

TUESDAY, JANUARY 13, 2015 – 7:00 P.M.
REGULAR MEETING OF THE OXFORD BOARD OF COMMISSIONERS
OXFORD CITY HALL – COMMISSIONERS’ BOARD ROOM

The Board of Commissioners for the City of Oxford met at the above-mentioned time and place. All members of the Board and local news media were notified of the same as well as the purpose of the meeting.

Present were Commissioners James (Danny) Currin, Robert B. Williford, Sr., Calvin (C.J.) Harris, Jr., Frank Strickland, S. Quon Bridges and Patricia T. Fields. Present also were City Attorney J. Thomas Burnette, City Manager Randy Hemann, and City Clerk Barbara J. Rote.

Absent: Mayor Pro Tem Howard Herring, Sr.

CALL TO ORDER

Mayor Sergent called the meeting to order. Reverend Chris Aho from Oxford Baptist Church gave the prayer; the Pledge to the flag followed led by Commissioner Strickland.

AGENDA APPROVAL

COMMISSIONER STRICKLAND MADE A MOTION TO APPROVE THE AGENDA WITH THE REMOVAL THE PROCLAMATION HONORING ELLA SCHMIT AND THE ADDITION OF THE CLOSED SESSION TO DISCUSS A PERSONNEL MATTER. ALL VOTES WERE IN THE AFFIRMATIVE, **THE MOTION CARRIED.**

OPENING REMARKS BY MAYOR SERGENT

Mayor Sergent read the opening remarks statement as stated on the agenda with no conflicts of interest noted.

PROCLAMATION HONORING MARY BOWLING – BOWLING’S CLOTHING STORE

Mayor Sergent presented a proclamation to Mary Bowling for her 40 years of service as a downtown business owner of Bowling’s, a woman’s clothing store. Mrs. Bowling retired at the age of 87.

ANNUAL FINANCIAL REPORT BY WINSTON, WILLIAMS, CREECH & EVANS

Jim Winston presented the highlights of the 2013-2014 audit report. The net position of revenues over expenditures increased from 2013 to 2014 by \$442,299. He noted that this budget reflects collections for 16 months of personal property taxes, and that the new Tag and Tax program is working well with collections just under 100%. Mr. Winston commended the City on exceeding the recommended Fund Balance of 30%. The City now has a Fund Balance

of 31.74%; up from 21.4 % in 2012. Forty-four percent of the budget is for public safety. Mr. Williams noted that comparing our public safety to other municipalities is difficult because of the difference in organizational structure. He estimated an average of 40% for communities our size. Below are a few slides highlighting the presentation.

City of Oxford



Audit Report Presentation
June 30, 2014

Winston, Williams, Creach, Evans & Co., LLP

1

Summary



- ▶ The City of Oxford again received the Certificate of Excellence in Financial Reporting for the year ended June 30, 2013 and submitted the June 30, 2014 report to GFOA

▶ 2

GASB #34 Highlights

▶ Statement of Net Position-page 35

	<u>2013</u>	<u>2014</u>	<u>Change</u>
Total assets	\$ 35,265,545	\$ 35,781,638	516,093
Total liabilities	<u>\$ 10,286,332</u>	<u>\$ 10,360,126</u>	<u>73,794</u>
Net Position	\$ 24,979,213	\$ 25,421,512	442,299

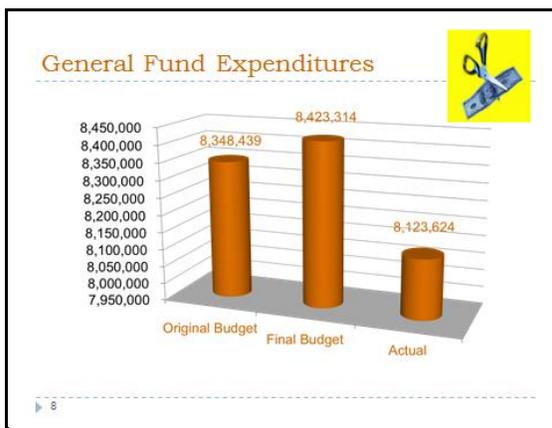
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GASB #34 Highlights

▶ Statement of Activities-page 36

	<u>2013</u>	<u>2014</u>	<u>Change</u>
Revenues	\$ 13,609,125	\$ 13,231,808	(377,317)
Expenditures	<u>12,158,277</u>	<u>12,789,509</u>	<u>631,232</u>
Increase in Net Position	\$ 1,450,848	\$ 442,299	(1,008,549)

