

**Minutes of the  
Mineral Springs Town Council  
Regular Meeting  
October 13, 2022 – 7:30 p.m.**

The Town Council of the Town of Mineral Springs, North Carolina, met in Regular Session at the Mineral Springs Town Hall located at 3506 Potter Road S, Mineral Springs, North Carolina, at 7:30 p.m. on Thursday, October 13, 2022.

**Present:** Mayor Frederick Becker III, Mayor Pro Tem Jerry Countryman, Councilwoman Valerie Coffey, Councilwoman Janet Critz, Councilwoman Lundeen Cureton, and Councilman Jim Muller.

**Absent:** Councilwoman Bettylyn Krafft.

**Staff Present:** Town Clerk/Zoning Administrator Vicky Brooks, Attorney Bobby Griffin, and Administrative Assistant/Deputy Town Clerk Maurice Norman.

**Visitors:** Rev. Jimmy H. Bention, Sr. and William Colon Moore.

**1. Opening**

With a quorum present at 7:31 p.m. on October 13, 2022, Mayor Becker called the Regular Town Council Meeting to order.

Councilwoman Critz delivered the invocation.

Pledge of Allegiance.

**2. Public Comments**

There were no public comments.

**3. Consent Agenda – Action Item**

Councilman Countryman motioned to approve the consent agenda containing the numbering amendment in the July 2022 Regular Meeting Minutes, the September 8, 2022 Regular Meeting Minutes, the August 2022 Union County Tax Report, and the August 2022 Finance Report and Councilwoman Coffey seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

**4. Union County School Board Bond Package Presentation**

Union County School Board Member Rev. Jimmy H. Bention, Sr. and Assistant Superintendent for Administration and Operations Mr. William Colon Moore made a presentation to the council about the upcoming vote on a bond package.

Mr. Bention began the presentation.

- o There have been 30 new construction and renovation projects over the last couple of decades. The current bond package is \$134,405,000 to replace two aging schools.
- o New buildings will be constructed for Forest Hills High School and East Elementary School, which were built in the fifties and sixties.
- o The vote will occur on November 8<sup>th</sup>; early voting starts next week.
- o The school board is encouraging people to go forth and vote.
- o UCPS has more than 8,000,000 in facility needs (renovations, upgrades, and future planning).

- o UCPS is appreciative of what the county commissioners have allowed them to put before the citizens on this bond.
- o UCPS wants to be able to remove mobile classrooms that are at the end of their cycle.
- o East Elementary School is well kept, but it is old. Rev. Bention encouraged council to take a visit and have their citizens visit.
- o Mr. Bob Moore and his team as well as the facilities people do an outstanding job of taking what exists and making it look good, but that does not minimize the age.
- o Rev. Bention pointed out the schematic [in the agenda packet] of the futuristic view of East Elementary.
- o The cost of the new East Elementary School is just north of \$38,000,000.
- o The cost for Forest Hills is just north of \$95,000,000.
- o East Elementary School and Forest Hills High School will be two-story facilities.
- o UCPS is looking to address new construction facilities, upgrades, and renovations with their 10-year long-term capital planning with a successful bond.

Mr. Moore continued the presentation.

- o Mr. Moore clarified the bond funds could be spent on construction, renovations, land acquisition, capital items, insured equipment, and contractors.
- o No land acquisition is needed for the East Elementary School or Forest Hills High School projects; land was purchased through some funds years ago for Forest Hills.
- o Bonds can not be used to pay Union County Public Schools salaries.
- o UCPS submitted approximately 15 projects to the county commissioners for over \$160,000,000 worth of needs for the next two years. It was the intention to have all those projects on the bond. The county commissioners selected these two projects, which will be put up for voters to vote on the funding.
- o Funding through bonds is the most economical way for taxpayers to fund projects.
- o The estimated tax increase would be approximately \$17.30 on a \$100,000 property, if the bond passes.
- o Capital Improvement Projects information can be found on the UCPS website.

