



Boiling Springs Town Council
Meeting Agenda Packet
November 08, 2016



Town of Boiling Springs

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www.BoilingSpringsNC.net

TOWN COUNCIL MEETING AGENDA

November 8, 2016

ROUTINE BUSINESS

1. Mayor's Call to Order
2. Recognize Citizen's Present & Public Comment
3. Minutes from September 6, 2016 Regular Meeting 3

REGULAR BUSINESS

4. FY16/17 First Quarter Financials 5
5. Poplar Branch Pump Station Project Closeout 11
6. Budget Amendment BA161108.01 13
7. Amendments to Purchasing Policy 15

REPORTS

8. Staff Reports 19
9. Town Council Member Reports 20

The Town Council desires all citizens have an opportunity to address the Council in an open and productive manner. Individuals not on the agenda but wishing to speak should register with the Clerk prior to the start of the meeting. During the Public Comment portion of the meeting speakers have three (3) minutes unless otherwise approved by the Council. Groups are urged to appoint a spokesperson. If you require additional time, we ask you be placed on the agenda for the next regularly scheduled meeting of the Council. This policy allows the Council members adequate time to familiarize themselves with an issue.

**Town of Boiling Springs
Town Council
Regular Meeting Minutes
October 4, 2016**

The Boiling Springs Town Council met October 4, 2016 at the Boiling Springs Town Hall. Present were: Mayor Max J. Hamrick; Councilmembers James Beason, Cliff Hamrick, Daniel Thomas and Bill Ellis. Town Attorney John Schweppe, III was also present. Staff members present: Town Manager Tom Hart, Town Clerk Kimberly Greene, Public Works Director Mike Gibert, Finance Officer Rhonda Allen, and Police Chief Nathan Phillips.

Others Present: Daniel Robinson

AGENDA ITEM I

Call to Order – Max J. Hamrick, Mayor

AGENDA ITEM II

Recognition of Citizens Present & Public Comment

AGENDA ITEM III

Approval of Minutes

Councilmember Hamrick made the motion to approve the minutes of the September 6, 2016 regular meeting. Councilmember Beason seconded and the vote was unanimous.

AGENDA ITEM IV

Board Appointment

Councilmember Beason made the motion to reappoint Sarah Rullman and Jackie Sibley to the Tourism Development Authority (TDA) their terms expiring on 10/31/2019. Councilmember Ellis seconded and the vote was unanimous.

AGENDA ITEM V

Budget Amendment | BSPD Fundraiser

A budget amendment is necessary to make certain changes in the Town's budget for the Shelby Police Officer Timothy Brackeen Boston Butt Fundraiser.

<u>Section 1.</u>	Revenues	<u>Increase</u>
	Donations & fundraising	\$15,000
<u>Section 2.</u>	Expenditures	<u>Increase</u>
	Police fundraising expenses	\$15,000

Councilmember Daniel Thomas made the motion to approve Budget Ordinance Amendment No. BA161004.1. Councilmember Hamrick seconded and the vote was unanimous. A copy of the budget ordinance amendment is hereby incorporated into and made a part of the minutes of the meeting.

AGENDA ITEM VI

Staff Reports

Nathan Phillips, Police Chief, reported the following:

Chief Phillips reported on the success of the Shelby Police Officer Brackeen Boston Butt Fundraiser.

Mike Gibert, Public Works Director, reported the following:

Mike Gibert updated the Council on the Wall Avenue water main break that was found to be in conflict with an 8" gas main. The water main break was temporarily repaired last month. A repair plan was developed and the Town Engineer bid out the project. A bid in the amount of \$25,000 was received. The gas company has since stated they plan to install a 24" gas main. The repair plans do not include crossing the gas main. Mr. Gibert stated a 2" water line exists on the north side of Wall Avenue. They plan to dig on Beason Avenue to connect to the line on Gordon Avenue. A fire hydrant will also have to be moved.

Mike Gibert reported on another water main break that recently occurred on Skinner Road. This leak was on an 8" PVC line connected to the largest water line on the Town's water system with the most pressure.