▶ 4



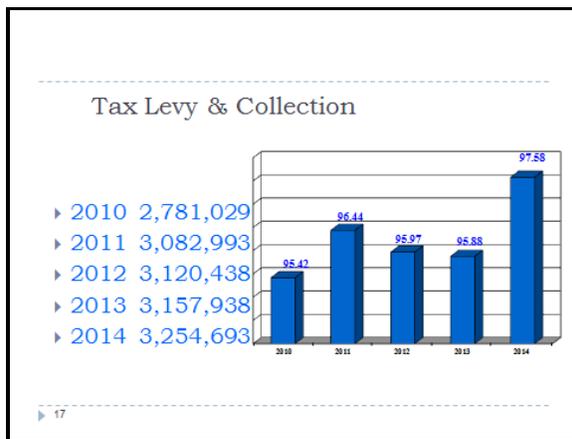
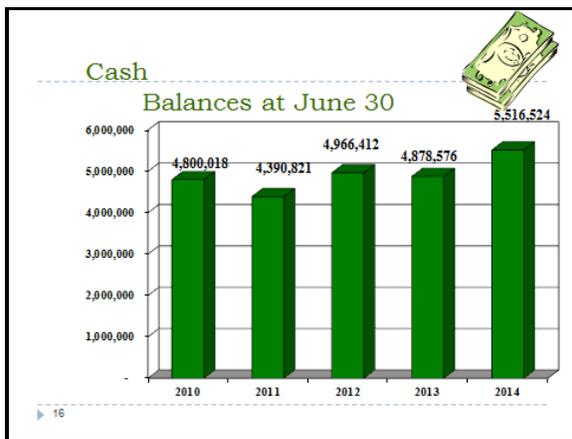
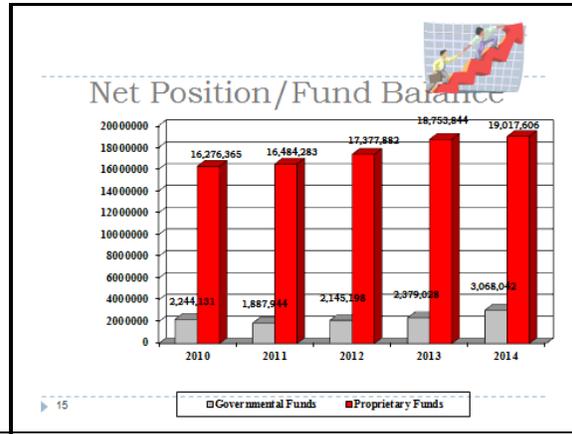
FUND BALANCE AS % OF EXPENDITURES

Fund Balance-Available for Appropriation	<u>2014</u> 2,578,355
Expenditures	8,123,624
Percentage of Expenditures	31.74%

▶ 11

Change in Funds Net Position – Proprietary Funds

	Water/ Sewer	Storm Water	Total
Operating Revenues	4,626,873	162,389	4,789,262
Operating Expenses	4,303,441	39,642	4,343,083
Operating Income	323,432	122,747	446,179
Non-Operating Revenues (Expenses)	(134,064)	25	(134,039)
Income before Capital Contributions	189,368	122,772	312,140
Capital Contributions	163,782	-	163,782
Transfers	(212,160)	-	(212,160)
Change in Net Position	140,990	122,772	263,762



FISCAL YEAR 2014 AUDIT REPORT ACCEPTED

COMMISSIONER BRIDGES MADE A MOTION TO ACCEPT THE 2013-2014 AUDIT REPORT AS PRESENTED BY WINSTON, WILLIAMS, CREECH, EVANS AND CO, LLC. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED**

ORDINANCE ADOPTED FOR THE SECOND READING OF THE SOLID WASTE COLLECTION TRANSPORTATION & DISPOSAL AGREEMENT BETWEEN THE CITY OF OXFORD AND WASTE INDUSTRIES, INC.

Mayor Sergent presented for consideration the franchise ordinance with Waste Industries as the second of two required adoptions as required, and incorporate the ordinance by reference. The term of the ordinance is 16 months beginning February 1, 2015 and ending June 30, 2016.

