

TOWN OF MAIDEN

July 17, 2017

MINUTES OF REGULAR MEETING

The Maiden Town Council met on Monday, July 17, 2017 at 7:00 p.m. for their regularly scheduled meeting, held in the Council Chambers at the Maiden Town Hall.

Present for the meeting were Mayor Robert L. Smyre, Councilmembers, Max Bumgarner, Jr., Trina Michael and Ronnie Williams.

Absent were: Mayor Pro-Tem Fore Rembert and Councilmember Marcus Midgett.

Also present were Town Manager Todd Herms, Town Attorney Scott Conrad and Town Clerk Elizabeth Krige.

Others attending: See attached sheet.

The meeting was called to order at 7:00 p.m. by Mayor Robert L. Smyre.

The invocation was given by Mayor Robert L. Smyre.

The Pledge of Allegiance was led by Councilmember Ronnie Williams.

4. Approval of Agenda

MOTION WAS MADE BY COUNCILMEMBER TRINA MICHAEL AND SECONDED BY COUNCILMEMBER MAX BUMGARNER JR TO APPROVE THE AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY.

5. Citizens Requests and Comments

Town Manager Todd Herms announced the County was holding a summit with all the local governments in Catawba County. He also announced that the Economic Development Corporation would have its annual meeting on Wednesday, July 19, 2017. Town Clerk Elizabeth Krige presented the latest edition of the Maiden newsletter. The Town choose a new vendor who offers a better-quality product for the same price as the previous newsletter.

6. Approval of the Minutes (6/5/17 and 6/29/17 Meeting):

MOTION WAS MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER TRINA MICHAEL TO APPROVE THE MINUTES OF THE JUNE 5TH REGULAR MEETING AND THE JUNE 29TH SPECIAL MEETING. MOTION CARRIED UNANIMOUSLY.

7. Consent Agenda:

The items on the consent agenda were the Finance Officer's Report for May and June. Councilmember Ronnie Williams asked about the change from a 6-month to 12-month Certificate of Deposit. Mr. Herms explained the interest rate was better on the 12-month CD. He also stated that public funds receive lower interest rates because the money cannot be put into money markets and other investment products.

MOTION WAS MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER MAX BUMGARNER JR TO ACCEPT THE FINANCE OFFICERS REPORT. MOTION CARRIED UNANIMOUSLY.

8. New Business

A. Bids for St. James Waterline Extension. Mr. Herms explained the Town received bids from several contractors to complete the waterline extension on St. James Road. The lowest bidder was M&M Construction of Banner Elk, NC at \$119,615.50. The County is paying for 25% of the project and the remainder is from a 0% interest loan.

Councilmember Trina Michael asked if the Town had ever used this contractor and Mr. Herms said no but the company's references have been checked.

MOTION WAS MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER MAX BUMGARNER JR TO APPROVE THE BID OF \$119,615.50 FROM M&M CONSTRUCTION. THE MOTION CARRIED UNANIMOUSLY.

B. Bids for JW Abernathy Road Improvements. Mr. Herms stated the project was awarded to the lowest bidder, Midstate Contractors, for a price of \$235,500. Manager Herms also announced the Town will receive bids for the Maiden Dam Project on July 20th.

MOTION WAS MADE BY COUNCILMEMBER MAX BUMGARNER JR AND SECONDED BY COUNCILMEMBER TRINA MICHAEL TO APPROVE THE BID OF \$235,500 FROM MIDSTATE CONTRACTORS. THE MOTION CARRIED UNANIMOUSLY.

C. Amusement Vendors

Mr. Herms received some concerns about the vendors who operated the rides at the Maiden Fall Festival last year. He had Town Attorney Scott Conrad draft an agreement that would require vendors to run background checks on their employees, have liability insurance and hold the Town harmless should there be an accident. Mr. Herms said the Council did not need to make a decision and that using this agreement would likely make the cost of the Fall Festival increase.

Councilmember Ronnie Williams asked if it would affect the non-profits and if this type of service required formal bidding. Mr. Herms said the agreement would only affect those we are paying for a service, not the non-profits and it would not have to go out for bid.

D. Old Tavern Lane/Walnut Grove Mobile Home Park

Planning Director Blake Wright spoke about the development of Old Tavern Lane Mobile Home Park. This Mobile Home Park has caused problems for the Town in the past, namely high numbers of utility cutoffs and police calls. Past owners of this property have not shown interest in resolving these issues. Gvest Capital LLC wishes to purchase the property and expand it with more homes. The infrastructure needs to be improved. The Town and Gvest are considering entering into a development agreement where the sewer lines would be improved and Gvest would reduce the number of tenets who do not pay utility bills or have to be evicted.

Three members of Gvest Capital's staff presented their plan to Council. Adam Martin, land acquisition for mobile home parks, Julia who handles the tenet applications and evicts people if necessary and Susan Rosenblah who handles land development. Adam Martin presented the site plan and said that there was a tremendous demand for affordable housing in Maiden. Gvest will offer a lease and a lease to purchase option.

There is a deed restriction stating only 20 lots could be developed due to the infrastructure. Adam Martin stated Gvest is committed to making sure people pay their utilities and there are good people living in the neighborhood. Mr. Martin stated Gvest wants to bring new mobile homes into the park.