Mike Gibert also reported on plans to grind down tripping hazards on the sidewalks the following week. He also plans to work on an abandoned crosswalk on South Main Street.

Mayor Hamrick inquired about the North Main Street Improvement Project. Mr. Gibert reported only one bid was received for the sidewalks and none were received for the utilities work. They plan to rebid October 20, 2016.

Councilmember Ellis inquired if additional fiber optic lines were being run in Town. Mr. Gibert confirmed the company that purchased RST Communications is running additional lines.

Rhonda Allen, Finance Officer, reported the following:

The Town received the semi-annual allocation of Powell Bill funds from the N.C. Department of Transportation in the amount of \$65,773.

Kim Greene, Town Clerk, reported the following:

The Council agreed to ask former Councilmembers John Glenn and Darlene Gravett to serve as Grand Marshals in the Christmas Parade. The parade will be held on November 27th at 3:00 p.m.

The November 1, 2016 Council meeting was rescheduled for November 8, 2016.

Tom Hart, Town Manager, reported the following:

Mr. Hart reported on the North Main Street Improvement Project. The concrete work and utility work were bid out but only one bid was received for the concrete work. No bids were received for the utility work. The Town Engineer contacted NCDOT to get a better time frame for the project. NCDOT pushed back the acceptable completion date. They plan to rebid later in the month with the less aggressive time frame.

Mr. Hart stated he and Mr. Schweppe are working on a driveway agreement for Clearwater Road. Mr. Hart reported on the poor condition of the road during the meeting last month.

Mr. Hart is continuing to work with Gardner-Webb University on the parking lot located off West College Avenue past Washburn Hall to help with uptown parking concerns.

AGENDA ITEM VII

Town Council Member Reports

Councilmember Daniel Thomas reported on the meeting with the YMCA that he, Councilmember Marty Thomas and Mr. Hart attended to discuss the recreation services agreement which ends June 30, 2017. They discussed their concerns regarding the contract and what each party is seeking.

Councilmember Hamrick reported on attending the previous Gaston-Cleveland-Lincoln MPO meeting. The Town received a \$1,000 pedestrian grant Mr. Hart applied for to study traffic flow.

Councilmember Ellis inquired about the old Town Hall building. Mr. Hart stated he is in the process of engaging the Isothermal Planning and Development Commission regarding grants that may be available to repurpose the space or assist with renovations.

Councilmember Beason reported on the Boiling Springs Fire and Rescue Department board meeting that he recently attended with Councilmember Ellis and Chief Phillips. The department is working to make sure their equipment is up-to-date. A new truck has also been ordered and is expected to be delivered by August 2017.

Mayor's Report

The Mayor reported being unable to attend the September 26th Mayor's Roundtable held at the County Administration Building regarding the quarter cent sales tax referendum that will be on the ballot in November.

Mayor Hamrick stated he recently attended an Isothermal Planning and Development Commission meeting. They are reaching out to the surrounding communities and have a series of meetings planned.

There being no further business, Mayor Hamrick declared the meeting adjourned at 7:31 p.m.

Max J. Hamrick, Mayor

Kimberly Greene, Town Clerk



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TOWN COUNCIL

AGENDA ITEM 4

November 8, 2016

FY16/17 FIRST QUARTER FINANCIALS

SUMMARY

The first quarter financials from fiscal year 2016/17 have been compiled. General fund revenues are not collected or distributed to the Town on an equal basis each month but all revenues appear to be in line with projections. Despite a good deal of front loaded expenses, the departmental budgets in the general fund are close to or under 25% expended at the close of the first quarter. Police supplies are tracking high because of a large ammunition purchase which will last several years. Recreation vehicle maintenance is tracking high due to several unexpected repairs to the 1995 Chevrolet pickup truck in that department. That truck will be taken out of service soon as the new truck budgeted in the sewer department is put in service. The enterprise fund is performing well. Revenues are above projections and expenses are below projections at the close of the first quarter. Contracted services in the water department are running high which is addressed in Agenda Item 6: Budget Amendment 161108.01

MATERIALS PROVIDED

- General Fund YTD Report
- Enterprise Fund YTD Report

Town of Boiling Springs
Statement of Revenue and Expenses to Budget - General Fund
As of 9/30/2016

