

**The regular meeting of the Murphy Town Council was held on November 5, 2018 at 5:00 p.m. in the City Hall building with the following present:**

**Town Manager:** Chad Simons  
**Attorney:** Mack Cowan

**Mayor:** Rick Ramsey  
**Council:** Barry McClure Frank Dickey  
Karen Watson Gail Stansell  
Barbara Hughes Noland Smith

**WKRR:** Tim Radford  
**Cherokee Scout** - Matt Osborne

### **Public Hearing - System Development Fees**

Mayor Ramsey opened the public hearing at 5 p.m.

No person spoke during the public hearing.

**Motion was made by Stansell, seconded by Watson to close the public hearing at 5:02 p.m. Motion carried unanimously.**

### **Public Comment**

No Public Comment

### **Approval of Minutes**

**Motion was made by Hughes, seconded by Watson to approve the October 1, 2018 meeting minutes as presented. Motion carried unanimously.**

### **Water and Sewer & Tax Releases and Refunds**

**Motion was made by McClure, seconded by Hughes to approve the water and sewer adjustments of \$1,635.57. Motion carried unanimously.**

**Motion was made by Stansell, seconded by Smith to approve the tax releases and refunds as presented. Motion carried unanimously. A copy of the releases and refunds is attached.**

### **Discussion on System Development Fees**

Denny Martin, with WR-Martin, informed the Town Council about the System Development Fee Study. Mr. Martin explained that the essence of the fees derived from the equity principle, and the need to pay for capital improvements. Without such fees, new users are subsidized by old water and sewer users who have been paying for the existing infrastructure. Mr. Martin explained that the basis of the fee structure is for new users to pay into capacity proportionally, based on their water meter size.

Mayor Rick Ramsey asked if there was science to help the Town develop a metric to know that we are recapitalizing in an appropriate manner. Mr. Martin said most capital improvement plans

project for ten (10) years, and that the system develop fees are intended to help pay for those purposes, easing debt service somewhat. Mr. Martin stated that the fees have been meaningful for the Town's water and sewer system.

Mayor Ramsey stated that the Town is projected to grow. Mr. Martin said as the town continues to grow, more and more pressure will be applied to the system. Mr. Martin also said new users expect those essential services, but that's not always the case. Mr. Martin referenced a recent study by the General Assembly showing 117 towns and 13 counties that operate financially distressed water and sewer systems.

Town Manager Chad Simons said these fees have helped the Town implement capital projects on a pay-as-you-go basis, amounting to over \$400,000 in revenue since the fees were adopted in 2006.

Gail Stansell asked if the fees were comparable to other fees charged by other utilities. Mr. Martin said the average residential water fee is \$1,100 and sewer is \$2,000, which put the Town's old fees right in the ball park. Mr. Martin also said existing users don't pay the fees.

Frank Dickey informed the Council about a moratorium that existed about twenty years ago. Mr. Dickey said nobody was happy, and he believed these fees will help prevent that from happening again.

Mr. Martin said the Town has been very successful in getting grants in the past, but those grants aren't as easy to secure anymore. Mr. Martin said that was another argument to assess the fees. Town Manager Chad Simons said Murphy's low user rates places Murphy at a disadvantage for future grant opportunities. Mr. Simons added that the North Carolina Rural Center helped fund nearly every capital project in the past twenty-five years, but that organization no longer exists as it once did. Mr. Simons also stated that the fees would help offset future debt service obligations.

### **REACH - Paint the Town Purple Domestic Violence Awareness Winner Announcement**

Mayor Ramsey said he would be presenting the winners tomorrow at 11 a.m. at city hall, and expressed his appreciation for REACH as an organization.

### **Christmas Parade Update - Murphy Business Association**

Becca McNabb with Murphy Business Association updated the Council on the upcoming Christmas Festival and Parade scheduled for December 1.

