

# MEMORANDUM

To: Mayor and Board of Aldermen

From: Barry Webb, Interim Town Manager

Re: Weekly Report

Date: May 27, 2016

## **FY 2016-2017 BUDGET DOCUMENTS**

Today, we are delivering a new set of budget documents that have been prepared to address all of the major discussion points that came out of the budget workshops held on May 19<sup>th</sup> and May 24<sup>th</sup>. The materials that are being forwarded to you consist of the following: the Manager's Budget Message (which is basically a more formalized version of the Budget Summary that was the basis for the workshop discussions); an updated set of all budget spreadsheets; and a final set of the rate schedules. All of these documents have been amended from those you received earlier to address the following issues addressed during the budget workshops:

### General Fund

- Ad valorem tax revenues are now based on a property tax rate of 40¢ (increased from 38¢).
- Monthly residential solid waste fee remains at \$13 instead of increasing to \$15. The \$10 bulk pick-up fee is still eliminated.
- The fee for Code Enforcement Grass Cutting has been increased to \$100 (from \$50).
- The Police Department's "Equipment" line item has been increased to allow the purchase of two additional radar speed signs.
- While the numbers within the Fire Department budget have not been changed, it is understood that the Board room carpet will be cleaned instead of having it replaced. The funds that would have been used for the new carpet will be used for a structure to house the old fire truck that is to be donated to the Town.
- The Recreation Department's "Capital Outlay: Parks/Courts" line item has been increased to allow the purchase of two picnic tables to be placed beside the Franklin Gym and two additional picnic tables to be placed at Cloninger Park.

### Water & Sewer Fund

- All water/sewer rates and fees are shown with a 3% increase to cover debt service costs related to the water line replacement project.
- The fee for ¾" irrigation taps has been increased to match the fee for a regular ¾" water tap (\$824) since these are essentially identical services.
- The Water & Sewer Department's "Capital Outlay: Equipment" line item has been increased to allow the purchase of a new dump truck rather than a used one. This will be done using a 3-year lease purchase agreement, so there is a revenue line item to reflect the financing proceeds. A "Capital Outlay: Lease" line item has been added to address the first year's payment on the lease purchase agreement.

### Stormwater Fund

- The Stormwater Rate Schedule and budgeted revenues have been changed to reflect increasing the monthly stormwater fee to \$2.85.
- The Stormwater Department's "Capital Outlay: Storm Water" line item has been increased to allow for two drainage projects (South Groves Street, Gaston Avenue) to be carried out in the upcoming budget year instead of just one project.

The next step in the budget adoption process will take place at the June 14<sup>th</sup> Board meeting when the required public hearing on the proposed budget will be held. Following that hearing, the Board can take action to adopt the FY 2016-2017 budget ordinance, which will be included in the agenda material for that meeting.

### **PROJECT UPDATES**

Trade Street Intersection Improvements Project: Information provided by the contractors working on this project indicate that placement of the mast arms and poles will begin either late next week or during the following week (which would be the week of June 6-10). The current plan calls for the poles to first go up at the Trade Street/Holland Street intersection.

CMAQ Sidewalk Project: Earlier this week, Martine and I met with the Senior Transportation Planner for the Gaston-Cleveland-Lincoln MPO to discuss the process for combining our two CMAQ sidewalk projects into one. Basically, we will prepare an amended CMAQ application for the combined project that will need to be approved by both our Board and the MPO prior to it being forwarded to NCDOT for programming. We plan to have a resolution endorsing the new application on the agenda of your June 14<sup>th</sup> meeting. This will allow the application to be considered by the MPO in June as well.

Gastonia Sewer Interconnect: The revised cost estimate we received from Gastonia shows the project cost having increased from \$640,000 to \$766,000. By changing from an emergency interconnect to full-time sewer interconnection, the estimated project price would decrease to \$668,000. Based on the discussion at our budget workshops, we will continue moving forward with Gastonia on the option of having them treat all of our wastewater. We will also begin more formal discussions on an agreement to have them take over operation of our plant prior to actual construction of the sewer interconnect.

### **DEPARTMENTAL UPDATES**

As a result of recent work on a changeover to the newest generator, the Electric Department has now completed both of the budgeted generator projects at the Water Plant and Waste Water Plant. The next step in this process will be selling the old generators, which have already been declared as surplus property. The Electric Department staff will also be undergoing training on operating and maintaining the new units. Having completed training put on by GEMS, the Dallas Fire Department will now have narcans on its units to be used for incidents of drug overdose.

### **ELECTRICITIES CONFERENCE**

As mentioned by Electric Director Doug Huffman at Tuesday's workshop, the ElectriCities Annual Conference will be held August 11-13, 2016 at the Embassy Suites in Concord, NC. We do not have

information yet on the conference program but will forward that as soon as we receive it. The conference registration fee is \$500.

### **GASTON CHAMBER NEWS**

Since we were discussing the Gaston Regional Chamber of Commerce at the budget workshop, I thought you would be interested in some news concerning that organization. In an email message from the Board of Directors, it was announced that Jeff Sanford, the Chamber's President and CEO, was leaving that role effective May 25, 2016, so this has already taken place. No further information concerning this change was given. The Gaston Gazette reports that Sanford was fired by the Chamber Board.