

**TOWN OF RANLO  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
March 20, 2014**

A Regular Meeting of the Ranlo Board of Commissioners was held Thursday, March 20, 2014 at the Ranlo Town Hall. The Ranlo Board consists of:

Mayor Steve Alexander

Commissioner Linda Rhyne  
Commissioner Effie Locklear  
Commissioner Jamey Jones  
Commissioner Gail Tiderman  
Commissioner Jamey Carver

Others Present:

Town Attorney Jim Windham  
Town Coordinator Charles Graham

Mayor Alexander called the meeting to order and Town Clerk Tesha Palmer called the roll. All were present at roll call.

Commissioner Locklear gave the invocation.

**1. Approval of the Minutes by the Board of Commissioners**

Mayor Alexander asked if everyone read the special meeting on January 30, 2014. Does anyone have any changes to be requested? Do I have a motion to accept? Commissioner Jones made motioned and Commissioner Carver seconded and it passed unanimously.

Mayor Alexander asked if everyone read the regular meeting on February 20, 2014. Does anyone have any changes to be requested? Do I have a motion to accept as written? Commissioner a Locklear made motion and Commissioner Tiderman seconded and it passed unanimously.

**2. Motion to Adopt Proposed Agenda (addition and/or deletions)**

Mayor Alexander asked if there are any changes requested.

No one responded.

Mayor Alexander asked do I have a motion to accept proposed agenda. Commissioner Rhyne made motion to accept. Mayor Alexander asked if he had a second and Commissioner Carver seconded and it passed unanimous.

**3. Citizen Concern: 5 Minute time limits**

Mayor Alexander stated that no one signed up for 5 minutes.

**4. Comments from Citizens: 3 Minute time limits**

Mayor Alexander stated that no one signed up for 3 minutes.

**Unfinished Business**

**5. Call for Public Hearing on Amendments to Weapons Ordinance**

Mr. Graham stated since we had to reschedule the meeting last week we didn't have the sufficient time to advertise the public hearing. The purpose for this on the agenda is to call for a new public hearing for next month on the same ordinance that was going to be considered this month. Let me advertise so we will meet the statutory requirements for advertisement.

Mayor Alexander asked if he can get a motion to setup another public hearing for the next scheduled meeting.

Commissioner Carver made motion to accept and Commissioner Tideman seconded and it passed unanimously.

**6. Voluntary Annexation of 3504 and 3506 Mitchem Road**

Town Coordinator Charles Graham stated this involves 2 adjacent properties that are continuous to town limits already. This in turn voluntary request for annexation. Water is already there and we have done the process there were two issues. One Mr. Windham asked me to get a direction of the counsel regarding payment of the survey plat that is normally done with these annexations. The last time the Council did this the council agreed to pay for that but it did involve a church. Typically I think those things are (inaudible) the annexation pays for it. That's the first issue do you want to direct the attorney to have Mr. Turner to pay that. Second we do need to call for a public hearing to consider the annexation at April's meeting.

Mayor Alexander states that the board is open for discussion.

Commissioner Locklear asked what would be the cost to the resident.

Town attorney James Windham stated is going to be under \$200 dollars which I think is pretty reasonable. I have already floated that idea by Mr. Turner and he did not react adversely at all. I believe he will accept that figure since the cost is relevantly small. He is asking for this obviously.

Mayor Alexander asked with the board like to instruct Mr. Windham to get the fees from Mr. Turner?

Commissioner Locklear asked do we need to make that in form of a motion. Mayor Alexander said no instructions will be fine. Commissioner Locklear said that would be fine.

Mayor Alexander said we need to set up a public hearing on this annexation for the next meeting. Do I have a motion to set up a public hearing for this voluntary annexation?

Commissioner Locklear accepted a motion and Commissioner Carver seconded and the motion passed unanimously.

Commissioner Jones asked Mr. Graham if he knew what date this will be on.

Mayor Alexander stated it will be April 10, 2014.

Commissioner Jones said thank you.

Commissioner Locklear confirmed there will be two public hearings at the next boarding meeting.

A couple of yeses were stated.