Councilwoman Coffey asked if the construction of Forest Hills High would eliminate all trailers.

Mr. Moore responded yes, at Forest Hills High School and East Elementary. Forest Hills currently has an enrollment of approximately 750 and the capacity of students in the new school will be 1200, with the core capacity of 1500. What that means is the school can seat 1200 students, but the cafeteria, gym, media center, and common areas will be able to accommodate 1500 students.

Councilwoman Coffey commented that it was important to look at building for the future need, because sometimes schools have been built that were at capacity when the doors were unlocked, and they were putting trailers on the property.

Councilwoman Critz shared a story. In 2004, her father moved to the Outer Banks for an extended period of time and Marc Basnight was a member of the North Carolina Senate at the time and a resident of that area. On one of Councilwoman Critz's visits there she had a conversation with Sen. Basnight in which he took her on a tour of their brand-new elementary school that was built without one penny of taxpayer money. This was exciting for Councilwoman Critz until she realized how entangled it could be on a legal basis. The school was built with what would be termed as "transfer fees and impact fees", which are things that have to be approved by the legislature. In 2004, Councilwoman Critz volunteered to represent Mineral Springs as the liaison with the county to create a public facilities ordinance study process. Tens of thousands of dollars were spent hiring professionals to come work with the group; the group worked for over a year. There was an ordinance adopted by a three to two vote by the county commissioners. Immediately after adoption,

the county was sued by a developer. Councilwoman Critz further commented she thought there were options to debt, because she is not a fan of bonds and never has been. In most cases, they are not really upfront, and people don't understand exactly that it is a loan or the amount of interest or that in many cases their children or grandchildren (or both) might still be paying off these bonds. Councilwoman Critz encouraged the UCPS to look for alternatives to bonds, or to look for other ways through compromise during this time. Councilwoman Critz added that the developer building all the homes up and down Cuthbertson donated land and she looks at free land the same way she would look at a free puppy. There is nothing free about it at all, it cost the county over \$500,000 (in 2000) to just prepare the land to house the facilities, recreational fields, and the buildings. The builders that created the pressure on the infrastructure and made lots of money basically got away with and continue to get away with no input; it does not cost them a thing to over-impact a community. Councilwoman Critz again encouraged UCPS to explore what other options there might be out there.

Councilwoman Coffey commented that she hoped and prayed the bond passed, because she knows the need at Forest Hill and East Elementary. Councilwoman Coffey encouraged people to go visit the school, so they would understand what the children are having to deal with. "I promise you; we may do something else for the future, but for today, we need money, and we need it in construction of these schools," Councilwoman Coffey stated.

#### **5. Consideration of Financial and Internal Control Policy – Action Item**

Mayor Becker explained the Financial and Internal Control Policy was broken up into three sections, which is a little bit misleading. Mayor Becker referred to his first memo, which applied to agenda items 5 and 6, and explained the reason it was two separate agenda items was because agenda item 5 was the town's own Finance and Internal Controls Policy and it was not a template from the Institute of Government, it is something the town has been operating under. The council has adopted pieces of it and Mayor Becker has reported on other pieces of it. With Mineral Springs being a small unit of government, the Local Government Commission put out guidelines they suggested the town follow. Back in 2015, Mayor Becker did respond to them saying the town was adopting several of those suggestions, with overlapping duties with other people to look at transactions. As part of the requirement to accept or to start spending the federal money, the town must have an Internal Control Policy adopted. The town has one, but it was never formally adopted, so Mayor Becker dressed up everything that the town pieced together in the past seven or eight years and that is the policy the council is seeing. Mayor Becker explained he made it a separate agenda item, because the council has a little more discretion in there. This is what the council has given Mayor Becker as guidance to do over the years, and some of it came from the Local Government Commission. Mayor Becker wanted to make sure the council had a chance to read over the policy he was asking them to adopt under agenda item 5, the Financial and Internal Control Policy, to make sure that it looked like what they see the town doing and what they have endorsed for the finance office. In the long-term, there is a benefit for a future finance officer to have a written template to go by as it will help the learning curve for somebody who will someday come in to take the finance officer job. Mayor Becker mentioned that auditors tend to recommend a finance policy, because they work hand-in-hand with the Local Government Commission.