Revenue:

	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Ad valorem taxes:				
FY 2016-2017	575,179.86	875,000	299,820.14	65.7%
Prior years	782.66	11,000	10,217.34	7.1%
Tax penalties (less discounts)	(2,573.43)	1,000	3,573.43	-257.3%
Total taxes	573,389.09	887,000	313,610.91	64.6%
Other income:				
Court costs-fees-charges	104.00	1,000	896.00	10.4%
Library donations	2,747.00	11,000	8,253.00	25.0%
LEO grants		1,000	1,000.00	0.0%
Powell Bill funds	65,773.05	130,000	64,226.95	50.6%
Solid waste disposal tax		3,000	3,000.00	0.0%
Utilities tax	-	235,000	235,000.00	0.0%
Local option sales tax	61,137.29	364,000	302,862.71	16.8%
Recycling	11,882.00	46,500	34,618.00	25.6%
Solid waste	41,849.00	163,000	121,151.00	25.7%
Investment earnings	1,027.76	2,500	1,472.24	41.1%
Powell Bill investment earnings	585.32	1,500	914.68	39.0%
Profit/(loss) on sale of assets		1,000	1,000.00	0.0%
Zoning	175.00	1,500	1,325.00	11.7%
Cleveland Co recreation grant	18,988.50	76,000	57,011.50	25.0%
Donations & fundraising	14,915.00	15,000	85.00	99.4%
Miscellaneous income	410.00	11,000	10,590.00	3.7%
Transfer from fund balance			-	0.0%
Transfer from Powell Bill reserve			-	0.0%
Total other income	219,593.92	1,063,000	843,406.08	20.7%
Total revenue	792,983.01	1,950,000	1,157,016.99	40.7%

Expenses:

	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Administration:				
Salary & wages	44,601.30	169,000	124,398.70	26.4%
Commissioners' salaries	2,100.00	8,500	6,400.00	24.7%
401(k)	2,231.00	8,300	6,069.00	26.9%
Payroll taxes	3,543.14	13,600	10,056.86	26.1%
Retirement	3,304.23	12,100	8,795.77	27.3%
Group insurance	4,930.83	19,800	14,869.17	24.9%
Maintenance & repairs-building	3,489.84	10,000	6,510.16	34.9%
Departmental supplies	1,467.65	10,000	8,532.35	14.7%
Training	404.00	3,000	2,596.00	13.5%
Telephone	1,589.65	8,000	6,410.35	19.9%
Utilities	2,399.96	11,200	8,800.04	21.4%
Postage	200.00	1,000	800.00	20.0%
Maintenance & repairs-equipment	300.00	1,500	1,200.00	20.0%
Advertising	623.70	1,800	1,176.30	34.7%
Dues & subscriptions	14,381.00	16,500	2,119.00	87.2%
Professional services	4,175.00	15,000	10,825.00	27.8%
Property tax collection	10,784.41	17,800	7,015.59	60.6%
Contracted services	2,449.20	18,000	15,550.80	13.6%
Insurance & bonds	32,654.00	63,600	30,946.00	51.3%
Contingency		15,000	15,000.00	0.0%
Miscellaneous	410.00	6,000	5,590.00	6.8%
Capital outlay			-	0.0%
Noncapital equipment	1,780.00	6,200	4,420.00	28.7%
Capital reserve			-	0.0%
Debt service		62,200	62,200.00	0.0%
Total Administration	137,818.91	498,100	360,281.09	27.7%