## **7. Report on Engineering Consultant's Services**

Mr. Graham just wanted to inform the board because in January he was asked to cut the time that the onsite engineer stayed in here to a half of day. I approached the engineer firm about this and they resisted that and said they proposed a comprehensive plan of services for us and needed someone on site to do that. In fact in the packet that I gave you, you will see that proposed service that he gave me. All are which are good; we don't have to do them all now. I have had father discussion with him since in truth as I began looking at the budget we have already paid for his services in excess of what we budgeted. I went back to him and told him that we will have to stop everything except we are in the middle of one project, the closure of sunset pump station. The bidding process will occur in the next two weeks. He has now agreed that the engineer will be here half the day because I was going to terminate everything because we're out of money for his services anyway. Looking forward as we go into the budget process I wanted to provide you with that list of services. Those are what I call major projects that would need to be addressed over the next year or two with the town. We don't necessary have to do it with this engineer some of this I have since learned we can get assistance with Centralized Capital Government. We do have other options; however we are dealing with bid process of that pump station. I feel the need to keep his services at least until we make a decision when to proceed with that project. Again we have paid in fees that were budgeted for that at this time so you will have (inaudible) so we will have to transfer funds from other things in other words. I think it would be counterproductive if I don't keep him available at least through the bidding process and then make arrangements if we subside in next budget year to keep their services again for the closure itself since they did design the project. I got the agreement to the half-day day before yesterday so that's why this is still on the agenda. I just wanted to follow up and report that to you. I'm not

sure if I need any action from you at this point since he has agreed to do what you had asked him to do.

Mayor Alexander asked if there were any questions.

No one responded.

### **8. Considering Hiring Another Employee in Public Works**

Mr. Graham stated again this is following up from the last meeting. You asked me my evaluation and I told you I haven't had time to do some evaluation. I wanted to report back to you, I have done that. I have given them some assignments to see how they are handling things. I followed up on some of their projects. Bottom line right now in the wintertime I don't think we need to hire anybody at this moment. I have also implemented some new procedures in public works to help with hopefully some savings throughout the rest of this year. In all honesty with the staff that we have at this time there are some weaknesses one being our responses to citizen needs like water leaks or other types of repair work or services. We are working on them so sometimes it may take us a little longer to get to things, a little longer to bring things to completion than citizens might like.

In summertime the workload picks up with more things to do. We have arranged to use the services for general labor from the inmates that will start in May. That again will alleviate some of the normal cost. With the cost savings that I'm trying to generate for changes that I've made so far with assessment of what the inmates maybe able to do for us in the peak work time of summer. I think if I'm going to hire someone else I need to plan for that the next budget year and revisit that in mid to late summer. That's my opinion at this point. I think at some point we very well may need to hire another person but right now we can do without hiring anyone.

Mayor Alexander asked if there were any questions.

No one responded.

### **9. Scheduling Board Retreat/Budget Work Session**

Mr. Graham said he has consulted with most of the council members with the first date that we came to is March 29 next Sat. I believe. Yes a week from this Saturday around twelve or one o'clock is the consensus that I got from the board. I hoped to be able to present some actual rough budget numbers but our new clerk is doing a good job by the way, but we are still behind not having a clerk or financial officer since December. For example you will see on the revenue statement that I gave you our revenues looks low because everything is not entered into the system yet. I wanted to say all that, since I will not have a concrete budget numbers by the 29<sup>th</sup> or proposed budget numbers by the 29<sup>th</sup>. It will be a couple more weeks but we can still have this planning session if you would like. And we can have another one after this one I will leave that to the board to decide.

Commissioner Locklear asked would it be best to put session off until you get concrete numbers.

Mr. Graham stated if you do want proposed numbers we would have to put it off. I will not have them ready for you in a week.

Commissioner Locklear asked Mr. Graham what he suggests.

Mr. Graham suggested it would be good to have the numbers. It would also help him to set some priorities for example the list of services that the engineer proposed. Some of it deals with some issues that you're all aware of in terms of inflows, water loss, and updated codes things like that. All of those are very big ticket items. The engineer himself said if we're going to tackle these, plan on spending hundred thousand dollars a year for couple years. Which we're not going to do, we will have to do it by piecemeal. We also have the pump station issue coming up. Even in developing the numbers it will help to have some direction as where you would want me to concentrate on these big-ticket items. It would be helpful for me to have it and at least give directions with your understanding that we actually won't be talking numbers and then have another one to talk numbers a little bit later or do that at regular a council meeting. But I will do it either way.

Commissioner Tiderman stated she thinks, have a shopping list would make it easier for Mr. Graham to do the budget.

Mayor Alexander stated it is up to the board.

Commissioner Carver stated he was all in favor doing a workshop on the 29<sup>th</sup>.

Commissioner Jones asked did you say starting at twelve and until one or two. He just likes to know what time we plan on leaving.