Councilwoman Critz motioned to approve the Financial and Internal Control Policy and Councilman Muller seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

#### **6. Consideration of American Rescue Plan Act Policies – Action Item**

Mayor Becker explained item numbers 6.1 through 6.5 are "boiler plate legalese," which came from the Coates' Canons blog that is published by the scholars at the School of Government [SOG]. The scholars have drawn up these five policies the Treasury Department requires municipalities to have in force if they are spending any federal funds. In agenda item number 7, the council will be starting to move the federal funds out from under the federal umbrella and creating local funds out of them by "magic." In order to do any of that, the council will have to adopt items 6.1 through 6.5. Mayor

Becker used the guidelines from Kara Millonzi [of the SOG]. Step one is to adopt the town's financial policy locally, which the town has been doing with its financial administration and accounting system for years. Step 2 is to adopt and implement the five general compliance policies that are based on federal guidelines: Records Retention, which is special to this (above and beyond the one that Vicky puts forth), it is specifically for anything that this money is used for and the records have to be retained for five years after the end of the grant period (2026); Eligible Use is a lot of "gobbledygook" that is very specific, which is listed in 6.2; Allowable cost (which is something Mayor Becker had never heard of until he started reading it over); Civil Rights Compliance, which Mayor Becker believed the town had signed onto when it agreed to some civil rights compliance requirements when the CDBG participation was adopted, it is a federal policy, but the town does have to assert it will be following non-discrimination policies.

Finally there was the Conflict of Interest Policy, which must be adopted even though it won't directly apply to the type of expenditures the town will be making (no third parties, no contractors, no vendors, because the town will be paying themselves back for previously paid salaries internally, which is allowed). Once the town has paid that money back, that money is the town's money and is no longer bound by the federal requirements. It has been magically reinstated to the town's general fund, but the policies still have to be adopted to get to that point.

Mayor Becker explained that the Conflict of Interest Policy has step-by-step guidelines to test for conflicts of interest, although the town was not ever going to have to implement that. The Eligible Use Policy and the Allowable Cost Policy have checklists the finance officer is required to execute for any particular expenditure. "Does it meet this? Does it meet this? Does it meet that?" Mayor Becker stated he wanted to bring to the council's attention those checklists as part of that policy. The finance officer must sign off and say "yes", it has complied with the Eligible Use Policy and the Allowable Cost Policy.

Mayor Becker recommended the council adopt the five required American Rescue Plan Act policies.

Councilwoman Critz motioned to adopt agenda items 6.1 through 6.5 and Councilman Muller seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

## **7. Consideration of Adopting O-2022-01 Amending O-2021-02 – Action Item**

Mayor Becker reminded the council and referred to his memo in the agenda packet that explained when they started talking about the federal money (\$270,000). There had been concern, because it had to be spent by December 31, 2026, and the town did not think they could use it for roads (local match, or for building a sidewalk, or the community center (which could not be started until later). The town was just sitting on the federal money that had to be spent on things they did not necessarily want to spend it on, just because they had to do it. Mayor Becker explained that the US Treasury had later modified the requirements, so now if the town spent the money on "paying ourselves back" for things that had already been spent, the money would be cleared up and it is the town's money. This has to be done by a grant project ordinance, and the ordinance that had been presented to the council was formatted from the template (almost exactly) from Kara Millonzi's blog. The ordinance is a lot like a Capital Project Ordinance the council has adopted in the past, because it is transferring money out of one fund and allocating it to prior payroll expenditures. "That's it"; it is no longer federal money. Mayor Becker noted at the end of the Grant Project Ordinance there were two questionnaires in red, blue, and black, which were the Eligible Use and Allowable Cost policy checklists where he had gone over and explained that it either met the requirements or it was not applicable. The background of why that was legally complying with the policies was included. If the council adopts the ordinance, Mayor Becker will transfer \$230,669.86 out of the special restricted project fund into the general fund as a reimbursement of salaries, which will leave the town with about \$37,000 of federal funds. Mayor Becker further explained one of the examples Kara Millonzi and the School of Government proposed showed "Municipality X" using the funds to pay future expenses and doing that all in one ordinance. As Mayor Becker stated in his memo, it is easier from an accounting standpoint to wait until the town knows the exact amount they have spent and allocate