Police:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Salary & wages	76,235.34	310,300	234,064.66	24.6%
401(k)	3,565.00	15,600	12,035.00	22.9%
Payroll taxes	6,110.39	27,100	20,989.61	22.5%
Group insurance	13,696.75	59,300	45,603.25	23.1%
Reserve wages	360.50	15,000	14,639.50	2.4%
Separation allowance	3,277.54	12,200	8,922.46	26.9%
LEO retirement	5,705.41	24,900	19,194.59	22.9%
Maintenance & repairs-building	228.90	1,500	1,271.10	15.3%
Maintenance & repairs-vehicles	5,312.99	20,000	14,687.01	26.6%
Departmental supplies	5,454.90	11,000	5,545.10	49.6%
Training	100.00	1,000	900.00	10.0%
Telephone	1,898.61	7,500	5,601.39	25.3%
Utilities	1,850.60	8,500	6,649.40	21.8%
Maintenance & repairs-equipment		1,500	1,500.00	0.0%
Gasoline	4,000.24	21,000	16,999.76	19.0%
Contracted services	6,307.18	24,000	17,692.82	26.3%
Fundraising expenses	5,462.63	15,000	9,537.37	36.4%
Miscellaneous		1,000	1,000.00	0.0%
Capital outlay		38,000	38,000.00	0.0%
Equipment (non-capital)	1,168.85	17,000	15,831.15	6.9%
Total Police	140,735.83	631,400	490,664.17	22.3%
Fire:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Contracted services	33,714.50	135,000	101,285.50	25.0%
Total Fire	33,714.50	135,000	101,285.50	25.0%
Street lighting:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Departmental supplies		6,000	6,000.00	0.0%
Street lighting	11,213.28	45,000	33,786.72	24.9%
Contracted services		6,000	6,000.00	0.0%
Street signs	5.20	1,000	994.80	0.5%
Total Street Lighting	11,218.48	58,000	46,781.52	19.3%
Powell Bill:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Maintenance & repairs-streets		2,300	2,300.00	0.0%
Maintenance & repairs-vehicles			-	0.0%
Departmental supplies	267.70	4,000	3,732.30	6.7%
Maintenance & repairs-equipment			-	0.0%
Gasoline			-	0.0%
Professional services	76.25	10,000	9,923.75	0.8%
Contracted services	13,400.00	50,000	36,600.00	26.8%
Insurance & bonds	1,088.00	2,200	1,112.00	49.5%
Capital reserve		61,000	61,000.00	0.0%
Total Powell Bill	14,831.95	129,500	114,668.05	11.5%
Sanitation:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Salary & wages	20,952.00	82,500	61,548.00	25.4%
Part-time wages	2,112.00	10,000	7,888.00	21.1%
401(k)	762.00	4,700	3,938.00	16.2%
Payroll taxes	1,764.43	7,000	5,235.57	25.2%
Retirement	1,131.76	6,000	4,868.24	18.9%
Group insurance	4,927.23	19,800	14,872.77	24.9%
Uniforms	892.23	3,000	2,107.77	29.7%
Maintenance & repairs-building	202.55	500	297.45	40.5%
Maintenance & repairs-vehicles	1,797.18	13,000	11,202.82	13.8%
Departmental supplies	803.15	5,000	4,196.85	16.1%
Telephone	327.95	1,000	672.05	32.8%
Utilities	163.54	1,000	836.46	16.4%
Maintenance & repairs-equipment		4,500	4,500.00	0.0%
Gasoline	2,832.49	15,000	12,167.51	18.9%
Contracted services	24,851.42	90,000	65,148.58	27.6%
Capital outlay			-	0.0%
Equipment (non-capital)			-	0.0%
Debt service		29,900	29,900.00	0.0%
Capital reserve-trash truck			-	0.0%
Total Sanitation	63,519.93	292,900	229,380.07	21.7%

	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Parks & recreation:				
Salary & wages	17,959.20	69,800	51,840.80	25.7%
401(k)	899.00	3,500	2,601.00	25.7%
Payroll taxes	1,373.89	5,800	4,426.11	23.7%
Retirement	1,334.34	5,100	3,765.66	26.2%
Group insurance	1,648.71	6,600	4,951.29	25.0%
Uniforms	306.94	1,000	693.06	30.7%
Maintenance & repairs-building	80.76	1,000	919.24	8.1%
Maintenance & repairs-vehicles	1,953.50	2,000	46.50	97.7%
Departmental supplies	285.77	1,750	1,464.23	16.3%
Telephone	422.11	1,000	577.89	42.2%
Utilities	349.65	1,600	1,250.35	21.9%
Maintenance & repairs-equipment	1,134.36	1,500	365.64	75.6%
Gasoline	481.58	3,000	2,518.42	16.1%
YMCA	14,250.70	57,600	43,349.30	24.7%
Contracted services		15,000	15,000.00	0.0%
Miscellaneous	2,270.91	5,000	2,729.09	45.4%
Greenway requests		2,600	2,600.00	0.0%
Library expenses	5,000.00	20,000	15,000.00	25.0%
Museum expenses		1,000	1,000.00	0.0%
Capital outlay			-	0.0%
Equipment (non-capital)	230.98	250	19.02	92.4%
Total Parks & Recreation	49,982.40	205,100	155,117.60	24.4%
Total Expenses	451,822.00	1,950,000	1,498,178.00	23.2%
Net income/(loss)	341,161.01	-	(341,161.01)	17.5%

