've ever had in one year, was eight. Last year we had two cases. We also have 97% of our employees all tier one drug prescriptions. Most cases go over \$6000 a year. At the end of the day, an operation will cost more than that. With that change we were able to get the increase down to 1%. Councilmember Trina Michael states, how many employees? Mr. Herms states, we have 57 on the plan. Councilmember Trina Michael states, if we paid a \$1000.00 for each employee it was still be a saving. Mr. Herms states, this will place the town in line with other cities. Councilmember Ronnie Williams states, have you received any concerns from the employees? Mr. Herms states, most employees will not recognize a difference. Councilmember Trina Michael states, its more about educating the employee. Mr. Herms states, Dwayne Wilson BlueCross Blueshields North Carolina insurance will host an open enrollment session for the employees. We didn't host a session last year because of COVID. The session will be about three days and they can discuss the insurance with Dwayne Wilson BlueCross BlueShields North Carolina Insurance. There is no change in property tax or electric rates. Water rates will be \$1.00 to base 2.75% over 3000 gallons. Sewer rates is \$.75 to the base. A \$2.00 increase for monthly sanitation be bringing it to \$11.50 a month. Councilmember Michael states, will that break even for us? Mr. Herms states, no, but the goal is to try to get there within 10 years. This is the first step. At this ratio it will be 62% fees 38% general funds. This is the first time since I've been manager, that the citizens pay more for the general fund. It's normally the opposite. The average inside customer will see a \$3.75 increase a month. Councilmember Williams states, will the 2.75% base cover our water rate? Mr. Herms states, it will and it also spreads it out. A straight percentage increase negatively affects the higher user rate. This is a fair way to spread it out over every customer. We're allowed to transfer up 5%. The utility funds took a harder hit than the general fund, due to COVID. The electric fund we took 4%, water and sewer 1% for a total of \$344,158.00 transferred from utilities into general fund. The total operating budget is \$20,093,140.00. That 9.9 general fund, 7.6 electric fund, water and sewer fund 2.5. General fund is right at 50%, water and sewer are 12%, electric fund is 38%. We are the only public power city known where the general fund is larger than the electric fund. Huntersville is close to our numbers. A salary breakdown by position, next year's

budget we were going to use an outside contractor company to verify that the percentages are where they need to be. Shelby and Morganton use their verification system. The price is about four to five thousand dollars. It wasn't the money, but a time issue. Mayor Pro Tem Danny Hipps states, is it really worth the cost. Mr. Hipps say he would rather give it to the employees. Mr. Herms states, it's for the LGC requirements. Councilmember Michael states, how often we must do this? Mr. Herms states, most cities have it done about every ten years. Mr. Herms states, he recommends a \$1.00 an hour base increase, 1.5 % COLA and 1.5% merit. Some funds will be set aside for market rate, probation period, professional development and certification completions. Mayor Pro Tem states, what is the requirement for a merit raise? Mr. Herms states we do not have a formal, but an informal requirement. If they meet expectations they will get less, and more if they exceed. Mr. Hipps, merit is anything above expectations. Mr. Herms states, yes. Sales is just over \$1,000,000.00 franchise tax is about 780,000.00 in revenues. Sales tax revenues to Raleigh, placed in one pot and split up evenly based on population. Mr. Hipps states, if we increase our population the sales tax portion increase. Mr. Herms states, yes. Tax base is 1.7 million. Council's budget is 3.6 million and incentive make up 3.2 million of that total. Apple had a 2% decrease this year. That 2% for Apple is huge. The Apple incentive decrease by 2.8 million dollars this year. GKN is base off investments and incentives. GKN is \$356,000.00 this year. South Forks is based on how much water they use. We budget \$40,000.00. but some years we had to roll money over. This year we will combine special events and community activities. The Administration budget is \$168,000.00 with one assistant to Manager position for marketing, social media and grant researcher. The hiring range will be \$37,000.00 to \$42,000.00. The Finance department had no real changes, except a new auditor. The budget is \$154,000.00. The IT budget is \$282,000.00. IT supplies was broken down by departments this year. It's a more efficient way to track what is being spent. In the IT budget we had switch up grades, cameras, upgrade services, fuel system upgrades. Tammy title will change to Chief Information officer. IT will add an additional fulltime employee. The hiring range will be \$43,000.00 to \$54,000.00. Councilmember Ronnie Williams states are the police using body Cams? Mr. Herms states we use a car Cam. Planning budget long range budget is \$22,000.00 and \$18,000.00 for assistants from the COG, if needed. With the future housing projects, we may need assistants. Councilmember Ronnie Williams states, have we been told how to spend the COVID money? Mr. Herms states, we have not been told how to spend the American Rescue Money. Town Hall budget is \$77,000.00. The debt on the Town Hall building will be paid off June 30, 2022. Paying it off early, will only save us \$50.00. The Police budget is \$2.3 million. They will have 3 cars for rotation. Police entry level will increase by one grade. Councilmember Williams states how to we bid on the cars. Mr. Herms states, we buy off state bids and the equipment for the car is what cost the most. Everyone police department purchase multiple vehicles a year because of the high mileage. Fire Department is \$1 Million and \$265,000 for a pumper truck. Luke requested a \$1.00 increase for part-time employees. I have agreed, if Council agrees. All volunteer is paid the same amount, this will give them an incentive. We have one shift that's and 18-hour shift, but it will be converted into a 24 hour shift. They will be a \$30,000.00 increase. The garage budget is \$100,000.00 with a purchase of a small forklift. A software upgrade for \$3000.00. Mayor Pro Tem states have we inquired about leasing forklifts? The street department is also requesting another employee. It will be a split position that will assist will custodian and storm water Technician. They will clean four hours out of the day and the remainder will be the storm drains. Sanitation no major changes \$343,000.00. The recreation budget \$708,000.00, with include \$6,000.00 workout equipment for upstairs and tenting the floor level windows and engineer fees for the handicap ramp. Councilmember Ronnie Williams states, how does the \$50,000.00 cemetery budget works? Mr. Herms states, the cemetery budget is for upkeep and software. The electric fund is