### **Amendment to Fire-Cost Recovery Fee Ordinance**

**Motion was made by McClure, seconded by Stansell to approve the amendment to the Fire-Cost Recovery Fee Ordinance as presented. Motion carried unanimously. A copy of the Ordinance is attached.**

**Resolution to Authorize Town Manager to negotiate contracts and other financial matters on behalf of the Town of Murphy up to a maximum dollar amount**

Town Attorney Mack Cowan explained how this resolution would make it easier for the Town Manager to negotiate small financial matters, such as easements for water and sewer projects. Mr. Cowan told the Council that this came up in the recent past, and the Town Manager was forced to wait to get the Council's permission to secure an easement for the Regal Street project.

**Motion was made by Stansell, seconded by Smith to approve the Resolution authorizing the Town Manager to negotiate contracts and other financial matters on behalf of the Town of Murphy up to \$1,000. Motion carried unanimously A copy of the Resolution is attached.**

**Murphy Housing Authority Update - Lea Scroggs**

Lea Scroggs updated the Council on the Murphy Housing Authority. Gail Stansell asked about the no-smoking policy. Mrs. Scroggs said inspections were completed in October, and about 96 percent of households were complying with the policy. Mrs. Scroggs said she was pleased with the outcome so far.

Mayor Ramsey asked if she still had a waiting list. Mrs. Scroggs said they still have a waiting list.

**Depot Rental Agreement Form**

Mayor Ramsey briefed the Council about the need to make people adhere to a formal, written rental agreement form for the Depot. The main purpose is to protect the property.

Gail Stansell recommended a change for the agreement to state, "Failure to do so could result in you losing your deposit," instead of "this."

Noland Smith asked about the use of alcohol at the Depot. Mr. Smith said they need to make exceptions for some events. Frank Dickey asked if the ordinance allowed the Mayor to sign-off on the use of alcohol like he can for special events. Town Manager Chad Simons said he believed the ordinance only applied to events where the Council had opted to close down a street(s). Mr. Simons asked the Council if they could revisit the alcohol inquiry next month.

**Motion was made by Watson, seconded by Hughes to adopt the Depot Rental Agreement Form, subject to the changes proposed by Stansell. Motion carried unanimously. A copy of the agreement form is attached.**

**Budget Amendments - Water Plant Chemical Catch Basin and Sewer Plant Lab Testing**

Town Manager Chad Simons asked for a budget amendment of \$6,700 from Utility Fund Balance to repair the Water Plant's Chemical Catch Basin. **Motion was made by Smith, seconded by Watson to approve the budget amendment as presented. Motion carried**

**unanimously.**

**Motion was made by McClure, seconded by Stansell to approve the budget amendment of \$9,500 from Utility Fund Balance for Lab Testing in the Sewer Plant Fund. Motion carried unanimously.**

**Letter Approval to Rep. Kevin Corbin regarding Train - Mayor Rick Ramsey**

Mayor Ramsey requested for the Council to approve the letter to Rep. Kevin Corbin, which would eliminate certain language that requires both towns and Cherokee County to pay for track improvements to bring the train back. Mayor Ramsey also said the letter would kill the five (5) year time limit to pull the tracks up.

Mayor Ramsey also shared that the NCDOT Rail Division Director verified the data in the report regarding the \$10.3 million cost to bring back excursion and freight to Cherokee County. Mayor Ramsey said the \$10.3 million estimate is still valid, according to the NCDOT experts.

**Monthly Reports**

Gail Stansell complimented the Public Works crew for their hard work and dedication in replacing the Campbell Street water main.

Town Manager told the Council that Tyler White passed his grade III wastewater exam, which makes him legal to serve as the Town's Wastewater Plant Superintendent.

Mayor Ramsey announced that the Town Council would hold a special meeting from 3-6 p.m. on Tuesday November 27, 2018 at the Murphy Public Library. The purpose of the meeting is to discuss goals and priorities for the 2019-2020 fiscal year, and to review the implementation of the 2018-2019 fiscal year budget. Mayor Ramsey asked the Council to send him information about what they wanted on the Agenda.

**Motion was made by McClure, seconded by Stansell to approve the monthly reports as presented. Motion carried unanimously.**

**Adjourn**

**Motion was made by McClure , seconded by Stansell to adjourn the meeting at approximately 6:10 p.m. Motion carried unanimously.**

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Mayor Rick Ramsey

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Town Clerk Chad Simons