Town of Boiling Springs
Statement of Revenue and Expenses to Budget - Water-Sewer Fund
As of 9/30/2016

Revenue:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Reconnections	9,660.00	35,000	25,340.00	27.6%
Taps & connections	400.00	2,000	1,600.00	20.0%
Water charges	252,951.72	840,000	587,048.28	30.1%
Sewer charges	132,566.45	500,000	367,433.55	26.5%
Lattimore sewer charges	8,468.64	35,000	26,531.36	24.2%
Investment earnings	306.18	2,000	1,693.82	15.3%
Lattimore reimbursement	2,784.43	12,600	9,815.57	22.1%
Profit/(loss) on sale of assets			-	0.0%
Transfer from retained earnings		10,000	10,000.00	0.0%
Miscellaneous income	3,646.02	20,000	16,353.98	18.2%
Total revenue	410,783.44	1,456,600	1,045,816.56	28.2%

Expenses:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Water-Sewer Administration:				
Salary & wages	24,037.24	90,300	66,262.76	26.6%
401(k)	1,200.00	4,600	3,400.00	26.1%
Payroll taxes	1,838.77	7,400	5,561.23	24.8%
Retirement	1,736.93	6,600	4,863.07	26.3%
Group insurance	3,287.22	13,200	9,912.78	24.9%
Maintenance & repairs-building	5,241.11	14,000	8,758.89	37.4%
Departmental supplies	329.64	8,000	7,670.36	4.1%
Training	50.00	1,000	950.00	5.0%
Telephone	1,285.40	4,500	3,214.60	28.6%
Utilities	1,394.07	6,500	5,105.93	21.4%
Postage	2,368.04	10,000	7,631.96	23.7%
Maintenance & repairs-equipment	1,419.72	2,000	580.28	71.0%
Advertising		500	500.00	0.0%
Dues & subscriptions	649.72	5,000	4,350.28	13.0%
Professional services	2,500.00	6,000	3,500.00	41.7%
Contracted services	2,663.75	32,000	29,336.25	8.3%
Insurance & bonds	20,681.00	40,000	19,319.00	51.7%
Contingency			-	0.0%
Capital outlay			-	0.0%
Equipment (non-capital)	1,780.00	2,000	220.00	89.0%
Transfer to capital project fund			-	0.0%
Debt service		33,500	33,500.00	0.0%
Total Water-Sewer Administration	72,462.61	287,100	214,637.39	25.2%

Water Line:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Salary & wages	17,417.89	67,900	50,482.11	25.7%
401(k)	871.00	3,400	2,529.00	25.6%
Payroll taxes	1,332.44	5,600	4,267.56	23.8%
Retirement	1,250.37	5,000	3,749.63	25.0%
Group insurance	3,287.22	13,200	9,912.78	24.9%
Uniforms	502.29	3,000	2,497.71	16.7%
Maintenance & repairs-building		-	-	0.0%
Maintenance & repairs-vehicles	75.13	2,000	1,924.87	3.8%
Departmental supplies	4,689.81	18,000	13,310.19	26.1%
Water purchases-City of Shelby	99,489.13	355,000	255,510.87	28.0%
Training	125.00	300	175.00	41.7%
Telephone	394.86	1,600	1,205.14	24.7%
Utilities	546.03	2,000	1,453.97	27.3%
Maintenance & repairs-equipment		9,000	9,000.00	0.0%
Gasoline	1,342.03	7,700	6,357.97	17.4%
Contracted services	14,898.50	30,400	15,501.50	49.0%
Capital outlay			-	0.0%
Equipment (non-capital)		5,000	5,000.00	0.0%
Capital outlay-water lines		30,000	30,000.00	0.0%
Capital reserve-water tank maint			-	0.0%
Water debt service		88,600	88,600.00	0.0%
Total Water Line	146,221.70	647,700	501,478.30	22.6%