7.6 million. We need about 9.8 million dollars to pay off all the debt. When I first became Town Manager it was about 30 million. There is a \$7000.00 cost for 2 electric car charging stations. We received a grant for the charger at the Rec center. The other charger will be placed behind the gazebo. An all-electric vehicle for \$40,000.00. A rate study for \$28,000.00. The electric vehicle will be at the Town Hall or at the Rec center. Scada upgrades is \$70,000.00, Water and Sewer fund \$ 2.5 million dollars. We have 2075 water customers, 407 is outside the city, the remainder inside and 36 industrial. We have 1600 Sewer customers, with 54 outside and the remainder is inside city limits. The water agreement with the city of Hickory allow us to have the lowest rate in the county. The agreement will end June 20, 2027 and it may be extended for another 20 years until 2047 under the same terms. They cannot increase the rate no more than what they increase their own customers. We can purchase 3 Million gallons a day. They are responsible for treat and lab work. We must purchase 750 gallons a day. Currently, we are averaging just over 900 gallons a day. Mayor Pro Tem Danny Hipps states will we incur any more debt with the infrastructure? Mr. Herms states, no and I do not see the Town getting a better contract. Wastewater treatment budget is \$640,000.00, which includes a new mower and an aerator replacement. The Sewer budget is flat, it includes \$15,000.00 to seal off a line behind GKN. Councilmember Ronnie Williams ask do we have water on Davis Road. Mr. Herms States, yes and on East Maiden Road. The fee schedule change is to help with the software. We remove minor subdivisions. Street accessments and sidewalks will be at cost. The dumpster is \$75.00 a day. Mayor Pro Tem Danny Hipps ask is the budget due by July 1st. Mr. Herms states, yes but I would like to sign the insurance agreement before July 1st. Councilmember Beth Rudisill states, can we have all committees start on January 1st? The rotation will stay the same, but end December 31. Mr. Herms states we will reach out to each member and discuss it at the next meeting.

13. Adjourn

MOTION WAS MADE BY COUNCILMEMBER TRINA MICHAEL AND SECONDED BY COUNCILMEMBER BOB SIGMON ADJOURN AT 7:53 PM. MOTION CARRIED UNANIMOUSLY. 5-0

Respectfully Submitted:

Wanda Barnes, Town Clerk

Max Bumgarner Jr., Mayor

ATTEST:

Wanda Barnes, Town Clerk