

**Town of Boonville**  
**December 6, 2016 Regular Meeting Minutes**  
**Harvey E. Smith Municipal Building**

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The following were in attendance at the 12//16 regular meeting: Mayor Rusty Hunter, Commissioners Bonnie Lasky, Tony Reece, and William Paul Baity. Also in attendance were Interim Town Administrator Sarah Harris, Police Chief Farron Jester, and Public Works Director Jeff Jones. Commissioner Devin Carter and Finance Officer/Town Clerk Kim Wells was absent.

**I. Call to Order and Welcome:** Mayor Hunter called the 12/6/16 meeting to order at 7:00 p.m.

**II. Conflicts of Interest Issues and Approval of Agenda:** Mayor Hunter stated additions to the agenda of item C. Closing Fee for SRF Project No. CS370539-02 under New Business and item IX. Closed Session for NCGIS 143-318 (a) (6). Commissioner Lasky motioned to approved agenda as amended. Commissioner Baity seconded, and the motion passed unanimously.

**III. Adoption of minutes- 11/1 regular session, 11/1 public hearing and 11/22 special meeting:** Commissioner Baity motioned to adopt the minutes of the 11/1 regular session, 11/1 public hearing minutes and 11/22 special meeting minutes. Commissioner Reece seconded, and the motion passed unanimously.

**IV. Public Comments:** Teresa Royall spoke during the public comment section voicing her concern for the library and the actions regarding those issues.

**V. Audit Presentation by Valerie Kiger, Cannon & Company:** Valerie Kiger from Cannon & Company presented the audit findings. Cannon & Company submitted their findings on October 27 and was approved November 9 by the LGC. An unqualified opinion was given which Valerie stated is the gold standard. This means ultimately there were no budgetary violations. Valerie continued to discuss the findings and referenced the Financial Statements and Supplementary Information provided by Cannon & Company.

**VI. Old Town Business**

**A. Library Bids:** Public Works Director Jones reported on the bids he had received. The Board members discussed bid options. Commissioner Lasky motioned to proceed with the Miller bid for an amount up to \$2,500 with a 25 percent deposit as requested. Commissioner Reece seconded, and the motion passed unanimously.

**B. Letter of Intent:** Interim Town Administrator Harris updated the Town Board members regarding her recent meeting with Dale Rose to discuss the letter of intent prepared for a park on his property. An agreement could not be reached to finalize park details now. Ms. Harris presented the Board members with two options to proceed with parks and recreation for the Town. One option included acquiring land surrounding the current park. The second option was to take another look at the Rejuvenation Plan, which was prepared several years ago and includes a park designed behind the businesses in the downtown area. Discussion was held regarding both options. It was the consensus of the Board members for

the Parks and Recreation Advisory Committee to continue their fundraising efforts.

**C. New FLSA Overtime Regulation:** Interim Town Administrator Harris reported on the recent article published about the FLSA Overtime Regulation. It was Finance Officer/Town Clerk Wells recommendation to move forward with the new FLSA Overtime Regulation for the employee. Commissioner Lasky motioned to move forward with the implementation of the FLSA Overtime Rule. Commissioner Baity seconded the motion, and the motion passed unanimously.

## **VII. New Town Business**

**A. Appointment of Technical Advisory Committee (TAC) position:** Interim Town Administrator Harris stated it was time to appoint a TAC representative for the Town of Boonville. The term is for one year. The TAC consists of an elected official from each county and municipality from Yadkin, Stokes, Surry and Davie. Commissioner Baity motioned to appoint Commissioner Lasky to the Northwest Piedmont TAC position. Commissioner Reece seconded, and the motion passed unanimously.

**B. Capital Budget Ordinance:** Interim Town Administrator Harris reported on the Capital Budget Ordinance. The project authorized is the Boonville Water System Improvements to be funded by the Drinking Water State Revolving Fund (SRF). Commissioner Baity motioned to approve the Capital Project Ordinance for the water system improvements for the amount of \$501,305.25. Commissioner Reece seconded, and the motion passed unanimously.

**C. Closing Fee for SRF Project No. CS370539-02:** Interim Town Administrator Harris reported on the closing fee for SRF Project No. CS370539-02 in the amount of \$17,121. Commissioner Baity motioned to pay closing cost of \$17,121 for waste water improvements, Commissioner Lasky seconded, and the motion passed unanimously.