The City has a current Agreement for Solid Waste Collection, Transportation and Disposal with Waste Industries, LLC that extends through June 30, 2016. The Board previously approved the removal of brush collection from this contract. The new Agreement begins February 1, 2015 and reflects the removal of both yard waste collection and bulky item pickup from the contract as well an increase for CPI. The savings to the City from the removal of those two services is anticipated to be around \$78,000 annually (will vary with fuel usage/cost). Those savings will

fund the new equipment which has already been budgeted. The two services will commence without the addition of staff, but Public Works Director James Proctor will monitor the work load and report back to the Manager on future staffing needs.

COMMISSIONER STRICKLAND MADE A MOTION TO ADOPT THE FRANCHISE ORDINANCE WITH WASTE INDUSTRIES AS THE SECOND OF TWO REQUIRED ADOPTIONS AND INCORPORATE THE ORDINANCE BY REFERENCE AND HEREBY MADE PART OF THESE MINUTES . ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

ORDINANCE NO: 15-01-01
ADOPTED: 12-09-14 (1st Reading)
01-13-15 (2nd Reading)
EFFECTIVE: FEBRUARY 1, 2015

AN ORDINANCE PROVIDING FOR THE GRANTING OF A FRANCHISE UPON REASONABLE TERMS AND CONDITIONS TO OPERATE A PUBLIC ENTERPRISE FOR THE PURPOSE OF PROVIDING SOLID WASTE COLLECTION AND DISPOSAL SYSTEMS AND FACILITIES

WHEREAS, North Carolina General Statute 160A-311(6) defines the collection and disposal of solid waste and disposal thereof as a "Public Enterprise"; and

WHEREAS, NCGS 160A-319 authorizes cities to grant franchises upon reasonable terms for the operation of enterprises as listed in NCGS 160-311; and

WHEREAS, the City of Oxford has determined that the public's interest will best be served by the grant of a franchise under reasonable terms to Waste Industries, Inc. for the performance of certain duties and functions as set forth in a contract entitled:

**SOLID WASTE COLLECTION
TRANSPORTATION & DISPOSAL AGREEMENT
BETWEEN
CITY OF OXFORD
AND
WASTE INDUSTRIES, INC.**

FURTHERMORE, that the grant of the Franchise shall begin on February 1, 2015 and end on June 30, 2016 (the "Initial Term"). The Initial Term will be automatically extended for subsequent additional 2 year periods unless either party provides written notice not less than ninety (90) days prior to the expiration of the then-current term with the total years of the Term not to exceed 30 years from February 1, 2015; and

FURTHERMORE, the Solid Waste Collection, Transportation and Disposal Agreement beginning February 1, 2015 will supersede the Solid Waste Collection, Transportation and Disposal Agreement dated April 11, 2011; and

WHEREAS, the entire text of the said contract is made a part of this Franchise Ordinance by reference as if same were set forth fully in this ordinance and all provisions of the contract and ordinance shall be fully in compliance with applicable provisions of the North Carolina General Statutes.

This ordinance shall be in full force upon its adoption of the second reading according to the dates as set forth above.

ANNUAL REVIEW AND SIGNING OF ETHICS AGREEMENT

In 2011 The Board amended City Ordinance §2-461 in accordance with N.C.G.S. §160A-86 and renamed it the Code of Ethics. The Board recommended that the signature of each Board member, on a yearly basis, reaffirm their commitment to this agreement at the beginning of each calendar year.

All Board members present placed their signature on the Agreement and submitted the documents to the City Clerk.

ELMWOOD CEMETERY MAINTENANCE CONTRACT - INFORMAL BID PROCESS
APPROVED

City Manager Hemann presented for consideration the 2015 lawn care contract for Elmwood Cemetery with Sneed & Sneed Lawn Care in the amount of \$32,000, beginning January 1, 2015 and expiring December 31, 2015.

The City has contracted with Sneed and Sneed Lawn Care for landscape maintenance the past six years. This contract is the same as the 2014 contract, which provided payment in 12 equal monthly payments. Purchases on contracts greater than \$30,000 require informal bids and that the quotes be kept on file. In 2009 the Board approved having Sneed do the work April-Oct for \$950 a week. Staff has not found anything in the minutes and/or files regarding the previous bidding process. In March 2010 a contract similar to the current contract was approved by the Board. There have been minor revisions in how the payments were handled but the current contract is similar to the 2010 contract. Staff recommended re-bidding the Elmwood Cemetery Maintenance contract in order to be consistent with approved policy.