Mr. Graham said 12 to 2.

Commissioner Carver said 12 to 2.

Mayor Alexander asked if there was anything further on this.

No one responded.

## **10. Commercial Trucks in Mountain View Subdivision**

Mr. Graham was revisiting this because when he looked back what we were directed to do. The board asked us to put up no truck signs at the entrance in Mountain View subdivision and to require permits for trucks to go through their. When viewing the ordinances we don't have anything in place in the ordinances to require permits for that type of activity. That would require ordinance amendments if we are going to require permits and you would probably need to put some sort of enforcement mechanism or fines, penalties in the ordinance. Now there is an existing ordinance that requires drivers to obey any posted signs so we can post the sign, but that

doesn't include permit provisions. They would have to rely on the police enforcement to enforce that. It would be under the ordinances in the state statute in the fraction with a maximum of \$50 fine. If we simply go with the signs we won't need an ordinance amendment but we don't have a permit provision or any stronger enforcement for fines.

Mr. Graham asked Chief Anderson if he agreed with that.

Chief Anderson said yes he agrees.

Mr. Graham said we can put signs up but will be relying on police to catch them as they do it and enforce that and it would be a simple trafficking fraction.

Commissioner Jones asked if the signs that we install stated trucks were not allowed there and part of the sign read permit required could. Mr. Graham said let's ask the attorney that one.

Attorney Windham stated if you don't have it in your ordinance it's a little bit of a bluff. You can certainly try that but I guess maybe that's less than honest. I think you would want to start with signage and then if you decide you want to go ahead and prepare ordinance that would require a permit for you to do that.

Commissioner Locklear asked what we say commercial vehicles are there a weight limit what type of commercial vehicles.

Attorney Windham you do need to establish the parameters of that. That would be the next question that someone who wanted to drive down there would ask. Are you talking about a pickup truck that you use for commercial or are you talking about a double Axel.

Mr. Graham and of course we couldn't set forth every type of vehicle. We can put that on the sign.

Chief Anderson stated a commercial motor vehicle defined by the NC State Statute any vehicle with gross weight of 26.1 thousand pounds or more.

Attorney Windham asked what sizes that.

Chief Anderson said it's between what the town currently uses as a brush truck or CMD truck and garbage truck so between that, that would be your 26.1 thousand weights. I strongly recommend if you're going to put the signage up, you could do that right away and go ahead and schedule the hearing and add a penalty phase instead bluffing them. If you're going to do it, do it all the way.

Commissioner Carver asked do we have to call another public hearing if we do the ordinance amendment.

Mr. Graham said to adopt the ordinance you do. I would make this suggestion sort of the approach we took with the amendments to the firearm ordinance. Let Mr. Windham and I to

come up with some proposed language and let us present that. Once you have seen that you can call for public hearing on what we proposed. I think that will make it clearer for everybody.

Commissioner Carver said okay.

Mr. Graham if you would like for us to do that we can do that.

Commissioner Tideman stated she thinks we should to start with the signs because I see the conditions of our roads now.

Commissioner Carver asked do we want to start with the signs and have Mr. Graham to follow-up with language so we can have a public hearing on this.

Mayor Alexander stated let's put the signs up and at the next meeting Mr. Graham and Mr. Windham will present us with some new information.

**New Business**

**11. Reports from Departments**

Finance: Tesha Palmer stated the money in the town of Ranlo bank accounts as of March 20, 2014 according to the February bank statements was as follows:

Concentrated checking	BB&T	\$694,336.79
Payroll checking	BB&T	\$6,671.47
General account	NCCMT	\$1,141,958.80
Powell Bill	NCCMT	\$246,494.41

Mayor Alexander asked if there were any questions. No one responded.

Police: Chief Anderson stated Ranlo Police Department responded to 780 events in the month of March. 369 special checks, 15-911 hang ups, 6 alarms, 12 assists of other agencies, 12 follow-up investigations, served 2 warrant, check 4 suspicious vehicles, respondent to 4 vehicle collisions, 9 civil disturbances, 2 malicious damages, 1 larceny's, and we had 10 domestic violence calls in the month of March. We also responded to 2 breaking and entering calls of the residence. We had a total of 8 arrests with 22 charges. The arrest include assault, damaged to properties with resist a public officer, drug arrests and a numerous of other events.

Chief Anderson said the police department also issued 54 citations with 80 charges including while driving while license revoke, driving without a license, note insurance violations speeding and numerous other events. He said code enforcement issued 49 violations.