the rest at the end of this fiscal year. Mayor Becker stated he talked to the town auditor and there is not a problem with either way the town does it.

Mayor Becker mentioned an issue that does come up is that once you accept more than \$100,000 or spend more than \$100,000 in federal money, you have to have what is called a "Yellow Book Audit", which is simply a procedure at the auditor's about certifying their impartiality in preparing financial statements and then auditing the same statements. Mayor Becker confirmed that Kendra [Gangel] (town auditor) felt that she does not have to do anything differently as long as she can certify, that will work. If the town had more than \$750,000, there is something that is called a "single audit", which is much more complicated. Kendra is aware of what the town is doing, and everything seems to be on the up and up. The next step is to adopt the Project Ordinance if the council choses to reimburse the town for the payroll expenses from March 3, 2021 through September 30, 2022.

Councilwoman Critz asked if there was nothing in the future the council had to do once this [ordinance adoption] was done.

Mayor Becker responded, "for that money, nothing", but he will have to file another report in April of 2023 to the U.S. Treasury. Mayor Becker will do his own internal reporting, the auditor reports the transfer, verifies the transfers, and then the money is just in the bank.

Councilwoman Critz motioned to consider adopting O-2022-01 and amending O-2021-02 and Councilwoman Coffey seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

The ordinance (O-2022-01) is as follows:

STATE OF NORTH CAROLINA  
TOWN OF MINERAL SPRINGS

**AN ORDINANCE AMENDING O-2021-02: TO APPROPRIATE AND SPEND FEDERAL CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUND (CSLFRF) REVENUES UNDER H.R. 1319, THE AMERICAN RESCUE PLAN ACT OF 2021 (ARPA) O-2022-01**

BE IT ORDAINED by the town council of the Town of Mineral Springs, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted, amending Grant Project Ordinance O-2021-02, adopted on August 12, 2021:

**Section 1:** This ordinance is to establish a budget for a project or projects to be funded by the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) revenues of H.R. 1319 American Rescue Plan Act of 2021 (ARPA). The Town of Mineral Springs has received the full allocation CSLFRF revenues in the amount of \$270,618.75. These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

**Section 2:** The town has elected to take the standard allowance, as authorized by CFR Part 35.6(d)(1) and expend all its ARP/CSLFRF revenues for the provision of government services. Specifically, this ordinance authorizes reimbursement for salaries and benefits paid from March 3, 2021 through September 30, 2022. The Finance Officer has determined that the salaries of the Clerk, Deputy Clerk, Finance Officer, Planning Director, and Deputy Tax Collector are allowable, and that LGERS pension contributions, NCLM Health Benefits Trust contributions, and FICA contributions for those employees are allowable. The 4.7% LGERS accrued pension liability employer contribution for the Clerk, Finance Officer, and Planning Director is considered a "pension deposit" and is disallowed.

