

**TOWN OF BURGAW BOARD OF COMMISSIONERS
REGULAR MEETING**

DATE: June 14, 2016
TIME: 4:00 PM
PLACE: Burgaw Municipal Building
BOARD MEMBERS PRESENT: Mayor Eugene Mulligan
 Mayor Pro-tem Wilfred Robbins
 Commissioners Jan Dawson, Bill George, Vernon Harrell and James Murphy
STAFF PRESENT: Chad McEwen, Town Manager
 Sylvia W. Raynor, Town Clerk
 Robert Kenan, Town Attorney
 Anthony Colon, Assistant Director of Public Works
 Bill Fay, Director of Public Works
 Louis Hesse, Building Inspector
 Jim Hock, Chief of Police
 Wendy Pope, Finance Officer
 Rebekah Roth, Planning Administrator
 Kristin Wells, Deputy Clerk
 Allen Wilson, Fire Administrator
MEDIA PRESENT: Bill Walsh, Star News
INVOCATION: Nick Smith, Chaplain
PLEDGE OF ALLEGIANCE: All

The meeting was called to order by Mayor Eugene Mulligan at 4:00PM.

Approval of Agenda

Mayor Mulligan asked if there were any requests for amendments to the agenda. There being no amendments requested, Commissioner Harrell made a motion to approve the agenda as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

Approval of Consent Agenda

Mayor Mulligan asked if there were any requests for amendments to the consent agenda. Commissioner Dawson requested to amend her comments regarding standard 1 on page 27 to include at the end of her statement “no”. There being no further amendments, Commissioner Dawson made a motion to approve the consent agenda as amended. The motion was seconded by Commissioner Robbins and carried by unanimous vote. The consent agenda and the following items were approved:

- A. Approval of Minutes of the February 23, 2016 CIP meeting and the May 10, 2016 regular meeting**
- B. Budget Transfer Request (see below)**

Transfer from: Acct. # and Title	Transfer to: Acct. # and Title	
10-6000-00-590 Non Departmental Reserve \$2,200.00	10-5000-80-020 DEPOT Salaries & Wages	\$ 170.00
	10-5000-80-050 DEPOT FICA Expense	8.00
	10-5000-80-070 DEPOT Retirement Expense	19.00
	10-5000-80-075 DEPOT 401K Expense	9.00
	10-5000-80-150 DEPOT M&R Bldgs. /Grounds	1,807.00
	10-5000-80-452 DEPOT Janitorial	187.00
TOTAL	TOTAL	\$2,200.00

Reason and justification for transfer request:

To cover repairs that were needed to Depot and Janitorial services are more than budgeted due to increase in rental of the facility. The Salary line items need to be increased due to merit increase given during Fiscal Year.

Mayor’s Proclamation – Mayor Mulligan read a proclamation in honor of Eleanor Dunn’s 90th birthday.

DEPARTMENTAL ITEMS

Finance – Wendy Pope, Finance Officer

Ordinance 2016-08 Approval of Closing Capital Project Ordinance – Water/Sewer Improvements

Ms. Pope advised on April 14, 2009 the Town of Burgaw Board of Commissioners approved an original Capital Project Budget for the Town of Burgaw Wastewater System Improvements. This fund was used to account for the Town’s construction of a wastewater transmission line and lift stations to the Town of Wallace Regional Wastewater Facility.

Ms. Pope advised through various amendments and changes in bond and grant amounts, the Capital Project Fund began with a total budget of \$10,407,981. The following reflects actual revenues and expenditures from inception through the fiscal year ended June 30, 2015:

	<u>Actual</u>		
	<u>Prior Years</u>	<u>2014/2015</u>	<u>as of 6/30/15</u>
Total Revenues	4,467,534	-	4,467,534
Total Expenditures	10,360,633	81,742	10,442,375
	(5,893,099)	(81,742)	(5,974,841)
Other Financing Sources:			
Transfer from Water & Sewer	447,898		447,898
Clean water SRF-ARRA Loan	4,000,000		4,000,000
Proceeds from revenue bonds	2,000,000		2,000,000
Total other financing sources	6,447,898	-	6,447,898
Revenues and other sources over (under) expenditures	<u>\$ 554,799</u>	<u>\$ (81,742)</u>	<u>\$ 473,057</u>