Sewer Line:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Salary & wages	23,448.24	123,200	99,751.76	19.0%
Part-time wages		-	-	0.0%
401(k)	1,057.00	6,200	5,143.00	17.0%
Payroll taxes	1,793.84	10,200	8,406.16	17.6%
Retirement	1,505.59	9,000	7,494.41	16.7%
Group insurance	4,930.83	19,800	14,869.17	24.9%
Uniforms	802.19	4,000	3,197.81	20.1%
Maintenance & repairs-building	731.36	1,000	268.64	73.1%
Maintenance & repairs-vehicles	4,950.23	10,000	5,049.77	49.5%
Departmental supplies	5,270.33	20,000	14,729.67	26.4%
Sewer line maintenance		16,000	16,000.00	0.0%
Training	85.00	2,100	2,015.00	4.0%
Telephone	1,915.19	8,500	6,584.81	22.5%
Utilities	15,460.12	62,000	46,539.88	24.9%
Maintenance & repairs-equipment	2,557.29	19,700	17,142.71	13.0%
Gasoline	1,866.70	5,000	3,133.30	37.3%
Contracted services	7,335.00	22,000	14,665.00	33.3%
Capital outlay	27,725.00	53,500	25,775.00	51.8%
Equipment (non-capital)	5,761.38	7,000	1,238.62	82.3%
Capital outlay-sewer lines			-	0.0%
Debt service	7,249.06	74,700	67,450.94	9.7%
Total Sewer Line	114,444.35	473,900	359,455.65	24.1%
Lattimore Sewer Line:	<u>9/30/2016</u>	<u>Budget</u>	<u>Remaining</u>	<u>% Spent</u>
Salary & wages	5,679.40	21,300	15,620.60	26.7%
401(k)	284.00	1,100	816.00	25.8%
Payroll taxes	434.47	1,800	1,365.53	24.1%
Retirement	421.98	1,600	1,178.02	26.4%
Maintenance & repairs-building			-	0.0%
Departmental supplies		8,500	8,500.00	0.0%
Sewer line maintenance		1,000	1,000.00	0.0%
Telephone	751.38	3,000	2,248.62	25.0%
Utilities	1,322.69	6,600	5,277.31	20.0%
Maintenance & repairs-equipment	1,797.11	3,000	1,202.89	59.9%
Equipment (non-capital)			-	0.0%
Capital outlay-sewer lines			-	0.0%
Total Lattimore Sewer Line	10,691.03	47,900	37,208.97	2.08
Total Expenses	343,819.69	1,456,600	1,112,780.31	23.6%
Net income/(loss)	66,963.75	-	(66,963.75)	4.6%



Town of Boiling Springs

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TOWN COUNCIL

AGENDA ITEM 5

November 8, 2016

POPLAR BRANCH PUMP STATION CLOSEOUT

SUMMARY

The Poplar Branch Pump Station Project is officially ready for closeout. The pump station has been functioning without incident for several months and staff are happy with the design and quality of the new facility. The new pump station was built without incurring any new debt, replaced the Town's most problematic pump station, and opens the door to expanding sewer service to a large area of Town. The project was completed on time and came in \$20,957 under budget. The remaining \$20,957 will be returned to enterprise fund reserves.