Also in the month of March it was reported that \$1500 worth of property was stolen. We are also in the process of changing over our systems in our patrol cars to Electronic citations that goes straight to the AOC administrative office of courts and state of North Carolina. Its all surreal time information so when officer enters a citation or a warning citation or takes action on side of the road, not only does it immediately go into our database it goes into the state database

and Gaston County Courthouse database. It will be completed tonight actually. We are in the process of repairing computers that the town has. We are presenting new radios and some new strategies that we will bring back to the board at the next meeting.

Chief Anderson said this concluded his report and unless someone has any questions.

No one responded

Mayor Alexander said thank you

Commissioner Locklear said good job.

Public Works: Mr. Wall read the following report for the public works department.

Honorable Mayor, commissioners and citizens of The Town of Ranlo, I would like to take a few moments to let you know what the Public Works Department has done since last we met.

The Public Works Department has collected 143,500 lbs. of garbage and the Landfill C&D total is 5,780 lbs.

Recycling Totals were as follows:

Cardboard	1,100 lbs.
Glass/Cans	1,520 lbs.
Plastics	1,240 lbs.
Total	3,860 lbs.

We have completed 71 work orders, 19 locates, 11 new services, 35 miscellaneous, 1 sewer backups, 0 sewer taps and 2 water leaks.

Water leaks on the Town's side are as follows:

- 1 – ¾ inch service lines
- 0 – 1 inch service lines
- 0 – 1 ½ inches
- 1 – 2 inch line

Mayor Alexander asked if there were any questions

No one responded.

Recreation/Sports Commissioner): Commission Ryne stated the recreation committee met March 10<sup>th</sup>. We are continuing to finalize our plans for a first Easter egg hunt. It will be held on April 12 if it rains, the rain date is April 19. We have our Easter Bunny ready to go, just bring your camera and your baskets. We will have lots of eggs for the kids to hunt and we will have snacks, hayride and face painting. We will have a lot of things for kids that are 10 years and younger.



Moving on to sports, we have one T-ball team, two 7-8's, one 9-10, an 11-12. Our signup register went really good so far we have turned in \$457 for our teams. And it will be Dixie youth.

Mayor Alexander asked if there were any questions.

No one responded.

Fire Department: Assistant Chief Joe Day stated that he was stepping in for Chief Lewis, he cannot make it tonight. Assistant Chief Day stated it was good to be back here he has been down for a little while and it's good to be back. He reported that the fire department almost ran a call per day for the month of February. They had a total of 26 incidents.

- 1 Commercial Fire
- 3 House Fires
- 2 Fire Alarms
- 3 Hazmat Incidents
- 4 Service Calls
- 1 Motor Vehicle Accident
- 12 Medical Responses for the Fire Department

The total call answered for February, 2014 for EMS was 39 as follows:

- 16 Transports
- 16 Care Transfers
- 1 Stands By
- 6 Cancels

Nothing wrong for numbers being down in the month of February everything is going good that's good news.

Assistant Chief Joe Day asked if anyone had any questions.

No one responded

Mayor Alexander thanked the Assistant Fire Chief

## **12. Discuss Changes to Zoning Ordinance Regarding Definition of Foreign Uses**

Mayor Alexander called on Commissioner Jones.

Mr. Jones stated that Mr. Graham has helped him research some of these definitions. Basically I was approached by concerned citizens about the definition in our ordinance of agriculture our definition is fairly vague almost nonexistent. Commissioner Jones would like to ask the board to consider adopting the state definition of agriculture just to have it inputted into our ordinances. He stated he believes everyone has a copy of that definition. It's a lot more detailed considering

what we have is basically it says farming. That's the definition that was put in our ordinance years ago.

Mayor Alexander stated the first thing we need to do is call for a public meeting.