COMMISSIONER WILLIFORD MADE A MOTION TO SOLICIT FOR INFORMAL BID THE ELMWOOD CEMETERY CONTRACT IN ORDER TO BE CONSISTENT WITH CITY POLICY. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

CITY MANAGER APPOINTED AS INTERIM FINANCE OFFICER
APPROVED WITH CHECK SIGNING AUTHORITY

Mayor Sergent presented for consideration appointing City Manager Hemann as Finance Officer and incorporating the duties of Finance Officer into the duties of the City Manager; and authorize the City Manager to sign checks on behalf of the City of Oxford, all effective February 1, 2015 and until the position of Finance Director is filled.

Finance Director Harold Belton will resign effective January 30, 2015. G.S. 159-24 requires that the City have someone in the role of Finance Officer. This requirement can be met on an interim basis by appointing the City Manager as Finance Officer and incorporating the duties of Finance Officer into the duties of the City Manager. Upon appointment, the City Manager will be automatically bonded in the amount of \$250,000. Those employees, other than the Finance Director, who have custody of the more than \$100 are covered under a blanket bond with the NCLM up to \$100,000. Along with this interim responsibility, authorization to sign checks is needed. These steps will meet the requirements of the General Statutes and provide continuity for transition to a new Finance Director. Departing Finance Director Harold Belton has offered

to be available on an as needed basis. Our Auditor, Winston, Williams, Creech, Evans, & Co., will also be on call to assist but can not provide management decisions because they are the City's auditors.

COMMISSIONER CURRIN MADE A MOTION TO APPOINT CITY MANAGER HEMANN AS FINANCE OFFICER AND INCORPORATE THE DUTIES OF FINANCE OFFICER INTO THE DUTIES OF THE CITY MANAGER; AND AUTHORIZE THE CITY MANAGER TO SIGN CHECKS ON BEHALF OF THE CITY OF OXFORD, ALL EFFECTIVE FEBRUARY 1, 2015 AND UNTIL THE POSITION OF FINANCE DIRECTOR IS FILLED. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

TECHNICAL AMENDMENT APPROVED - OXFORD CODE OF ORDINANCE
§ 10-5: DISCHARGING INDUSTRIAL WASTE INTO STREAMS; DRAINAGE AREA

Mayor Sergent presented for consideration a technical amendment to the Oxford Code of Ordinance § 10-5 : *Discharging Industrial Waste into Streams; Drainage Area* to clarify that discharging industrial waste into streams and drainage areas is detailed in the *Sewer Use Ordinance*.

Oxford Code of Ordinances § 10-5: *Discharging Industrial Waste into Streams; Drainage Area*, was written prior to adopting the more comprehensive *Sewer Use Ordinance* (§ 21-116). This technical change avoids any confusion and updates the Code of Ordinances for uniformity.

COMMISSIONER WILLIFORD MADE A MOTION TO AMEND THE OXFORD CODE OF ORDINANCE § 10-5: DISCHARGING INDUSTRIAL WASTE INTO STREAMS; DRAINAGE AREA, TO CLARIFY THAT DISCHARGING INDUSTRIAL WASTE INTO STREAMS AND DRAINAGE AREAS IS DETAILED IN THE SEWER USE ORDINANCE (§ 21-116) AS PRESENTED AND EFFECTIVE UPON ADOPTION. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

ORDINANCE NO: 15-01-02
ADOPTED: 01-13-15
EFFECTIVE: 01-13-15

AMENDMENT TO: OXFORD, NORTH CAROLINA CODE OF ORDINANCES
CHAPTER 10: HEALTH AND SANITATION, ARTICLE I: GENERAL PROVISIONS

§ 10-5 DISCHARGING INDUSTRIAL WASTE INTO STREAMS; DRAINAGE AREA.

For complete information on discharging industrial waste into streams and drainage areas, Reference *Chapter 21: Water, Sewers and Sewer Disposal, Article IV: Sewer Use Ordinance*. An updated copy of the Sewer Use Ordinance is on file with the City Clerk and the City Engineer.

This ordinance shall be in full force and effect from and after the date of its adoption.

CITY OF OXFORD TO ASSUME RESPONSIBILITIES OF VETERAN'S DAY PARADE

Commissioner Strickland, who was instrumental in establishing a Veteran's Day Parade for the City of Oxford, asked the Board to consider assuming the responsibilities for the parade. He established the parade two years ago with the help of the American Legion Post 90 and other veterans and would like for them to have the opportunity to ride in the parade instead of coordinate it. He did not care who from the City would be responsible for the parade, just

reassurance that the City would assume the responsibility. The parade has been the Sunday before Veteran's Day.