## **VII. Reports and Announcements**

**A. Mayors report:** Mayor Hunter reported on the success of the 75<sup>th</sup> Anniversary Celebration of the Boonville Volunteer Fire Department. He also expressed his gratitude to staff who helped make the celebration a success. Mayor Hunter also thanked the staff for their contributions to the Small-Town Christmas event.

**B. Interim Town Administrator's report:** Interim Town Administrator Harris informed the Board members of the new tier designation for Yadkin County. Yadkin County moved from a Tier 2 to Tier 1 which means Yadkin county is more economically distressed compared to other North Carolina counties. Ms. Harris also updated the Board Members on other Town-related activities such as the Bicycle Helmet Grant application, informational sign to be placed at the Harvey E. Smith Municipal Building, new website launch, Small Town Christmas Event, Economic Development Plan, and possible brewery project. She also reviewed the Budget vs. Actual report.

**C. Finance Officer's report:** No items to report.

**D. Public Works Director's report:** Public Works Director Jones reported on the status of the Tanyard Creek Outfall project. The project will take 30 days to complete. Mr. Jones also reported on the new backhoe and how it had helped the Public Works Department run more efficiently and effectively with leak repairs.

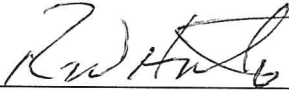
**E. Police Chief's report:** Police Chief Jester reported the Department was continuing to participate in the Governor's Highway Safety program and the Booze it and Lose it Campaign. Top priorities for the Department have been increased patrol on Williams Street and Speas Avenue as well as concentrating on distracted drivers which has resulted in lower accidents. Mayor Hunter requested that officers increase their patrol in the neighborhoods over the holidays.

**F. Departmental Commissioners reports:** There were no reports.

**G. Committee reports (as needed):** There were no reports.

**IX. Closed Session for NCGS 143-318 (a) (6):** Commissioner Lasky motioned to go into closed session per NCGS 143-318 (a) (6). Commissioner Reece seconded, and the motion passed unanimously.

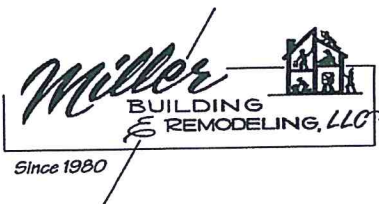
**X. Adjourn/Recess:** Commissioner Reece motioned to adjourn. Commissioner Baity seconded, and the motion passed unanimously.



Russell (Rusty) Hunter, IV, Mayor



Sarah Harris, Interim Town Administrator



PO Box 2170  
Advance, NC 27006  
(336) 998-2140  
[www remodelwithmiller.com](http://www remodelwithmiller.com)

**M. David Miller**  
NC License #49604

**NAHBR**  
REMODELERS

  
Certified Aging-In-Place Specialist  
Houses For Living. Homes For Life.



**Proposal**  
**#1611-283**

November 28, 2016

TO:

<b>TOWN OF BOONVILLE</b>	<b>JEFF JONES</b>
<b>121 W Main Street</b>	
<b>Boonville, NC 27011-9125</b>	<b>Phone: 336.367.7941 w, 336.367.4205 f</b>
	<b>Phone: 336.466.0887 J-m</b>

We hereby submit specifications and estimates for:

**REPLACE ROT DAMAGED DECORATIVE PANELS UNDER FRONT LIBRARY WINDOWS:**

- Demo rot-damaged decorative panels under front windows on library down to sheathing.
- Replace all wood using cellular PVC material to match existing design.
- Caulk around front windows and new PVC panels using OSI Quad window and door caulk.
- Painting materials and labor provided by Town of Boonville.
- Clean up all trash and debris produced by above work and haul from job site.

Two-year warranty on carpentry workmanship. Materials warranted per manufacturer.

WE PROPOSE hereby to furnish services as specified above for the sum of:

**Two thousand One hundred Eighty-five and No/100 ----- dollars (\$ 2,185.00)**

25% Deposit (\$ 546.00), 50% during construction, balance upon completion.