Mr. Graham stated if we are going to change the ordinance yes we will have to call for a public hearing. We need to draft some changes. His opinion it would be a good thing to clarify the definition of farming: because in three and resident zones we actually only have zoning in town one of those R-12. One of those permitted uses is simply stated as farming that is not the fact. That throws you into the common-law definition farming which we think about as growing crops and raising livestock those types of things. The state had extended that to help small farms to include something called Agri-tourism a lot like pumpkin patches; corn mazes and other types of gatherings. On the farm property engaging in activities than what a normal farm does. It can be educational it can be entertainment anything like that. So there are actually two definitions in your packet one is for agriculture which includes that term agri-tourism, and then you will see another definition of agri-tourism itself, you would need to look at that as well. In making the change we would probably need to be a little more comprehensive and go even further because to address some other issues that this: since we're addressing it anyway for example the ordinances make in those three residential zones farming at permitted use so we can define those things too but there are no limits placed on for example the size of the property which this farming can occur. There is another ordinance that prohibits keeping livestock in the town limits but it has exception that reads except where other places in the ordinance allow it. So if farming isn't permitted use in R- 12. I think you can see where I'm going; any residential neighborhood can have these activities in their backyard. This is something that needs to be addressed to include these activities that benefit small farm operations in town. While we are at it I think we should go ahead and set some parameters in terms of making sure nobody; I mean obviously I don't think Mountain View neighborhood has any place large enough to allow those activities happen. So I think we need to address that when we address the whole thing.

Commissioner Jones stated in other words we don't want someone with a half-acre lot growing and selling chickens or pigs.

Mr. Graham said correct so again we need to be a little bit more thoughtful we will have to public hearing to have it. Again can I make a suggestion that you allow Mr. Windham and I have a little bit more comprehensive in drafting something and then call for a public hearing?

Commissioner Locklear asked if there is a way that a resident that has been here for years and years and years can go under grandfather clause.

Mayor Alexander said they would just about have to.

Attorney Windham stated those are possible again it would depend on the fact specific what might be available there.

Commissioner Locklear asked would a business be shutdown because of this?

Mayor Alexander said no.

Mr. Graham stated that businesses are separated from farming.

Mayor Alexander stated the Lewis's farm is grandfathered-in.

Commissioner Locklear said this doesn't affect the Lewis's is that what we're saying.

Mayor Alexander said it shouldn't.

Mr. Graham said excuse me Mr. Mayor it does affect them in that...this concept of agri-tourism is a new concept in states statute and came about well I know after year 2000 I don't know exactly when the state statute was adopted in the Lewis's was here so. I have had conversations with them about it as well. And that takes in activities for example if you look at Lewis's website they advertise for birthday parties, wedding receptions and things like that. Those are not part of the common law tradition farming activities. Whether or not that falls into any kind of grandfather provision is a bit of a gray area. Those types of activities if we're going to write them into the ordinance that's why I said we need to be a little bit more comprehensive and make sure we address those things. Those types of activities would not necessarily fall under the traditional farming activity. That's why we need to include it in our definition if we want to allow. At the same time in addressing this I have had this discussion with Mr. and Mrs. Lewis too so I want to make sure this is clear to the board. This is addressing land-use, zoning and land use. It does not address things other things that these activities come into that with the grandfather stuff that may or may not apply to as well; such as fire codes, building codes and American disability act; these types of codes which are enforced by the County. We can cooperate and probably should cooperate as much as we can to aid these small farm activities to include these other things so they can stay viable. Just understand even what we are addressing here is not going to address all the issues that these operations face because they're talking about different types of codes.

Commissioner Locklear said basically their activity was founded on the farming. This wedding and birthday thing is a site thing but basically it is farming.

Mr. Graham said right and by putting this in the definition we are clarifying that. So nobody can argue against it again. You described it well these are side activities and by putting this in our ordinances we are making it clear that this is at least as the land use on one of the things we permit.

Commissioner Locklear said she knows their farm brings a lot of activity into Ranlo.

Mr. Graham stated by clarifying this we are again to the extent the town can help them do these activities; we are specifically saying yes we want you to be able to do these activities.

Commissioner Locklear stated she knows there's a lot of ordinances in our books; I have been a commissioner almost 10 years they all need to be updated every bit of them. I don't even know how this came about but this is probably one of a whole lot that needs to be updated.

Commissioner Jones stated he thinks it be a good idea to let Mr. Graham and Mr. Windham get together on it and present us with something to look at.

Commissioner Carver stated closure of the board to let Mr. Graham and Mr. Windham drawl up a draft to present to the board to call a public hearing.

Commissioner Jones said yes.

Mayor Alexander said any further.