Ms. Pope said as shown in the table above, \$473,057 remains unspent in the Capital Project Fund as of June 30, 2015. She advised the Town Manager has provided documentation to the USDA Rural Development Area Specialist with notice that all contract work was completed. By closing out this Capital Project Ordinance, any unspent proceeds accumulated in the Project Fund will become available for use in the Water & Sewer Fund Balance.

Ms. Pope said the recommendation is to approve the Closing of the Town of Burgaw Wastewater System Improvements Capital Project Ordinance so that any revenues and other financing sources balances over expenditures can be transferred into the Water & Sewer Fund Balance.

Mayor Mulligan asked if we are going to use the excess funds to pay off debt. Ms. Pope advised the pay-off will be a little more than the amount of the excess funds. She advised once this becomes available she will be working toward getting the documents ready to pay off the water/sewer loan at BB&T.

Commissioner Harrell made a motion to approve Ordinance 2016-08 as presented. The motion was seconded by Commissioner Robbins and carried by unanimous vote.

ORDINANCE 2016-08
CLOSING OF CAPITAL PROJECT ORDINANCE 2009-39
For
Town of Burgaw Wastewater System Improvements

WHEREAS, the Town of Burgaw Board of Commissioners began a capital project in 2009 for construction of the wastewater transmission forcemain and decommissioning of permitted wastewater treatment plant; and

WHEREAS, the project was financed by two state grants, sale of revenue bonds, federal stimulus loan and local funds; and

WHEREAS, the project has been completed and the engineers on the project have submitted their certificates of completion; and

WHEREAS, the officers of this unit completed the capital project within the terms of the grant documents and the budget contained herein; and

WHEREAS, the following amounts were expended for the project:

Engineering	\$ 711,899
Legal & Administrative	68,442
Construction	9,418,858
Land Acquisition	42,301
Additional Services	25,447
Capitalized interest	60,988
Contingency	114,440
	<u>\$10,442,375</u>

WHEREAS, the following revenues and other financing sources were received for the project:

NC Clean Water Management Trust Fund Grant	\$ 1,812,716
NC Rural Center Grant	430,000
Proceeds from revenue bonds	2,000,000
Clean water SRF – ARRA Loan	4,000,000
Local funds – Pender County	2,005,440
Interest Income	3,058
Sales tax refund	216,320
Transfer from Impact Fees Fund	447,898
	<u>\$10,915,432</u>

WHEREAS, there is a surplus of revenues over expenditures remaining in the Capital Project Fund in the amount of \$473,057, all of which should be unappropriated and made readily available in the Town of Burgaw’s Water & Sewer Fund Balance; and

NOW, THEREFORE, BE IT ORDAINED by the Town of Burgaw Board of Commissioners that the Town of Burgaw Wastewater System Improvement Capital Project is complete, the Project Ordinance is closed out and all remaining balances are transferred accordingly.

ADOPTED this fourteenth day of June, 2016.

Resolution 2016-23 Approval of Surplus of Police Vehicles

Ms. Pope advised that the Police Department has obsolete property that needs to be included in our surplus items. She advised the Town wishes to sell the items listed below by auction through GovDeals.

- One (1) 2009 Ford Crown Victoria
VIN# 2FAHP71V19X122646
Plate # 82209T
Odometer: 70,800

This vehicle has electrical issues with the headlights and can only be driven in daylight hours. The vehicle has been inspected by the garage mechanic and an attempt to correct the lights was unsuccessful. The high mileage of this vehicle warrants this car obsolete.