(Invoices due immediately upon receipt – no later than 10 days following invoice date. Past due accounts subject to 1-1/2% per month charge.)

**WORKMANSHIP:** All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alterations or deviation from above specifications involving extra costs will be executed only upon written orders, & will become an extra charge over & above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. All work has been proposed as per visual inspection. Contractor is not liable for the correction of hidden defects and/or damage that was not discovered during initial visual inspection or that is not specifically included in specifications above.

**INSURANCE:** Owner to carry fire, tornado, builders risk & other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance & General Liability.

**HAZARDOUS SUBSTANCES:** Contractor has made no inspection of owner's property for any type of hazardous waste/toxic substance & is in no way liable for detection, clean-up, or consequence thereof.

Authorized Signature

Alan Miller, Sales Rep.

**NOTE:** This proposal may be withdrawn by us if not accepted within 30 days.

**ACCEPTANCE  
OF PROPOSAL:**

The prices, specifications and conditions as stated above are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

**NOTE:** All parties involved must sign all copies. Return copy with deposit and keep original for your records.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_



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## Coates' Canons Blog: What the Indefinite Suspension of the New Overtime Rule Means for Local Government Employers

By Diane Juffras

Article: <http://canons.sog.unc.edu/indefinite-suspension-new-overtime-rule-means-local-government-employers/>

This entry was posted on November 29, 2016 and is filed under Compensation & Benefits, Employment, Fair Labor Standards Act, General Local Government (Miscellaneous)

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For now, the new overtime rule that was scheduled to become effective on Thursday, December 1, will not go into effect. On Tuesday, November 22, a federal trial court judge in Texas issued a preliminary injunction prohibiting the U.S. Department of Labor (DOL) from implementing and enforcing the new rule. Despite being issued in Texas, this is a nationwide injunction. Many employers had hoped that something would put the brakes on the upcoming budget-busting increase in the minimum salary required for an employee to be exempt for overtime. Now that wish has been fulfilled, but it brings with it an indefinite period of uncertainty. A preliminary injunction is only temporary. And no one quite knows what will happen next or when it will happen. So just what is a local government employer to do in the meantime?

### Background

Under the Fair Labor Standards Act, employees are entitled to overtime premium pay of one-and-one-half times their regular rate of pay after working 40 hours in a week, unless an exemption applies. If an exemption applies, an employee is said to be "exempt" and is not entitled to overtime pay no matter how many hours they work in a week. An exemption applies if the employee is salaried and the position meets the requirements of the executive duties test, the administrative duties test, or the professional duties test. But even if the employee is salaried and the position satisfies one of the three duties tests, the exemption does not apply if the employee is paid less than the current threshold amount or \$455 per week, or \$23,660 on an annualized basis. Such a low-paid, salaried employee is entitled to overtime pay after 40 hours. For an explanation of the salary basis test, see [here](#). For discussion of the executive duties test, see [here](#), the administrative duties test, see [here](#) and [here](#), and the professional duties tests, see [here](#) and [here](#).

### The New Rule

In May 2016, DOL released a final new rule raising the minimum salary an employee must make to be exempt from overtime and, by that act, made many more salaried employees eligible for overtime compensation. The rule may be found [here](#). The new rule would increase that amount from the current \$455 per week to \$913 per week – that's an increase of just over 100% from \$23,600 annually to \$47,476 annually. The new salary minimum was to take effect December 1, 2016.

Also part of the new rule and also scheduled to take effect December 1 were:

- an increase in the minimum salary necessary for an employee to be exempt from overtime as a highly-compensated employee from \$100,000 annually to \$134,004 annually;
- a provision for automatic updating of the salary thresholds every three years; and
- a new provision allowing employers to include nondiscretionary bonuses in an amount up to 10% of the minimum salary level.

The new rule made no changes to the duties tests and no changes to any of the other rules regarding compensable time and overtime. For a more detailed discussion of the new rule, see my earlier blog post, [here](#).

### Challenges to the New Rule

In September 2016, twenty-one states joined together in a lawsuit challenging the new rule in federal court in Texas. The



DOL's next step could be to appeal the decision to grant the preliminary injunction to the federal Fifth Circuit Court of Appeals. An adverse decision there would be appealed to the U.S. Supreme Court.