No one responded

### **13. Consider Granting Right of Way Across Water Treatment Property**

Town Coordinator Mr. Graham said public service came to the office and approached me about possibility the town would be willing to grant a right away for a gas transmission line against our property running across the water treatment plant property by South Fork River. Their plans are to carry a line from the Stanley area across the river or under the river come to Spencer Mountain Road and go down Spencer Mountain road with it. They are asking for a 50 foot wide right away and their proposal was to have that run parallel to the city Gastonia existing raw waterline that crosses the property. I'm sorry I do not have site maps that I can make copies for you. I do have one big one if anyone's interested in seeing it. Basically the location of the existing raw water lines if you would add another 50 foot right away to it. All of our infrastructure that is in the road down there, the raw water line going to the river up to water treatment plant some of the other structures associated with the water treatment plant would be either within or right next to the 50 foot right away. The access road going down through there would be in it, it would come very close to the building. If you are going to consider doing that it is going to heavenly encumber the property whether the town has future use for it or if the town ever elected to sale the property or whatever else it would be heavenly encumbered with this. That's what I informed the representative from PNC they would also have to accommodate if we were going to reopen the water treatment plant the reconnection the Gastonia's road waterline we would have to have a key. They would in fact be in front of that we have to go under that to make connection to do that so were talking about a major encumbrance I felt like I needed to get the council to decide whether they wanted me to even discuss this with them or go ahead and tell them that we think that it would encumber the property too much.

The Council is looking at the oversized site map. Mr. Graham is discussing where the Gastonia raw waterline and are located and the where the 50 foot right of way will be.

Commissioner Jones asked if he could ask Mr. Windham a question about this.

For residential icing the gas company make offers and then they pretty much put it where they want to put can they do that to us.

Mr. Windham stated if you grant them the right way they will put it within whatever you grant them if you wanted to do that. They would have to proceed against the town to force the issue.

Mayor Alexander asked what we could get out of the gas company.

Mr. Graham stated we can negotiate for anything, so again if you do want me to negotiate I would appreciate some instructions there. One suggestion I got from Mr. Wall from public works is if the town was ever going to consider expanding beyond the river. They will be there boring the line and you have to bore your own waterline under their. Obviously we can ask for compensation for the right away and anything else we can think that we want to negotiate for. Doesn't mean we going to get it, but we can certainly negotiate.

Commissioner Carver stated the right away would really take up most of that land and all our utilities if they take the right away. Do they want an answer immediately?

Mr. Graham stated as he understood it from the gentleman he was exploring possible routing at the time he was exploring two in that area and he preferred to come across our property. It would be easier; he would only have to come across our property and small one in front of us the other route would require him to come across several properties so this is the easier route for him.

Mayor Alexander stated since this is going to devalue our property let's see if we can get a monetary settlement let's suit to the board just ask for it and see where we can go on this.

Commissioner Carver said he feels uncomfortable with it because we have two options say we decide to open this backup we are limited very limited to get the right away and if we ever sale the property with the right away it would basically devalue the land. I really don't know after seeing the map.

Commissioner Jones asked to see map.

Mr. Graham was showing Commissioner Jones and Commissioner Tiderman the right way would be.

Commissioner Carver asked Mr. Graham if we can get appraisal of the land and another one with the encumbrance on it.

Mr. Graham stated I'm sure that's a possibility I don't know what the cost will be.

Commissioner Carver stated the land would depreciate tremendously with this 50 foot right away. We can ask for the depreciation of the value of the land.

Commissioner Jones said once we make a deal with them we are done. I would say no.  
Commissioner Locklear said I would say no.

Mayor Alexander asked was there any further discussion on this. This boils down to no or explore different avenues of monetary value. Would anyone like to make a motion for any direction?

Commissioner Locklear would like to make a motion to say no.

Mayor Alexander asked he had a second motion.

Commissioner Jones seconded and it passed unanimously.

#### **14. Consider Discontinuing Direct Deposit of Revenue Items Into Capital Management Account**

Town coordinator Mr. Graham stated this is something again Tesha uncovered as she began to work on things here. Part of our regular revenue screen is utility franchise taxes, local sales and use taxes and solid disposal waste taxes. Those three revenue screens we discovered are being direct deposited by the state into the capital management investment account. Rather than the regular operating account not that that's improper or illegal. I'm not sure why that was started or and definitely not sure how long that has been going on. My thought was typically these are budgeted revenues and probably should be deposited in the regular operating account and then at the end of the year the excesses in the operating account would be transferred into the capital management savings account. What this is doing is putting money in a savings account and at the beginning of the budget year if you need money you have to transfer it from saving to operating. Again this started before I was here they may have been a purpose for it no one seems to know what the purpose was. I just see that as budgeted revenue items in or to be going through the regular accounting process rather than direct into the savings. All we have to do is send directions to the department of revenue and they will change it. Not unless a member of the board or perhaps the mayor knows the reason why this started to begin with.

Commissioner Jones asked which three accounts was it?

