

Town of Mount Olive
April 12, 2022
Regular Board Meeting
Minutes

Mayor Kenneth Talton called the meeting to order at 7:00 P.M. Those in attendance per roll call of Mayor Kenneth Talton were Mayor Pro-Tempore Steve Wiggins, Commissioner Vicky Darden, Commissioner Harlie Carmichael, Commissioner Barbara Kornegay, Commissioner Dennis Draper, Town Manager Jammie Royall, Town Clerk/Administrative Assistant Sherry Davis and Town Attorney Carroll Turner.

Mayor Kenneth Talton welcomed everyone to the meeting.

Commissioner Dennis Draper delivered our invocation and Commissioner Vicky Darden led us in the Pledge of Allegiance.

Mayor Kenneth Talton read the Conflict of Interest Statement; there were no conflicts.

Mayor Kenneth Talton requested a motion to approve the published agenda with the Dove House Update to be added to Non-Action Memo 04-21a. Commissioner Barbara Kornegay made the motion. Commissioner Harlie Carmichael seconded and the motion passed 5-0.

Mayor Kenneth Talton requested a motion to approve the March 8, 2022 meeting minutes. Commissioner Harlie Carmichael made a motion to approve the March 8, 2022 meeting minutes. Commissioner Vicky Darden seconded the motion and it passed 5-0.

Mayor Kenneth Talton then moved to the Public Forum. No one signed up for the Public Forum but Mayor Kenneth Talton asked if anyone wished to speak. Dr. J. Jerome Newton of 605 Connor Street, Mount Olive, NC 28365, 919-658-9769 wanted to discuss the distribution of the utility bills for the Carver Cultural Center. Carver High School Alumni and Friends received a bill for \$726.00 for buildings four and seven. He stated they have three buildings and wanted to know why they were not billed for building one. Town Manager Jammie Royall advised Duke Progress Energy charges a minimum usage fee regardless. He said the Town if paying for the power utilities for building one.

Dr. J. Jerome Newton then asked if anyone else was having a problem with their campaign signs being moved or stolen. The entire Board of Commissioners answered yes. Commissioner Harlie Carmichael stated it is illegal to move or remove any political signs. Linda Boykin stated from the audience, part of the issue is because people are putting signs in people's yards so the people are taking them up. Dr. J. Jerome Newton said, he has not placed his signs in anyone's yards. Mayor Kenneth Talton informed everyone if signs are placed on the Department of Transportation right-of-way they will remove them.

Delreese Simmons of 600 Oliver Street, Mount Olive, NC 28365, 919-394-4482 discussed the issue with the signs. He stated that people have contacted him regarding the placement of Commissioner Harlie Carmichael's campaign signs. He stated they still have the signs they just removed them from their yard because they were placed there without permission. Commissioner Harlie Carmichael advised that he has not placed any signs in anyone's yard without permission. The conversation became a little heated at this time and Mayor Kenneth Talton thanked Delreese Simmons for his comments and advised his three minutes are up. Mayor Kenneth Talton closed the Public Forum.

Mayor Kenneth Talton then discussed the Public Hearing regarding

Consider Approval, for Purposes of Meeting the Requirements of the Internal Revenue Code, of up to 25,000,000 in Educational Facilities Revenue Refunding Bonds (the "Bonds") to be issued by the Public Finance Authority for the Benefit of the University of Mount Olive, Inc. (the "Borrower")

The Town will have no responsibility whatsoever for the Bonds. The Bonds will not affect the Town's debt ratios or legal debt limit. Because no taxes or other revenues of the Town will be pledged to pay these Bonds, the staff of the Town has made no financial analysis of the Bonds, the Borrower or the Projects/expenditures.

Mayor Kenneth Talton then asked Town Attorney Carroll Turner to explain this request. Town Attorney Carroll Turner stated the Public Finance Authority for Wisconsin will be issuing the bonds and they require the highest legal authority in the jurisdiction to approve the request. The University of Mount Olive will pay lower interest rates and the Town of Mount Olive will have no obligation. We are just complying with Internal Revenue Service Code.

Mayor Kenneth Talton requested a motion to go into Public Hearing. Mayor Pro-Tempore Steve Wiggins made a motion to go into Public Hearing. Commissioner Harlie Carmichael seconded and the motion passed 5-0.

Attorney Trey Taylor with Warren, Kerr, Walston, Taylor & Smith, LLP represents the University of Mount Olive. He advised Mr. Ken Buchanan, University of Mount Olive Chief Finance Officer is here as well. Attorney Trey Taylor stated the Public Finance Authority of Wisconsin requires the highest legal authority in the jurisdiction to approve the request.