MATERIALS PROVIDED

- Poplar Branch Pump Station Final Budget Report



"The Crossroads of Opportunity"

TOWN OF BOILING SPRINGS

POPLAR BRANCH PUMP STATION PROJECT FINAL BUDGET OVERVIEW

	<u>Budget</u>	<u>Actual</u>	<u>Remaining</u>
Construction	\$ 491,701.00	\$ 477,840.89	\$ 13,860.11
Contingencies	10,000.00	2,903.00	7,097.00
Engineering	39,000.00	39,000.00	-
Total	\$ 540,701.00	\$ 519,743.89	\$ 20,957.11



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TOWN COUNCIL

AGENDA ITEM 6

November 8, 2016

BUDGET AMENDMENT BA161108.01

SUMMARY

The \$30,000 contracted services budget line item in the water department is half spent three months into the 2016/17 Fiscal Year. This is primarily due to the water leak that occurred on Wall Avenue in September. Repairs to that leak proved abnormally expensive due to the water lines proximity to a large natural gas line. A contractor with vacuum excavation equipment was utilized to minimize the risk of rupturing the natural gas line. Staff request a \$5,000 appropriation from enterprise fund reserves to the contracted services line item in the water department. It is possible the funds remain unused but staff would like these additional funds available as we go into the winter, when water leaks are more common.

MATERIALS PROVIDED

- Budget Amendment BA161108.01

TOWN OF BOILING SPRINGS
BUDGET ORDINANCE AMENDMENT #BA161108.1

WHEREAS, the Town Commission of the Town of Boiling Springs adopted a budget ordinance on June 30, 2016 which established revenues and authorized expenditures for fiscal year 2016-2017; and

WHEREAS, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the Town's budget to repair two emergency water leaks on Wall Avenue and East Branch Avenue;

NOW, THEREFORE, BE IT HEREBY ORDAINED by the Town Commission of the Town of Boiling Springs that the budget ordinance as adopted on June 30, 2016 be and is hereby amended as follows:

<u>Section 1.</u>	Revenues	
	Water/Sewer Fund Reserves	<u>Increase</u> \$ 5,000
<u>Section 2.</u>	Expenditures	
	Contracted services – Water	<u>Increase</u> \$ 5,000

This the 8th day of November 2016.

Max J. Hamrick, Mayor

ATTEST:

Kim Greene, Town Clerk



Town of Boiling Springs

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TOWN COUNCIL

AGENDA ITEM 7

November 8, 2016

AMENDMENTS TO PURCHASING POLICY

SUMMARY

Staff are requesting several amendments to the Town's Purchasing Policy. With several defined exceptions, state law requires all material purchases between \$30,000 and \$90,000 and construction contracts between \$30,000 and \$500,000 be competitively bid through an informal bid process. Material purchases over \$90,000 and construction contracts over \$500,000 are bid through a formal bid process. The requested amendments to the Town's Purchasing Policy bring the policy into greater agreement with state law and relax some internally imposed requirements to streamline the acquisition of supplies. Notable amendments include:

- Change Purchase Order (PO) limit from \$250 to \$500. The Finance Officer issues Purchase Orders for Department Heads so that all expenses over the limit are preemptively represented in the budget as spent so no hypothetical dollar is spent twice. The \$250 purchase order requirement is catching too many routine supply and material purchases and it is recommended the limit be raised to \$500.
- Change dollar threshold between informal and formal bid requirements for construction contracts from \$300,000 to \$500,000. This reflects changes in applicable state law.
- Remove mandate to solicit 3 quotes on material purchases in the informal bidding range. State law requires 3 bids for materials in the formal bid range but does not specify a minimum number of bids or quotes on purchases in the informal bidding range. Town staff always balance resources and seek competitive prices, however a mandate for 3 quotes compromises efficiency in procuring supplies and is not necessary to ensure fiscal responsibility.

MATERIALS PROVIDED

- Proposed amendment to Purchasing Policy text



The Town of Boiling Springs

Purchasing Policy

The purpose of the Purchasing Policy is to serve as guideline to all departments and divisions of the Town in obtaining apparatus, supplies, materials, equipment, and services. A special attempt has been made to design policies and procedures that will serve the Town's needs and provide for a more effective and efficient buying and tracking process. Like any policies or procedures, they can be effective only if the individuals involved are aware of what they are, how they apply, and the problems to be encountered when they are not followed.