All of this takes time. Whatever the outcome of an appeal of the preliminary injunction, if the judge finds in favor of the plaintiff states in his final decision, DOL could again appeal to the Fifth Circuit and from there to the Supreme Court (which still has a vacancy – a 4-4 tie there would have the effect of affirming whatever decision the Fifth Circuit made).

As of this writing, DOL has not yet announced how it will proceed.

### **What Can We Expect from the New Administration?**

I don't presume to predict what actions the Trump administration will take on the new rule or on overtime and the FLSA's protections for workers more generally. The conventional thinking is that the new administration will be a more pro-business administration. That is a fair guess, but it doesn't necessarily extend to upending the FLSA as we have known it for over 75 years. But that could be the outcome.

More immediately, however, the DOL under new leadership could choose to abandon any appeal of Judge Mazzant's decision. The new administration could leave the current overtime rule as it is with its low salary threshold in place or revise it in any number of different ways, such as increasing the salary threshold but by a lesser amount than currently planned. It could do away with the salary basis and salary threshold tests entirely. It could revise the duties tests. Any such changes, however, would require compliance with the federal Administrative Procedures Act. First, DOL would draft and then publish a proposed rule. Then there would be a 60 to 90 day comment period, after which a final rule would finally be published, with another 60 to 90 day period before the rule became effective.

### **The Legal Perspective: What Happens on December 1?**

Nothing. The court has ordered DOL not to implement or enforce the new rule until there is a final decision in the case. Employers may continue to classify as exempt any position that makes at least the amount of the current salary threshold of \$455 per week and satisfies one of the executive, administrative or professional duties tests. Of course, any misclassifications under the duties tests that have been discovered while preparing for the new rule must still be corrected.

Alternatively, employers may comply with the new rule even though they will no longer be required to do so. Employers can always compensate their employees more generously than the FLSA requires. So any employer that has already reclassified and started paying their employees in compliance with the new rule and any employer that has undertaken major changes to its payroll system in anticipation of the December 1 effective date may still classify those employees who would be nonexempt under the new rule as nonexempt right now and pay them overtime.

There is a *slim* possibility that should DOL prevail in an appeal and Judge Mazzata's order be overturned, a court could find that the December 1 effective date of the new rule applies retroactively. That was the finding of the U.S. District Court for the District of Connecticut last July in an FLSA case involving DOL's home companion exemption rules (not generally relevant to local governments), which had been temporarily enjoined but ultimately implemented. That decision is itself now under appeal.

### **The Practical Perspective: What Should an Employer Do on December 1?**

What is right for one employer may not be right for another. What an employer should do on December 1 will have much to do with the particulars of its workforce, its budget, and the plans it had previously made for implementation of the new rule.

Here are some preliminary thoughts:

- An employer may choose to take no action until the issue is resolved in the courts or by the new administration. But before deciding to do so, the employer should consider whether there will be human resources and payroll operational consequences and costs if it was ready to implement the new rule on December 1. How easy will it be to undo changes made to exempt status classification and to payroll systems?
- Employers who have already reclassified as nonexempt positions making less than the new rule's salary minimum

# CAPITAL PROJECT ORDINANCE

## Boonville Water System Improvements

**BE IT ORDAINED** by the Town of Boonville Board of Commissioners that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

**Section 1:** The project authorized is the Boonville Water System Improvements to be funded by Drinking Water State Revolving Fund.

**Section 2:** The officers of this unit are hereby directed to proceed with the capital project within the terms of the budget contained herein. This is a project length budget wherein the Capital Project Fund will remain operational for the term of this project

**Section 3:** The following expenditure amounts are appropriated for the project:

Professional Services	\$ 91,000.00
Construction	\$350,790.00
Contingency	\$ 17,539.50
Closing Fee	\$ 9,975.75
Real Property Acquisition Costs	\$ 32,000.00
<b>Total Project Costs</b>	<b><u>\$501,305.25</u></b>

**Section 4:** The following financing source is anticipated to be available to complete this project:

Drinking Water State Revolving Fund (WIF-1880)	\$491,329.50
Closing Fee (Local Funds)	\$ 9,975.75
<b>Total</b>	<b><u>\$501,305.25</u></b>

**Section 5:** The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the funding agency, the funding agreements, and the federal regulations. The terms of the bond resolution also shall be met.