Mr. Graham stated utility franchise tax which is paid quarterly, local sales and use tax which is paid monthly, and solid waste disposal tax which is paid quarterly. For example the utility tax portion \$96,800 went directly into the capital management account not operating account. Sales and use tax again the monthly amount or 18, 16, 22 thousand month that is being deposited into the savings account. As I have been here at this point it hasn't adverse effected cash but in terms our monthly operating and paying receivables. Basically that I am telling you is our utility payments and few tax revenues that we have other than these three main ones are covering our operating expenses or at least. The operating account is not growing but is not shrinking but I would think at some point just from a cash flow perspective the operating count is going to begin to shrink without these revenues going in.

Mayor Alexander asked if we need a motion or do we just need to get permission correct.

Mr. Graham stated right.

Mayor Alexander stated I would do it because everything that comes is supposed to go into our account a certain amount of time that's my opinion on it.

Commissioner Locklear agrees.

Commissioner Jones agrees

Commissioner Carver agrees.

### **16. Mayor Speaks**

Mayor Alexander said he has nothing to say

### **17. Reports from Commissioners**

Commissioner Rhyne stated she attended the orientation at the Schiele Museum on March 5<sup>th</sup> from 5 to 7. It was very informative meeting, a lot of information.

Mayor Alexander asked did you know the state federal government wants to go up on fuel taxes because we are not using as much as we use to. Because we've done exactly what they told us to do and now they're going to hit us for more revenue. Y'all should go to one of these meetings.

### **18. Report from Town Coordinator**

Mr. Graham wanted to mention that you are used to seeing green sheets but we did print your revenue and expense on paper like this so they are there. I did mention revenues are off because we have not entered in the revenues since the clerk was not here.

There is one other item that came in this week that I need some direction on from the board. It didn't go on the agenda because it just came in. Gaston County economic development commission called there is a new operation upgraded one of the buildings beside Beal Manufacturing it is in Ranlo town limits. They're going to take what I think may have been a comforter or pillow manufacture and start a new operation there for mattresses I believe. They are purchasing the property doing a great deal of up fit and things like that. Gaston County and several other municipalities in the county joined Gaston County in something they call local investment grant program. It's basically waving the taxes on the property or fazing them in over certain number of years. It's called a grant and basically what happens is, once they pay their property taxes the bulk of it is you're funding for the first few years as an incentive to get companies to come in and do this type of investment. Ranlo does not participate in this local investment Grant program since this project is underway. According to the representative from the county they are going to go ahead and they're going to do it whether if we are participating in the grant or not the county is going to discount the taxes but he asked us if we would participate. What that would require us to do is join this Local Investment Grant Program. To give you an idea; they have it in tiers depending on the amount of the investment. This would fall under tier one which is any investment between \$1million to \$15million and what you do is basically the property tax 90% of is given back to them in year one, 80% year two, 70% year three, 60% year

four, 50% year five. That's the grant proposal and if we're going to participate basically we would join this local grant program that was set up and it is fully administered by the County. We don't have to do the accounting on the taxes or things like that. I asked him if the town perhaps rather follow this proposal, offer them something less. He said we can do that but you will have to do all the accounting yourself the county not going to do it for us. They have a system set up and it's automatic if we want to participate he is asking us to join with them. If not and we want to do something different we would have to approach them separately. Would the town be interested in joining this local grant incentive program and of course once you join the program it goes forward for other people that might want to come in and develop other properties. The other tiers extend per year depending on the amount of the investment.

Commissioner Carver asked what the employment tied to the grant; do they have to have a certain amount of employees to receive the grant?

Mr. Graham answered no. The grant is tied to the investment, the property and the equipment. Here the investment is purchasing the property, buying new equipment, updating the property and the investment amount is 5.5 million dollars. This is what they are investing to locate here. They're relocating the factory that was destroyed in one of the storms out West.

Commissioner Locklear asked how many people will they employee.

Mr. Graham said the last operation had to lay off 103 employees. The only information in terms of the exact proposed number employees that was provided to me by the County was; well they simply explained that this would provide the opportunity perhaps the same number of employees to be hired. So were talking around 100 to 120 employees. There's no guarantee that they're going to hire that many I'm not sure how automated this is.

Commissioner Carver said so their grant proposal does not tie in to number employees that will receive a job.

Mr. Graham answered no it does not.

Commissioner Locklear stated that might open the door for more manufacturing in Ranlo.