Attorney Trey Taylor advised the bonds will be used to refinance existing debt with a longer payback term. These debts include Kerstetter Commons, Pope Wellness Center and other dorms. The University of Mount Olive will still be the owners and will use the bonds to pay off the bank. The

University of Mount Olive will be responsible for the bonds and the interest. The University of Mount Olive seeks to serve students and make life-long learners. They have a tremendous impact on our community and he is proud to represent them.

Mayor Kenneth Talton asked if any board members or staff had any questions. There were no questions.

Attorney Trey Taylor stated interest rates are increasing and the University of Mount Olive has up to a year to sell the bonds.

Mayor Kenneth Talton asked if any members of the public had any questions. Dr. J Jerome Newton asked who will be able to purchase the bonds and when is the maturity date. Attorney Trey Taylor answered investors can purchase and the bonds can be sold in a series of short term or long term but they have not decided at this time. Dr. J. Jerome Newton wanted to know if the purchasing of the bonds will open up to individuals at any time. Attorney Trey Taylor stated you have to be a credited investor.

Mayor Kenneth Talton requested a motion to come out of the Public Hearing. Commissioner Barbara Kornegay made the motion and Commissioner Dennis Draper seconded and the motion passed 5-0.

Mayor Kenneth Talton requested a motion to approve Action Memo 04-22- Consider Approval of Resolution Authorizing the University of Mount Olive to Sell Public Bonds in the Amount of \$25 Million.

- a. The Finding that the \$25,000,000 in Bonds do not constitute a debt of the Town; nor require a tax levy or a pledge of the faith and credit of the Town; nor will affect the Town's debt ratios or legal debt limit;
- b. The Finding that the Town has made no financial analysis of the Bonds, of the Borrower or of the projects/expenditures refinanced; and
- c. The issuance of not to exceed \$25,000,000 in Bonds to be issued by the Public Finance Authority for the benefit of the Borrower.

Mayor Pro-Tempore Steve Wiggins mad the motion to approve Action Memo 04-22. Commissioner Barbara Kornegay seconded and the motion passed 5-0.

Mayor Kenneth Talton then discussed Non-Action Memo – 04-21 – Update of Carver Cultural Center Plan of Action and the Dove House. He turned this over to Town Attorney Carroll Turner. He advised that he had met twice with surveyor Bobby Rex Kornegay. The survey will cost approximately \$7,500.00 total. Bobby Rex Kornegay understands the remaining property will be divided into three parcels. Town Attorney Carroll Turner stated he and Town Manager Jammie Royall will reconvene a meeting with ADLA, Inc., Men of F.I.C and Carver High School Alumni & Friends regarding the water and sewer and other issues. Town Manager Jammie Royall advised each panel is metered separately but they are currently in the Town's name.

Town Attorney Carroll Turner asked Town Manager Jammie Royall to get an estimate on the metering and we will bring that estimate back to the board.

Mayor Kenneth Talton asked if anyone had any questions. Dr. J. Jerome Newton asked if the survey will be completed prior to this meeting or will we meet before. Town Attorney Carroll Turner stated we have a lot to work out before the actual survey is completed. He said the three groups will pay for 1/3 of the survey. They will pay the Town who will then order the survey. He feels this is least expensive way because we don't need to have three surveys. WAGES paid for their on survey so we need to continue with this process.

Mayor Kenneth Talton asked if there was a contract or offer to purchase. Town Attorney Carroll Turner answered there was no there was just an agreement, there was no payment for acquisition of the land.

Mayor Kenneth Talton moved on to the update on the Dove Property. Town Attorney Carroll Turner advised that all time has expired and Mr. Dove did not give any notice of appeal and sixty days to demolish was up on Friday, April 8, 2022. Code Enforcement Officer Justin Hill informed everyone that he rode by the Dove House on Monday, April 11, 2022 and personally spoke with Mr. Dove. He advised that Mr. Dove is working on the roof and has cleaned up the yard and porch. Mr. Dove will work on the other repairs once the roof is completed and the leaks have stopped. Code Enforcement Officer Justin Hill now has Mr. Dove's current contact information and will remain in contact with him throughout this process.

Commissioner Barbara Kornegay asked why Mr. Dove went past the deadline. Code Enforcement Officer Justin Hill advised that Mr. Dove said he was not aware of the condemnation until someone contacted him regarding purchasing the house. Mr. Dove had health issues and was in the hospital for a while. Mr. Dove has given Code Enforcement Officer Justin Hill to go inside the house at any time. Code Enforcement Office Justin Hill stated he rode by there again today and they are still working on it.