**Section 6:** Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the funding agency in an orderly and timely manner.

**Section 7:** The Finance Officer is directed to report, on a quarterly basis, on the financial status of each Project element in Section 3 and on the total grant/loan revenues received or claimed.

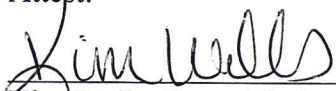
**Section 8:** The Budget Officer is directed to include a detailed analysis of past and future costs and revenues related to this capital project in every budget submission made to this Board.

**Section 9:** Copies of this Capital Project Ordinance shall be furnished by the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for direction in carrying out this project.

Duly adopted this 6<sup>th</sup> day of December, 2016

  
\_\_\_\_\_  
Russell (Rusty) Hunter, IV, Mayor

Attest:

  
\_\_\_\_\_  
Kim Wells, Town Clerk



## NORTHWEST PIEDMONT RURAL PLANNING ORGANIZATION

1398 CARROLLTON CROSSING DRIVE | KERNERSVILLE, NC 27284 | (336) 904-0300

November 29, 2016

Ms. Sarah Harris  
Town of Boonville  
PO Box 326  
Boonville, NC 27011

Dear Ms. Harris:

The Northwest Piedmont Rural Planning Organization (NWPRPO) is looking forward to a busy 2017, and we need your help to assure that the transportation interests and needs of your community are being represented. In accordance with the Memorandum of Understanding (MOU) signed in 2012, it is time to consider the appointment for your county to the Transportation Advisory Committee (TAC). The TAC consists of an elected official from Yadkin, Stokes, Surry and Davie counties and each municipality therein, and a member of the Board of Transportation. Your current TAC representative, Commissioner Lasky, is charged with keeping the Town informed of the status and requirements of the transportation planning process, and helping to insure meaningful public participation in the rural transportation process.

The TAC is responsible for:

- Developing a long-range local and regional multi-modal transportation plans in cooperation with the area Metropolitan Planning Organizations (MPOs) and the NCDOT.
- Providing a forum for public participation in the rural transportation planning process.
- Developing and prioritizing suggestions for transportation projects that the RPO believes should be included in the State Transportation Improvement Program (STIP).
- Providing transportation-related information to local governments and other interested organizations and persons.

Attendance and participation at the regularly scheduled TAC meetings is crucial to the ongoing success of the RPO. Active participation in the rural transportation planning process provides numerous benefits to your communities – access to the latest information, technical assistance and participation in regional planning projects. If your representative is unable to attend a scheduled meeting, our bylaws provide that an alternate may serve in his/her place. Participation is voluntary and if you choose to appoint a member, they will be expected to attend meetings. All TAC members must complete ethics requirements prior to becoming a voting member.



# **NORTHWEST PIEDMONT**

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## **RURAL PLANNING ORGANIZATION**

1398 CARROLLTON CROSSING DRIVE | KERNERSVILLE, NC 27284 | (336) 904-0300

<b>2017 NWPRPO TAC Schedule</b>
<b>February 15<sup>th</sup></b>
<b>April 19<sup>th</sup></b>
<b>June 21<sup>th</sup></b>
<b>August 16<sup>th</sup></b>
<b>October 18<sup>th</sup></b>
<b>December 20<sup>th</sup></b>
<i>Time: 10:30 a.m.</i> <i>Location: PTRC Kernersville Office</i> <i>Note: All meetings correspond to Board of Delegates meeting dates.</i>



Water Infrastructure  
ENVIRONMENTAL QUALITY

PAT MCCRORY

Governor

DONALD R. VAN DER VAART

Secretary

KIM H. COLSON

Director

November 17, 2016

The Honorable Russel Hunter IV, Mayor  
Town of Boonville  
PO Box 326  
Boonville, North Carolina 27011

SUBJECT: Authority to Award  
Project No. CS370539-02  
WWTP Improvements

Dear Mayor Hunter:

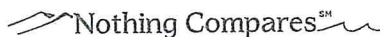
The Project Bid Information documents, including the Disadvantaged Business Enterprise (DBE) solicitations, have been reviewed for the subject project. The project budget is approved as follows:

<u>Project Expenses</u>	<u>Total Amount</u>	<u>Eligible Amount</u>
Turner Murphy Co. Inc.	\$ 777,612.00	\$ 777,612.00
Contingency	15,552.00	15,552.00
Technical Services(Planning & Design)*	42,911.00	42,911.00
Technical Services(Construction Phase)*	20,000.00	20,000.00
Closing Costs	17,121.00	
<b>Total Eligible Costs</b>		<b>\$ 856,075.00</b>

\*Subject to further review

Please note that the loan amount is restricted to the eligible costs noted above. This amount may be less than the amount in the executed Loan Offer. If costs increase during construction please contact the Division regarding the possibility of increasing the loan. Loan increases will only be considered to cover unforeseen conditions and will not be considered for any increases to the scope.

Closing costs for the SRF is 2% of the loan amount, which is \$17,121. Please use the attached invoice and remit payment within 30 days of the date of this letter.



State of North Carolina | Environmental Quality | Water Infrastructure

1633 Mail Service Center, Raleigh, North Carolina 27699 | Location 512 N. Salisbury Street, Raleigh, North Carolina 27604

919 707 9160 T

You may award the contract and issue work orders to begin construction. Please provide Pam Whitley of this office with an original executed bound contract with specifications and Notice to Proceed. The approval of contracts is not required prior to issuance of work orders, but no payments can be made until the contract documents have been approved. Additionally, please note that this office will not process any payments until we receive the executed loan agreement. The loan agreement will be processed once the Local Government Commission approves the loan.

The subcontractors in the table below, and their DBE status, are noted as part of this Authority to Award. Should any of these subcontractors not be able to perform the work noted, the selection of a new subcontractor will entail utilizing "Good Faith Efforts" again and providing this office with that evidence.

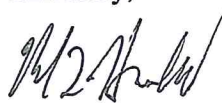
TRADE	SUBCONTRACTOR	PRICE	DBE CERTIFICATION
Painting	Southern Paint and Waterproofing	\$139,476	WBE
Electrical	A&J Electrical Services	\$106,000	N/A

All Payment requests must be supported by adequate documentation of costs. Your attention is directed to the special loan conditions included with your loan agreement regarding items that must be addressed prior to payments being made for construction costs.

The assigned inspector for your project is Tony Evans. Please contact him prior to scheduling the preconstruction conference. He will need to be in attendance at this first meeting. His contact information is [tony.evans@ncdenr.gov](mailto:tony.evans@ncdenr.gov). Please be advised that all change orders must be forwarded to the inspector for review and approval. Your construction of this project is a step forward in protecting our valuable water resources.

If you have questions regarding this matter, you may contact Keith Krzywicki at (919) 707-9184.

Sincerely,



Mark L. Hubbard, P.E.  
Grant Management Unit

Attachment

cc: Michael L. McAllister, Municipal Engineering Services (Garner, NC)  
Jennifer House  
Pam Haven  
Pam Whitley  
Tony Evans  
SRF

Date: November 17, 2016

## INVOICE

### NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY

Payable to: NC/DEQ-DWI

Mail to: *Attention: Ms. Pam Haven*  
Division of Water Infrastructure  
1633 Mail Service Center  
Raleigh, NC 27699-1633

Bill To: The Honorable Russel Hunter IV, Mayor  
Town of Boonville  
PO Box 326  
Boonville, North Carolina 27011

**Item: Two percent closing fee for SRF Project No. CS370539-02**

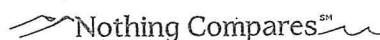
**Loan Amount:** \$856,075

**Closing Fee Amount:** \$ 17,121

**PAYMENT IS DUE WITHIN 30 DAYS OF THIS INVOICE**

**FOR USE OF DIVISION OF WATER INFRASTRUCTURE**

Deposit to Fund \_\_\_\_\_ Amount Paid \_\_\_\_\_



State of North Carolina | Environmental Quality | Water Infrastructure

1633 Mail Service Center, Raleigh, North Carolina 27699 | Location 512 N. Salisbury Street, Raleigh, North Carolina 27604

919 707 9160 T