Commissioner Currin, liaison to the DOEDC, noted that the DOEDC was interested in assuming the responsibilities for the parade and will discuss the possibility at their February planning retreat. Commissioner Strickland said he would be happy to help them and provide as much information as they needed.

If the DOEDC did not assume the responsibilities, another department would be responsible.

COMMISSIONER STRICKLAND MADE A MOTION FOR THE CITY TO ASSUME THE RESPONSIBILITIES OF THE VETERAN'S DAY PARADE. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

DECEMBER FINANCIAL HIGHLIGHTS BY CITY MANAGER HEMANN

In the absence of Finance Director Belton, City Manager Hemann presented and summarized the December financial report.

General Fund revenue included collections of 82% Ad Valorem Taxes, 55% Licenses & Permits, 61% Intergovernmental, and 66% All Other Revenue. Expenses included 49% General Government, 98% Outside Auditors, 50% Finance, 55% Building & Equipment, 53% Street Dept. & Leaf Collection, 70% Swimming Pool, 79% Lake Devin, 91% Oxford Athletic Park Operations, 50% Engineering, and 243% Miscellaneous Non-Departmental.

Water Fund revenue included 52% Billing Revenue. Expenses included 46% WWTP, and 98% Stovall Booster Pump Station, 53% General Operations/Collections, 59% Miscellaneous Non-Governmental Wastewater.

All Other Fund revenue included 53% Stormwater Fund, and 51% Powell Street Fund. Expenditures for all other funds were well within the expected expenditure authority of 20%.

<u>DECEMBER 2014 Financial Report</u> <i>50.0% of FY Complete</i>	<u>General Fund</u>	<u>Water Fund</u>	<u>Other Funds</u>
REVENUES			
YTD	\$ 5,787,117	\$ 2,402,106	\$ 1,157,757
YTD Percent of Budget <i>(minus loan proceeds and fund balance allocation)</i>	70%	51%	22%
EXPENSES			
YTD	\$ 4,350,041	\$ 2,273,633	\$ 1,055,926
Budget	\$ 8,472,365	\$ 4,955,044	\$ 5,225,264
YTD Percent of Budget <i>(minus loan proceed, and fund balance allocation)</i>	51%	46%	20%
DIFFERENCE <i>(Revenues – Expenses)</i> 2014-15 YTD	\$ 1,437,076	\$ 128,473	\$ 101,831

CITY MANAGER REPORT
(Included written report presented on meeting night)

Parks and Recreation: Basketball season has started – registration is down by a small margin but games are on Saturdays from 9am – 6pm so please stop in and support our kids and concessions! Christine has initiated the process to begin an Internship Program in the Department and have sent the information to the following colleges thus far: NC State, East Carolina, Catawba College, NCCU, VA Wesleyan, George Mason University, Mt Olive, Georgia, Clemson, and my alma mater, Georgia Southern.

Adult Softball Leagues are forming now to play on the newly renovated Rucker Park Field and play will begin in March. We are hoping for 8 teams in the leagues. Our Oxford Park Tournament schedule for 2015 has been slated and we are adding two new groups this year, World Fastpitch Connection out of Myrtle Beach and local group NC USSSA Fastpitch Softball. We worked cooperatively to set the schedule with the GAP and Butner. The process went very smoothly, all managers were happy with the results and we are excited to see what they bring to the Oxford area.

Police Department: The Oxford Police Department has partnered with Granville County Communications to allow their Telecommunicators to work part-time for Oxford Police Department. This partnership will enhance the efficiency of Oxford Police by placing more officers on the road and reducing the cost of having officers working communications. Chief Coley thanked Human Resource Director Ayscue and Sheriff Wilkins for their support of this endeavor.

Officer Jason Poplawski has been promoted to the rank of Corporal on January 8, 2015. Corporal Poplawski has demonstrated his leadership throughout his tenure with Oxford Police Department as a Field Training Officer and Team Leader of the Emergency Response Team. Chief Coley congratulated him on his promotion and looks forward to working with him as a new supervisor. Members of Oxford Police will be patrolling the city during the freezing temperatures looking for citizens and travelers that may be in need of shelter and offering the OPD lobby as a place of refuge.

Temporary Shelter: There was some discussion about formalizing our offering of temporary shelter. Since the OPD is our eyes and ears on the street I have asked the Chief to formalize the unwritten policy into a Standard Operating Procedure so that our officers and the community understand that when the temperature goes below 32 degrees, officers are encouraged to seek and assist those in need of temporary shelter and that the OPD lobby will be available to accommodate them.