Mayor Kenneth Talton would like to maintain our leverage until the structural integrity has been stabilized. Town Attorney Carroll Turner suggested the board vote on a motion to stay the order of demolition sixty day and he will send Mr. Dove a letter to that affect. Town Attorney Carroll Turner said, Mr. Dove did receive the certified letter because both Mr. & Mrs. Dove called asking for a delay.

Mayor Kenneth Talton asked if there were any questions. Commissioner Barbara Kornegay commented after all we have been through we still need to maintain leverage and keep updates on the progress. Mayor Kenneth Talton said we need to hold him to an action plan and Code Enforcement

Officer Justin Hill needs to keep the board updated and release from our authority. Commissioner Barbara Kornegay feels that sixty days is adequate. Town Attorney Carroll Turner advised you can always request additional time after the initial sixty days.

Mayor Kenneth Talton requested a motion to stay the Dove House demolition for sixty days. Commissioner Harlie Carmichael made the motion to stay the Dove House demolition for sixty days. Commissioner Barbara Kornegay seconded and the motion passed 5-0.

Mayor Kenneth Talton then discussed Action Memo 04-23 – Consider Approval of Resolution Authorizing Application for American Rescue Plan Act (ARPA) Grant Funding in the amount of fifteen million dollars and Action Memo 04-24 - Consider Approval of Authorizing Agent Regarding ARPA Grant. Mr. David Honeycutt, engineer with McGill Associates explained there are four resolutions for the ARPA Funding Grant Application which is due on May 2, 2022.

Mr. Davis Honeycutt discussed the project: the Town must approve applying for grant funding and state the Town of Mount Olive will be responsible for the upkeep. Town Manager Jammie Royall should be designated as the Authorized Representative. He stated the Viable Utilities Reserve is a benefit to the town because we are listed as a distressed utility.

Mr. David Honeycutt advised there are two separate grant applications. The first application is the Sewer Rehabilitation Inflow and Infiltration Project. The second application is the Improvements to the Waste Water Treatment Plant. The total funding is fifteen million dollars. Whichever project scores the highest will be the priority project for this round of funding. The two separate grant applications are as follows:

- 1) Sewer Rehabilitation for Inflow & Infiltration requested amount will be approximately nine to ten million dollars.
- 2) Improvements at the Waste Water Treatment Plant requested amount will be approximately five to six million dollars.

If the Improvements to the Waste Water Treatment Plant does not score enough points then we will prioritize the Sewer Rehabilitation for Inflow & Infiltration and request the entire fifteen million dollars for this grant application cycle. In the fall we can submit the grant application for the Improvements at the Waste Water Treatment Plant for any additional funding that is available at that time.

Mayor Kenneth Talton asked if there were any other questions. He commented he feels confident in our applications for fifteen million dollars of federal grant funding. This is a once in a lifetime opportunity for the Town of Mount Olive and he thanked Mr. David Honeycutt for his efforts.

Mayor Kenneth Talton requested a motion to approve the Resolutions to apply for each project and to designate Town Manager Jammie Royall as the authorizing agent. Mr. David Honeycutt advised there are two resolutions per project. Commissioner Barbara Kornegay asked when we know if we have been awarded the grant. Mr. David Honeycutt advised late August 2022 or later, it just depends on the number of applications they receive. Mayor Pro-Tempore Steve Wiggins asked if the Resolutions and Designation of Authorizing Agent can be combined into one motion. Mr. David Honeycutt advised, yes.

Commissioner Barbara Kornegay made a motion to approve the Resolutions to apply and designate Town Manager Jammie Royall as the authorizing agent. Mayor Pro-Tempore Steve Wiggins seconded and the motion passed 5-0.

Mayor Kenneth Talton then discussed – Action Memo - 04-25 – Consider Approval of Resolution of Intent to Deed the Carver Cultural Center Buildings Currently Being Leased to the Following Non-Profit Organizations: ADLA, Inc. Men of FIC and Carver High School Alumni and Friends Association. He turned this over to Town Attorney Carroll Turner.

Town Attorney Carroll Turner advised this is the first step in moving through several. This process will take several months but this resolution will help. Mayor Pro-Tempore Steve Wiggins made the motion to approve the Resolution of Intent to Deed the Carver Cultural Center Buildings Currently Being Leased to the Following Non-Profit Organization: ADLA, Inc, Men of FIC and Carver High Scholl Alumni and Friends Association. Commissioner Harlie Carmichael seconded the motion and it passed 5-0.