Internal Project Code	Project Description	Expenditure Category (EC)	Cost Object	Appropriation of ARP/CSLFRF Funds
001	Finance, Clerk, Tax, and Planning - March 3, 2021 through March 31, 2022	6.1	Salaries	\$131,386.76
002	Finance, Clerk, Tax, and Planning - March 3, 2021 through March 31, 2022	6.1	Benefits	\$24,527.21
003	Finance, Clerk, and Planning - April 1, 2022 through September 30, 2022	6.1	Salaries	\$62,723.61
004	Finance, Clerk, and Planning - April 1, 2022 through September 30, 2022	6.1	Benefits	\$12,032.28
	Unassigned			\$39,948.89
<b>TOTAL</b>				<b>\$270,618.75</b>

**Section 3:** The following amount is appropriated for the project(s) and authorized for expenditure:

**Section 4:** The following revenues are anticipated to be available to complete the project:

CSLRF Revenues                      \$270,618.75

**Section 5:** The Finance Officer is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements, including payroll documentation, in accordance with 2 CFR 200.430, 2 CFR 200.431, and the town's Uniform Guidance allowable Costs and Cost Principles Policy.

**Section 6:** The Finance Officer is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

**Section 7:** Copies of this grant project ordinance shall be furnished to the Budget Officer, the Finance Officer and the Municipal Clerk.

**Section 8:** This grant project ordinance is effective as of March 3, 2021 and expires on December 31, 2026, or when all the ARP/CSLFRF funds have been obligated and expended by the town, whichever occurs sooner.

**ADOPTED** this 13th day of October, 2022.

\_\_\_\_\_  
Frederick Becker III, Mayor

Attest:

\_\_\_\_\_  
Vicky A. Brooks, CMC, Clerk

**8. Consideration of Adopting O-2022-02, O-2022-03, and O-2022-04 – Action Item**

Mayor Becker explained this came to Vicky's attention, because the town had recently adopted an ordinance enacting a speed limit change on Shannon Road and nothing ever happened. Someone from DOT contacted Vicky and said, "you know that ordinance has never gone into effect, because you didn't repeal the old one." Mayor Becker mentioned DOT never told the town to repeal the speed limit. Ms. Brooks dealt with the NCDOT people, and it finally became clear what was going on and they had really not sent the town something to repeal, which is done with a concurring ordinance. NCDOT came up with what the repeal would have been, so the town can repeal the old one, and then adopt the new one.

Councilwoman Coffey motioned to repeal ordinance O-2019-01 and adopt O-2022-02 and Councilwoman Cureton seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

The ordinance (O-2022-02) is as follows:

STATE OF NORTH CAROLINA  
TOWN OF MINERAL SPRINGS

**AN ORDINANCE REPEALING ORDINANCE O-2019-01  
O-2022-02**

**WHEREAS**, the Town Council of Mineral Springs finds that "AN ORDINANCE DECLARING SPEED LIMIT MODIFICATION CONCURRING WITH THE DEPARTMENT OF TRANSPORTATION ORDINANCE, O-2019-01", adopted March 12, 2020, enacting a

speed limit on SR 1328 concurring with the North Carolina Department of Transportation contained an inaccurate road description and it is in the public interest to repeal it;

**NOW, THEREFORE BE IT ORDAINED** by the Town Council of the Town of Mineral Springs, North Carolina, the following:

**SECTION 1.** Mineral Springs Ordinance O-2019-01, entitled "AN ORDINANCE DECLARING SPEED LIMIT MODIFICATION CONCURRING WITH THE DEPARTMENT OF TRANSPORTATION ORDINANCE" is hereby repealed.

**SECTION 2.** This ordinance shall be effective as of the date of its adoption.

**ADOPTED** this 13th day of October, 2022. Witness my hand and official seal:

\_\_\_\_\_  
Frederick Becker III, Mayor

Attest:

\_\_\_\_\_  
Vicky A. Brooks, CMC, Town Clerk

Councilman Muller motioned to adopt ordinance O-2022-03, which repeals the 55 mile an hour speed limit on Shannon Road and Councilwoman Critz seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

The ordinance (O-2022-03) is as follows:

STATE OF NORTH CAROLINA  
TOWN OF MINERAL SPRINGS

**AN ORDINANCE DECLARING SPEED LIMIT MODIFICATION  
CONCURRING WITH THE DEPARTMENT OF TRANSPORTATION  
ORDINANCE  
O-2022-03**