Public Works: Public Works is still running multiple crews on leaf pickup. We have started trying to mirror the schedule that Waste Industries uses for trash pick-up for leaf pick-up. The department is fighting productivity due to employees being sick. Equipment breakdowns have been bearable during the season. Limuel Watts retired with almost 10 years of service on January 1, 2015, and we are advertising for a street sweeper equipment operator. He was a great asset to the department and is missed. This month Steve Jones started as Crew Leader for Public Works, and is working well getting to know the job, and strengths and weaknesses of the staff. The knuckle boom truck has been ordered and delivery time is end of January first of February. Contact has been made with the court system to start using community service workers for trash pick-up. We are working with Cheryl Marks with NC Solid Waste Management on an RFQ for the Orphan Landfill project.

Water And Sewer has been busy with a few 6 inch water breaks, one occurring on Christmas Day. The staff has been busy working on mowing easements of brush. The water system met the state standard for water testing on THM's and HMA5 for drinking water quality. The staff is also conducting an audit of fire hydrants and has found one that did not work and some that are leaking. We are in the process of completing repairs on those and continuing the audit. An equipment operator is supposed to report to work on January 12, 2015. James Proctor received his Collection II operator License from The State of NC on December 11th.

Fire Department: The Fire Department has been preparing for the NC Department of Insurance Office later this

month.

Human Resources: With “Safety Officer” being one of the functions of the Human Resources Director, Justin plans to begin incorporating a safety meeting into the first management team meeting of each quarter, beginning this month. The topics will be relevant to different aspects of work performed by city personnel, discussed by the management team and will be in written form with copies available to take back to all employees and posted for reading in designated areas within the departments.

The Finance Director position has been posted on many of the statewide listservs to which our management team members subscribe. It will also be posted with the League of Municipalities, the North Carolina Association of County Commissioners, WRAL.com, craigslist.com, the local newspapers and the NC Dept. of Commerce Division of Workforce Solutions. The first review of resumes will be February 15, 2015.

Planning: Pamela Glover, code enforcement officer, left us on December 31st in order to take care of some needs in her family.

Engineering: The scanning project for the Engineering drawings has been completed and the PDF files are being distributed to Departments outside of City Hall. This will allow individuals and other Departments to access, view, and print plans as needed and at their convenience from their computers rather than forcing them to come to the Engineers office and look up information in paper files.

Implementation of our Geographic Information System (GIS) program is continuing to move forward with the assistance of the NCCU interns. Existing GIS data from the County has been pulled into the City’s GIS and AutoCAD water and sanitary sewer maps have been added.

COMMITTEE REPORTS BY THE BOARD

The City is represented by Commissioners on various committees and boards pertaining to our community and local government. Reports and updates by our representatives on meetings that occurred during the month are as follows:

- Downtown Economic Development Commission – Commissioner Currin
- County Board Meeting Update – Commissioner Fields

CONSENT AGENDA APPROVED

COMMISSIONER CURRIN MADE A MOTION TO APPROVE THE CONSENT AGENDA. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

- Accepted the December Financial Report prepared by Finance Officer Harold Belton and presented by City Manager Hemann.
- Approved the following 2014 meeting minutes:
 - * December 1, Agenda Session
 - * December 9, Regular Session

CLOSED SESSION

AT THE END OF THE REGULAR SESSION AND ON MOTION BY COMMISSIONER WILLIFORD, THE BOARD VOTED UNANIMOUSLY TO GO INTO CLOSED SESSION PURSUANT TO G.S. 143-318.11(A)(6) TO DISCUSS A PERSONNEL ISSUE, AND APPROVE THE CLOSED SESSION MINUTES OF DECEMBER 9, 2014.

RETURN TO OPEN SESSION

ON MOTION BY COMMISSIONER CURRIN AT APPROXIMATELY 8:50 PM, THE BOARD VOTED UNANIMOUSLY TO RETURN TO OPEN SESSION.

ADJOURNMENT

WITH THERE BEING NO FURTHER BUSINESS, AT APPROXIMATELY 8:50 P.M., COMMISSIONER HARRIS MADE A MOTION TO ADJOURN. ALL VOTES WERE IN THE AFFIRMATIVE. **THE MOTION CARRIED.**

Barbara J. Rote, City Clerk

ATTEST:

Jacqueline vdH Sergent, Mayor