Mayor Kenneth Talton then discussed Action Memo - 04-26 – Consider Approval of Proclamation in Support of the 36th North Carolina Pickle Festival 2022 – Mayor Pro-Tempore Steve Wiggins read the proclamation. Mayor Kenneth Talton requested a motion to approve the Proclamation. Commissioner Dennis Draper made the motion to approve. Commissioner Vicky Darden seconded the motion and it passed 5-0.

Mayor Kenneth Talton then discussed Action Memo- 04-27 – Consider Approval of Resolution Designating Mayor Kenneth Talton and Town Manager Jammie Royall to Make Recommendations to the North Carolina Alcoholic Beverage Control Commission on ABC Permits. Town Manager Jammie Royall advised this came up recently when the new pizza place opened downtown. The last time the form was updated was several years ago. Commissioner Barbara Kornegay made a motion to designate Mayor Kenneth Talton and Town Manager Jammie Royall to make recommendations to the North Carolina Alcoholic Beverage Control Commission on ABC Permits. Commissioner Dennis Draper seconded and the motion passed 5-0.

Mayor Kenneth Talton then discussed Action Memo- 04-28 - Budget Ordinance Amendments #26-#31. Town Finance Director Geoffrey Merritt discussed the following ordinances:

1. Budget Ordinance Amendment #26 - The Town has received revenues in excess of budgeted amounts for several income sources for the fiscal year ended June 30, 2022. These line items have been increased to properly show the income received for the fiscal year. There

was a duplicate budgeting of Beer & Wine Taxes for the fiscal year. The budget line item for Beer & Wine Taxes has been reduced to remove the duplicate budget item.

2. Budget Ordinance Amendment #27 - This budget amendment properly allocates 25% of the salaries for the Town Manager and the Town Finance Director to the Water and Sewer Fund. Earlier in the year we had already allocated 25% for the Town Manager and Town Finance Director. When reviewing all of the duties of the Town Manager and the Town Finance Director it has been determined that additional amounts should be allocated to properly show expenditures for time spent on Water and Sewer. The excess expenditures have been used to increase Departmental Supplies for the Public Works Department which was under funded in this fiscal year.
3. Budget Ordinance Amendment #28 - The original budget for the fiscal year ending 06/30/2022 understated payroll expenditures for the Public Works Department. The budgeted expenditures have been increased based on estimated expenditures till the end of the fiscal year.
4. Budget Ordinance Amendment #29 - The original budget for the fiscal year ending 06/30/2022 understated payroll expenditures for the Parks and Recreation Department. These budgeted expenditures have been increased to project the Towns Parks and Recreation Department payroll costs till the end of the fiscal year.
5. Budget Ordinance Amendment #30 - The original budget for the fiscal year ending 06/30/2022 shows 100% of wages for the Town Manager and Finance Director in the General Fund. The previous amendment #24 moved 25% of these wages to the Water and Sewer Fund. This amendment moves an additional 25% of the total wage cost for the Town Manager and Finance Director to the Water Sewer Fund in order to properly show which funds services are provided.
6. Budget Ordinance Amendment #31 - The Town received \$22,000 from the NCDOT CARES Grant 36237.52.14.1 to reimburse the town for contracted services made from December 8, 2020 till September 22, 2021. The reimbursement funding will be used for Capital Improvements at the Airport.

Finance Director Geoffrey Merritt asked if there were any questions. Mayor Kenneth Talton then requested a motion to approve. Mayor Pro-Tempore Steve Wiggins made a motion to approve budget ordinance amendments #26 - #31. Commissioner Harlie Carmichael seconded and the motion passed 5-0.

Town Manager Jammie Royall presented his report as follows:

- He discussed the Litter Sweep a couple of weeks ago and advised there was a great turn-out.
- He thanked the Board of Commissioners for attending the water-sewer meetings and being so attentive to the situation.
- He said the town is working on an application for a fifteen million dollar for Sewer Rehabilitation Inflow & Infiltration and Improvements to the Waste Water Treatment Plant.
- He talked about the sewer moratorium and I-795 coming through eventually.
- He stated the two million dollar CDBG- Infrastructure Sewer grant is schedule to begin work later this year and should help alleviate a lot of the Inflow & Infiltration issues. The CDBG-Neighborhood Revitalization Grant in the amount of seven hundred and fifty thousand dollars should begin work later this spring.
- He has spoken with AECOM Engineering who is completing a one million dollar grant application to resolve the flooding issue on Center Street at the CSX Culvert.
- He feels good about the above mentioned steps helping us get off the moratorium.
- He asked if anyone had any questions. Dr. J. Jerome Newton asked if the fifteen million dollar grant would be available by July, 2022. Town Manager Jammie Royall advised it would probably be the first of 2023 before we are notified whether or not we have been awarded the grant.