**WHEREAS**, N.C. G.S. 20-141 (f) authorizes speed limit modifications based upon engineering and traffic investigation on portions of a State Highway System Street located in the Town of Mineral Springs;

**NOW, THEREFORE BE IT ORDAINED** by the Town Council of the Town of Mineral Springs, North Carolina, the following:

**SECTION 1. Repeal the Following Speed Limit.**

<u>Speed Limit</u>	<u>Route</u>	<u>Road Description</u>
<u>55</u>	<u>SR 1328</u>	(Shannon Road) from a point 0.25 mile north of SR 1327 (Pleasant Grove Road), the southern city limits of Mineral Springs, northward to a point 0.59 mile north of SR 1327, the northern city limits of Mineral Springs.

**SECTION 2. Effective date.** This ordinance is effective upon adoption of the Department of Transportation of a concurring ordinance and the erection of signs giving notice of the authorized speed limit.

**ADOPTED** this 13th day of October, 2022. Witness my hand and official seal:

\_\_\_\_\_  
Frederick Becker III, Mayor

Attest:

\_\_\_\_\_  
Vicky A. Brooks, CMC, Town Clerk

Councilman Muller motioned to adopt ordinance O-2022-04 which enacts the 45 mile an hour speed limit on Shannon Road and Councilman Countryman seconded. The motion passed unanimously as follows: Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

The ordinance (O-2022-04) is as follows:

STATE OF NORTH CAROLINA  
TOWN OF MINERAL SPRINGS

**AN ORDINANCE DECLARING SPEED LIMIT MODIFICATION  
CONCURRING WITH THE DEPARTMENT OF TRANSPORTATION  
ORDINANCE  
O-2022-04**

WHEREAS, N.C. G.S. 20-141 (f) authorizes speed limit modifications based upon engineering and traffic investigation on portions of a State Highway System Street located in the Town of Mineral Springs;

NOW, THEREFORE BE IT ORDAINED by the Town Council of the Town of Mineral Springs, North Carolina, the following:

**SECTION 1. Enact the Following Speed Limit.**

<u>Speed Limit</u>	<u>Route</u>	<u>Road Description</u>
45	SR 1328	SR 1328 (Shannon Road) from a point 0.11 mile north of SR 1327 (Pleasant Grove Road), the southern city limits of Mineral Springs, northward to a point 0.59 mile north of SR 1327, the northern city limits of Mineral Springs.

SECTION 2. **Effective date.** This ordinance is effective upon adoption of the Department of Transportation of a concurring ordinance and the erection of signs giving notice of the authorized speed limit.

ADOPTED this 13th day of October, 2022. Witness my hand and official seal:

\_\_\_\_\_  
Frederick Becker III, Mayor

Attest:

\_\_\_\_\_  
Vicky A. Brooks, CMC, Town Clerk

**9. Proclamation for Domestic Violence Month – Action Item**

Councilwoman Critz motioned to adopt the Proclamation for Domestic Violence Awareness being October 2022 and Councilman Muller seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.

**10. Staff Updates**

There were no staff updates.

**11. Other Business**

There was no other business.

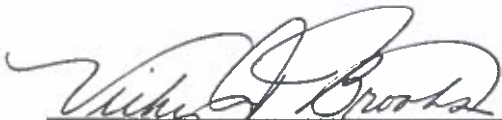
**12. Adjournment – Action Item**

At 8:15 p.m. Councilwoman Coffey motioned to adjourn the meeting and Councilman Muller seconded. The motion passed unanimously. Ayes: Coffey, Countryman, Critz, Cureton, and Muller. Nays: None.



The next regular meeting will be on Thursday, November 10, 2022 at 7:30 p.m. at the Mineral Springs Town Hall.

Respectfully submitted by:

  
Vicky A. Brooks, CMC, NCCMC, Town Clerk



  
Frederick Becker III, Mayor