Mr. Graham said that's the purpose of the grant is to encourage that type of development not just industrial but also commercial as well.

Commissioner Jones stated from what he read on that company is the previous location was destroyed was there for over 25 years.

Mr. Graham stated yes it has been there for long, but not sure exactly how long.

Chief Anderson asked if he can add something to this subject. You will lose revenue the property that is there you will pay property taxes. You are not allowed to tax equipment anymore that was changed over a decade ago. From my understanding unless it has changed recently, this would be something you would want to look at for new construction other than industrial complex. The



taxes on this building is going to stay the same whether is occupied or unoccupied. Does that make sense? I just wanted to let you know that you're going to lose revenue if you go with this.

Mayor Alexander said it is up to the board.

Commissioner Rhyne asked is there an estimate on how much we would lose.

Mr. Graham stated that he has not looked at any concrete numbers. The request just came in. I mentioned we were having a meeting and he asked if I could present it and get back with him.

Commissioner Carver asked did you say the grant lasted for 10 years.

Mr. Graham said this particular one is tied into the amount of investment, this one last for five years.

Commissioner Jones asked if Mr. Graham could get a breakdown from them. Example say that first year they get 90% back. From all the municipalities participating would split up that 90% right?

Mr. Graham said no. It's tied directly to the taxes they paid to the County and/or the municipalities that they're located in. This particular 90% in the first year would be taken out of the taxes paid to Gaston County and the Town of Ranlo. That's the point Chief Anderson was making, this would be taken directly from revenue that would normally be coming to the town for the on property.

Commissioner Jones stated so in other words we would be joining a group but would be losing it ourselves.

Mr. Graham stated the group is in terms of the accounting partnering with municipalities that participate so if they locate in anyone of those municipalities they have the opportunity. The chief statement was accurate we would be losing revenue for those five years. The positive side of that it's an incentive to try and draw the industry.

Commissioner Jones stated but there coming weather if we join or not.

Mr. Graham stated this particular one according to the representative from the County coming whether we join or not.

Commissioner Carver stated that we also gain revenue from the water and sewer.

Mayor Alexander stated franchise and utility tax and all that stuff.

Commissioner Carver asked Mr. Graham what was his professional opinion about this.

Mr. Graham stated it depends on the goal that you are setting. Ranlo does have a lot of industrial properties that is unused, would this be an incentive to draw some of the industries in. You

would have to weigh that against revenue that you would be losing in the meantime. As far as a professional opinion all I can give you is the pros and cons for each one. Will this really encourage development of these properties I have no way of knowing.

Commissioner Carver asked when we join do we have to join for a certain time period or can we pull out at any time if we see it's not valuable for us.

Mr. Graham stated as far as he knows is the town's option. I would get definite answers on it before we join. As far as I know you can opt in or out at your pleasure.

Commissioner Locklear asked do we have any idea what Beal paid for their taxes how much their taxes are.

Mr. Graham said I can get that information.

Commissioner Locklear said that would be interesting to know.

Commissioner Carver said could you present that at the workshop before we make a rash decision on anything.

Mr. Graham stated yes he can.

Mayor Alexander asked if anyone has any other questions on this subject.

No response

### **19. Closed Session / NCGS 143-318.11 (6)**

Mayor Alexander asked if we have evaluations or what do we have?

No one responded

Mayor Alexander stated it was unknown.

Mayor Alexander asked if there was a motion to go into closed session

Commissioner Tiderman made the motion and Commissioner Locklear seconded and it passed unanimously.

Mayor Alexander requested a 7-minute recess before going into Closed Session.

The Board convened to go into closed session.

Mayor Alexander asked for a motion to come out of Closed Session.

Commissioner Locklear made the motion and Commissioner Tiderman seconded and it passed unanimously.

**20. Consideration of Motions Pertaining to Closed Session Discussion**

Mayor Alexander asked if there are in motions pertaining to the closed session.

Commissioner Carver would like to make a motion for Tim Anderson to be Chief of Police for The Town of Ranlo.

Mayor Alexander asked for a second.

Commissioner Locklear seconded and it passed unanimously.

**21. Adjournment**

Mayor Alexander asked for a motion to adjourn.

Commissioner Locklear made the motion and Commissioner Tiderman seconded and it passed unanimously.

ATTEST:

---

STEVEN ALEXANDER, MAYOR OF RANLO

---

TESHA PALMER, TOWN CLERK AND RECORDER OF THE MINUTES OF THE  
REGULAR MEETING ON MARCH 20, 2014