Town Attorney Carroll Turner presented his report as follows:

- He advised another Sidewalk Easement has been received which takes care of half of the second block.
- He is very excited about the progress downtown, Ribeye's, Up North Pizza and Ryan Roberts.
- Josh Wiggins and Brad Deal are working on the Old White's Department Store location. They have installed two fountains, landscaped and will use during the North Carolina Pickle Festival this year.

The Commissioner's Reports were presented as follows:

Commissioner Barbara Kornegay –

- She stated it is nice to have qualified engineers to assist us in writing our Waste Water Treatment Improvements Grant Improvement Projects.
- She advised the grant search group has come up with a list of Capital Improvements Projects and Town Manager Jammie Royall is the link between us and moving forward.
- She said that we know all the deadlines for the next grant funding cycles and Joy Hicks with the Division of Environmental Quality is guiding us through the process.
- We are all working together trying to find the needed funding, submitting applications to Kubota, Duke Progress Energy, Mount Olive Community Development Corporation Master Plan and Equipment for the Waste Water Treatment Plant.

- She has participated in two online grant sessions and attends the monthly Airport Commission meetings.

Commissioner Harlie Carmichael -

- He apologized for his earlier reaction.
- He stated has been working with Public Works and things are moving along.
- He walked with Public Works Director Mitchell Davis and Public Works Advisory Committee Chair Hobart Yates and they found some additional ditches that need to be cleaned out.
- He has documentation of the progress made
- He stated this board has made more progress than any other board he has ever been on.
- He advised that our youth and the Boys and Girls Club need us. They have been a part of Mount Olive for over forty years. The annual cost to attend is only twenty five dollars.

Commissioner Dennis Draper

- He stated the reports and discussions he had have already been talked about.
- He is getting involved and learning about the issues that need to be addressed.

Commissioner Vicky Darden

- She stated there was another wreck on Bert Martin Road and wanted to know if there is anything that can be done.
- Mayor Kenneth Talton advised he contacted North Carolina Department of Transportation Division Four today. They have agreed to reconsider the site and possibly put a stop light there. He asked Police Chief Jason Hughes what was the cause of the accident. Police Chief Jason Hughes advised speed and it was dark. He thinks additional street lights would help also.
- She wanted to recognize Human Resources Director Erin Lambert for all her efforts in going back to school and she thanks God for her.

Mayor Pro-Tempore Steve Wiggins

- He said we have a real issue with University of Mount Olive students stealing street signs. They like to put these signs in their dorms.
- He stated the Litter Sweep was very successful. Volunteers included members of the Exchange Club, Rotary Club, Town Commissioners and the Wayne County Sheriff's Department.
- He was pleased to see our downtown this Saturday night. R & R Brewery is a family environment and Ribeye's were both busy and there were cars parked on both sides of the street.
- We have the Black Box Theater coming soon, there is talk of a Farmer's Market at the corner of Pollock & Center Streets and we have new business Up North Pizza.
- All four districts meet downtown and he is glad to see everyone getting together.

The Mayor's Report was presented as follows:

Mayor Kenneth Talton

- He stated everybody else covered most of his points
- He asked Town Manager Jammie Royall for an update on Town Hall. Town Manager Jammie Royall said we hope to be in there before the North Carolina Pickle Festival. They are painting now and getting ready to put down the carpet.
- He thanked all of the candidates for being at the meeting tonight. He said we can't do anything alone, it takes all of us. It involves cooperation and relationships with people. You will great as board members.
- We need trust as well. No matter who comes on the board, we have to work together.
- We have good things happening because of God and hard work.
- He sees good things coming to our town. We have to put aside any reluctance and forgive one another.
- He thanked the Town Hall staff for doing such a fantastic job during their displacement.

There being no further business Commissioner Barbara Kornegay made a motion to adjourn. Mayor Pro-Tempore Steve Wiggins seconded and the motion passed 5-0.

Our next regular meeting is scheduled for Tuesday, May 10, 2022 at 7:00 P.M. in the board meeting room.

Respectfully Submitted,

Kenneth K. Talton
Mayor

Sherry Davis
Administrative Assistant/Town Clerk