The homes that are not up to code will be removed. The entire property will be improved with landscaping, new pavement, and walkways to the homes. Gvest acknowledges the Town has heard these promises before however Gvest has a strict lease and will enforce evictions. Part of the lease is for the tenet to pay their utility bill to the Town.

Julia provided information about the application and lease. Applicants must provide 3 recent payroll stubs, they have to make three times the rent and their credit history will be checked. There is also a criminal background check. The lease is very strict, the tenets must follow the rules or they will be evicted. The last park Gvest bought, one third of the residents were evicted because they failed to pay the rent. If tenets do not pay utility bills they will be evicted.

Gvest could put a revert to owner clause into the leases, this would allow the Town to get paid for utility bills and Gvest would take over the collection of the bill. Gvest believes the lease will help protect the Town from non-payment of utilities.

Mr. Herms stated since 2009, there is \$16,000 outstanding from renters in this community not paying their utility bills. This is an area of town where utility workers spend a lot of time on cut-off day. Mr. Herms stated this was the first group who had offered to take on the utilities.

Councilmember Ronnie Williams asked if the residents living there now would have to sign the new lease. Julia stated all residents in the park now would have to sign the Gvest Capital Lease.

Mayor Smyre asked if those living there now would be put in new mobile homes. Julia stated that eventually new homes would be brought in.

Susan Rosenblah explained the scope of work part of their proposal. The exterior of all the mobile homes will be improved, gravel parking pads will be paved. Ditches are going to be cleaned, the right of way will be regraded. The skirts will be fixed.

Julia stated if the tenet does not fix an issue Gvest will correct the problem and bill the tenant for the work.

Adam Martin stated they will rent lots to an individual who already owns their own mobile home as long as the home meets the size and age requirements.

Councilmember Ronnie Williams said there was a gray area to evicting a home owner. Susan said that the homeowner would be asked to leave the park and they could take their home with them.

Mr. Martin stated there are inspections quarterly on the homes that are rented. This will insure the homes stay nice.

Councilmember Ronnie Williams asked if the Sales Office would monitor the park. Mr. Martin said that someone in management will be on site during business hours.

Mayor Smyre asked how Gvest could go into a private home to inspect it for damage. Julia stated once a tenet owns the home, Gvest cannot go into the home for inspection.

Mr. Herms stated the development agreement they saw was written by Gvest and not the Town. The reason there is a development agreement is because of a six-inch clay sewer pipe. This sewer line will meet the needs of the park now but not if more homes are added. Mr. Herms stated he will get a price for adding a 12-inch sewer line.

Ms. Rosenblah stated Gvest could bond the improvements.

Councilmember Ronnie Williams asked what the timeframe was.

Ms. Rosenblah stated they wanted to close as soon as possible. The closing date was July 14th when the 1973 agreement limiting the number of homes was discovered.

Mr. Herms stated the 8-inch sewer line was originally put in by the developer and the Town maintains it.

Mayor Smyre asked if a completely new sewer line would need to be put in and Mr. Herms and Gvest stated it would only be a section of about 2,000 feet.

Mr. Herms stated the development agreement would need to be advertised and no action needed to be taken by Council at this time.

9A. Ordinance 18-2017 Balance transfers between the General Capital Project Reserve fund and the Police Facility Construction Project fund.

Mr. Herms explained that no money was moved but the Town inadvertently passed two ordinances for the same transfer of funds at two different meetings. This ordinance will correct the error.

MOTION WAS MADE BY COUNCILMEMBER TRINA MICHEAL AND SECONDED BY COUNCILMEMBER RONNIE WILLIAMS TO APPROVE ORDINANCE 18-2017. THE MOTION CARRIED UNANIMOUSLY.

9B. Ordinance 19-2017 Amend the FY 17-18 Budget in the Water-Sewer fund.

Mr. Herms told the Council there is a sinkhole behind the Public Works Building. The hole started about 3 feet in diameter and now is 6-8 feet. The cost of the project is \$57,500.00

MOTION WAS MADE BY COUNCILMEMBER RONNIE WILLIAMS AND SECONDED BY COUNCILMEMBER MAX BUMGARNER JR TO APPROVE ORDINANCE 19-2017. THE MOTION CARRIED UNANIMOUSLY.

9C. Resolution 9-2017 Approving Donation of Scoreboards pursuant to NCGS 160A-280.

Mr. Herms stated this will give surplus property scoreboards to the Startown Optimist Club.

MOTION WAS MADE BY COUNCILMEMBER TRINA MICHEAL AND SECONDED BY COUNCILMEMBER MAX BUMGARNER JR TO APPROVE RESOLUTION 9-2017. THE MOTION CARRIED UNANIMOUSLY.

With no further comments...

MOTION WAS MADE BY COUNCILMEMBER TRINA MICHEAL AND SECONDED BY COUNCILMEMBER MAX BUMGARNER TO ADJOURN THE MEETING. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted:

Elizabeth Yokley-Krige, Town Clerk

Robert L. Smyre, Mayor

ATTEST:

Elizabeth Yokley-Krige, Town Clerk