

HAMLET CITY COUNCIL SPECIAL MEETING
COUNCIL CHAMBERS ROOM
201 MAIN STREET, HAMLET, NC 28345
TUESDAY, FEBRUARY 14, 2017
3:00 PM

MINUTES

Governing Body Present:

Bill Bayless	Mayor
Johnathan Buie	Mayor Pro-Tem
Jesse McQueen	Council Member
Eddie Martin	Council Member
David Lindsey	Council Member
Wendy Massagee	Council Member

Staff Present:

Jonathan Blanton	City Manager
Tammy Kirkley	City Clerk
Jill Dickens	Finance Officer
Robert Brown	WTP Superintendent
Gerald Adams	IT Director

Others Present: Jim Perry, Jan Maynor, Jean Klein, Melanie Flomer- Media

Call to Order. Mayor Bayless called the meeting to order.

Adoption of Agenda. Council Members Buie and McQueen motioned to adopt the agenda. The motion carried.

Presentation. Jim Perry presented council with the water infrastructure and mapping information prepared by the Lumber River Council of Governments (LRCOG). He reviewed financial and asset issues and needs within water and wastewater systems. The state's minimum criteria was used for the projections. Within the draft, the city was divided into segments; East Rockingham and Dobbin Heights' water systems were included. Mr. Perry explained the usage of the ArcReader for the Hamlet Utilities Project. Recent aerial photos have been incorporated in to the maps. The types of information available within the mapping system was reviewed, parcel lines data and tax cards were also incorporated. The maps may be updated as future updates to the system are made. The LRCOG will train city employees on using the software.

Jean Klein noted the mapping component makes it much easier to work on planning for the public works side. Multiple departments may utilize the software. She gave an update on the water and Wastewater Asset Management Inventory Report, pointing out the strengths and weakness within the system. The objective is for the enterprise to be able to stand on its own. The Asset Management Plan will assist with the budgeting process. The capital improvement needs for the sewer system were discussed; the lift stations are significantly aged; 42% of lines are clay. Clay manholes and pipes are a big contributor of the

treatment. The 20-year total is about \$19 million. Financing scenarios were given and the current rates are insufficient to cover the operating expenses. The sewer side has been operating in the red for many years. A sewer action plan was reviewed. Ms. Klein said that an informed plan and strategy is needed. She recommended each lift station to be evaluated, as well as, a rate study.

The water plant dates to the 1910's. A water asset age and value was given; most assets are 60 years and older. Capital needs exceed the needs on the sewer system. The 20-year plan is \$21 million for the water plant. Ms. Klein said the raw water lines are the biggest concern as well as the lack of knowledge about the lines. Gravity feeding from the lake to the water plant and the lack of a valve was discussed. Ms. Klein noted the risks to draining the lake. Meter issues were discussed. The lifespan for today's water meters is approximately 12.5 years and some of the city's meters are 30 years of age. Non-revenue water - there is a need to look at water loss and have a study performed. The various sizes of water lines and their materials were discussed. Water rates are insufficient to cover operational costs per the audit for the stand-alone revenues and expenses. A drinking water action plan was reviewed. Water meters – the recommendation is to transfer over to radio-read meters. A water rate study is needed. Ms. Klein explained the water funders will require a minimum threshold of rates for agencies to be eligible for programs; currently the city is not eligible. Hamlet's current rates would eliminate an application from consideration. She recommended changing the rate structure. To be competitive for grant funding, as viewed statewide, an increase to the median rate is needed- raise the sewer rate to \$33 and the water rate to \$33. The last rate increase was in 2009. Over a \$20 increase for Hamlet is needed to be eligible.

Ms. Klein commended Hamlet's staff for assistance in the project. Mr. McQueen inquired about the set-up of the structure and asked about not increasing minimum rates if the water is not being used. Reduce the minimum. Revamping the system and regionalization was discussed. He noted finding a way to become a regional provider of drinking water would assist with revenues. Ms. Klein suggested to co-locate to serve out and deliver water to customers who might want to join to have a secure supply. Mr. McQueen suggested to have one valve at the lake and Mr. Lindsey asked staff to get a price for same. Mr. McQueen inquired about having a dive team to come out and look for the lines in the lake as training. Mr. McQueen asked the manager to contact Richmond County and Rockingham's managers to see what they are doing and report back to them on same.

Chambers Update. At this point, Gerald Adams with the city gave an overview and presentation of the new audio system in the chambers.

Discussion of Budget Items. Bryan Carter said he was asked to get quotes on a small car and an SUV. He presented the quotes and said the Nissan and Toyota Camry quotes are about the same. Bryan then gave the specifics on both the Nissan and the Toyota and said both are on state contract. A Ford Explorer was considered as the SUV request and the car is for the city manager. Council agreed to purchase the silver Toyota Camry in stock as soon as possible. Funds will come from the fund balance. The finance officer confirmed \$378,000 was put into fund balance. Council Members Martin and Buie motioned to move forward with the Toyota Camry purchase and start to work on it tomorrow. The motion carried.

Mr. Buie talked about needs within the police department's inventory of fleet. Look at an option for an SUV to be used by a detective as well as adding a car to the fleet. Council discussed the need for fleet vehicles. Six vehicles are needed. It was agreed to go ahead and make the purchase of two vehicles for the Police Department.

Front-End Loader. Billy confirmed a new garbage truck is needed this coming year. He reported if the 2005 model is replaced the 2002 truck may be declared surplus in July. The shop has located a lightly used Trojan front-end loader in Columbus, Ohio for \$47,500. The owner will deliver the equipment to the shop. \$35,000 was previously budgeted for a trailer for the tractor and said funds may be applied towards the loader purchase. A road trip will be needed to inspect the equipment. It was noted that most other used loaders cost around the \$60,000 mark. Mr. Lindsey suggested to video-view the equipment first to determine if a road trip is necessary. Per the price, an informal bid is needed. Mr. McQueen doesn't want to start cherry-picking what items to purchase at this point. The manager confirmed this conversation has been going on for several weeks. Council approved staff to first get a video of the equipment, and if warranted, for staff to then go look at the equipment. Council approved to purchase the loader if it is determined to be the right equipment. Council will look at a budget amendment in March for the funds.

Mayor Bayless questioned the overage of the M&R at the Hamlet Fire Department, which has gone over \$3,600 with an outstanding M&R invoice. The department has two fire pumps in need of repair and the repair on Tanker 4 pump will cost around \$5,000. It was noted Tanker 4 is not an emergency situation. Council discussed the repairs performed on the Maxim for the parade last year. When asked, Ms. Dickens confirmed the department's remaining balance in the B&G line item is about \$4,000. Mr. Lindsey suggested the manager and mayor sit down and talk with the fire chief. It was stated the \$5,000 repair is a necessity. Council inquired about the details of the outstanding invoice. Mr. McQueen suggested to wait and talk to Chief White before continuing to discuss. The manager said he talked with Mr. White and they can wait until next budget year for the Tanker 4 repairs. Mr. McQueen suggested to stress to all department heads to manage the budget throughout the year. It was approved for the truck to be repaired.

Budget Calendar. Council agreed to hold the Budget Retreat on Friday, March 3, beginning at 8:30 am and to hold a Budget Work Session on March 14th, from 3-5 pm.

Adjournment. At 5:00 pm, Council Members Massagee and Buie motioned to adjourn until the 7:00 pm meeting tonight in the chambers. The motion carried.

Respectfully submitted,


Tammy Kirkley, City Clerk