To get the most value from this manual, the following suggestions are offered:

- (1) All Department Heads must be familiar with this policy.
- (2) All personnel involved in the purchasing process must review this policy.
- (3) All new personnel who may be involved in purchasing items for the Town must review this policy before participating in any purchasing.
- (4) The policy must be accessible to everyone concerned with purchasing items for the Town.

Purchase Order Procedure

1. Processing

- a. The Finance Officer will issue a purchase order.
- b. All purchases that exceed \$250.00500, including shipping costs or require delivery must have a purchase order.

~~2. Ordering~~

- a. 2. Ordering - After the purchase order has been created, the department head places the actual order with the selected vendor by faxing or mailing to that vendor a copy of the purchase order. In some cases, where there is a rush, the order may be phoned in or delivered as each extenuating circumstance may dictate. In all cases, however, a copy of the purchase order will be forwarded to the vendor.

- b. ALL shipments are to be FOB Boiling Springs.

3. Emergencies - An emergency is defined as an unforeseen combination of circumstances or the resulting state that calls for immediate action to prevent harm to the public safety, health, or welfare of the citizens of Boiling Springs or is critical to the functioning of Town government.

An item may be ordered without a purchase order number, ONLY in an emergency AND when the Town Hall is closed. In these rare cases, the request must be made to the Finance Officer within 24 hours to have a number assigned. The request should be made with documentation as to why the emergency occurred and the circumstances involved.

Lack of planning is not an emergency

Informal Bidding Requirements

The Town will follow the informal bidding requirements established by North Carolina General Statute 143-131.

Threshold - You must follow the informal bidding process for the following:

- All construction or repair contracts between \$30,000 and ~~\$300,000~~500,000.
- All purchases of apparatus, supplies, materials, or equipment between \$30,000 and \$90,000.

~~Procedure - For purchases of apparatus, supplies, materials, or equipment costing between \$5,000 and \$90,000, the following must occur:~~

- ~~• At least 3 quotes must be received.~~
 - ~~○ Quotes can be received by phone, fax, e-mail, or mail.~~
- ~~• Documentation of all quotes received must accompany the requisition when sent to the Finance Officer.~~

~~If you are gathering quote information for your department and have difficulty locating 3 vendors, contact the Finance Officer for assistance.~~

Formal Bidding Requirements

The Town will follow the formal bidding requirements established by North Carolina General Statute 143-129.

Threshold - You must follow the formal bidding process for these contracts:

- ~~\$300,000~~500,000 or more construction or repair work.
- \$90,000 or more purchase of apparatus, supplies, materials, or equipment.

Procedures:

Purchase - For the purchases of apparatus, supplies, materials, or equipment costing \$90,000 or greater, the following must occur:

- Advertisement in local newspaper at least 1 week prior to bid opening.
- Bids must be sealed and opened in public.
- 5% bid bond requirement can be waived by governing board (must be done prior to receiving bids.)
- Governing board awards contract.

Construction or Repair - For construction or repair contracts of ~~\$300,000~~500,000 or greater, the following must occur:

- Advertisement in local newspaper at least 1 week prior to bid opening.
- Bids must be sealed and opened in public.
- Must receive 3 bids (if 3 bids are not received, the project must be re-bid).
- Minority contracting requirements must be met.
- Bid bond of 5% is required.
- Performance bonds and payment bonds required.
- Governing board awards contract.

Updated 11/8/2016



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TOWN COUNCIL MEETING

STAFF REPORTS

November 8, 2016

POLICE CHIEF | NATHAN PHILLIPS

PUBLIC WORKS DIRECTOR | MIKE GIBERT

FINANCE DIRECTOR | RHONDA ALLEN

TOWN CLERK | KIM GREENE

TOWN ATTORNEY | JOHN SCHWEPPEE III

TOWN MANAGER | TOM HART



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TOWN COUNCIL MEETING COUNCIL MEMBER REPORTS

November 8, 2016

COUNCILMAN MARTY THOMAS

COUNCILMAN JAMES L. BEASON JR

COUNCILMAN BILL ELLIS

COUNCILMAN CLIFFORD E. HAMRICK III

COUNCILMAN DANIEL THOMAS

MAYOR MAX HAMRICK