- One (1) 2010 Dodge Charger
VIN# 2B3AA4CT3AH183701
Plate # 38662V
Odometer: 68,500

This vehicle has issues with the steering column and cannot consistently be shifted into drive. Due to the fact that it is unreliable, the car has been deemed the park around. Another Police Department had the same issue and the repair was approximately \$4,000. Due to the high mileage of this vehicle and the high cost of repair, this car is obsolete.

Ms. Pope advised the recommendation is the approval of the resolution authorizing the above-referenced items to be declared surplus items and the Town Manager to dispose of said property by auction through GovDeals.

Commissioner Dawson made a motion to approve Resolution 2016-23 as presented. The motion was seconded by Commissioner Harrell and carried by unanimous vote.

**RESOLUTION 2016-23
AUTHORIZING DISPOSAL OF SURPLUS VEHICLES**

WHEREAS, the Town of Burgaw, North Carolina is the legal owner of (1) 2009 Ford Crown Victoria and (1) 2010 Dodge Charger; and

WHEREAS, said vehicles have been in service for several years but, due to mechanical issues with each vehicle, use has been limited; and

WHEREAS, the Burgaw Police Department will be replacing these vehicles with new patrol cars during the 2016-2017 fiscal year; and

WHEREAS, North Carolina General Statutes 160A-270 allows municipalities to dispose of property by public auction by adopting a resolution; and

WHEREAS, each vehicle is valued at more than \$1,000.00; and

WHEREAS, the following regulations are designed to secure for the Town of Burgaw the fair market value for the vehicle and to accomplish the disposal efficiently and economically.

NOW, THEREFORE, BE IT RESOLVED by the Town of Burgaw Board of Commissioners that:

1. *The Board of Commissioners does hereby decommission the one (1) 2009 Ford Crown Victoria above issued the Burgaw Police Department and does hereby declare it to be surplus property;*
2. *The Board of Commissioners does hereby decommission the one (1) 2010 Dodge Charger above issued to the Burgaw Police Department and does hereby declare it to be surplus property;*
3. *In accordance with GS 160A-270 said vehicles shall be advertised electronically on www.govdeals.com for public sale.*

ADOPTED this fourteenth day of June, 2016.

Resolution 2016-24 Approval of Surplus of Public Works Vehicles

Ms. Pope advised that the Public Works Department has obsolete property that needs to be included in our surplus items. The Town wishes to sell the items listed below by sealed bid.

- One (1) 1999 Ford F150
VIN# 1FTRF17W9XNB95888
Odometer: 143,980
- One (1) 1997 Ford F150
VIN# 1FTEF1761VND40515
Odometer: 141,810

Ms. Pope advised both of these Public Works trucks were used on a daily basis until they were replaced by two 2016 Ford F150 trucks received in May 2016. Upon delivery of these new trucks, the tags were transferred from the above referenced vehicles and auto insurance was canceled.

Ms. Pope advised the recommendation is the approval of the resolution authorizing the above-referenced items to be declared surplus items and the Town Manager to dispose of said property by sealed bid.

BOC MINUTES

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Commissioner Harrell made a motion to approve Resolution 2016-24 as presented. The motion was seconded by Commissioner Robbins and carried by unanimous vote.

**RESOLUTION 2016-24
AUTHORIZING DISPOSAL OF SURPLUS VEHICLES**

WHEREAS, the Town of Burgaw, North Carolina is the legal owner of (1) 1999 Ford F150 and (1) 1997 Ford F150; and

WHEREAS, said vehicles have been in service for several years but, due to high mileage and wear and tear with each vehicle, the Board authorized the purchase of two replacement vehicles; and

WHEREAS, the Burgaw Public Works Department replaced these vehicles with (2) 2016 Ford F150 trucks during the 2015-2016 fiscal year; and

WHEREAS, North Carolina General Statutes 160A-268 allows municipalities to dispose of property by sealed bid by adopting a resolution authorizing the sale; and

WHEREAS, each vehicle is valued at more than \$1,000.00; and

WHEREAS, the following regulations are designed to secure for the Town of Burgaw the fair market value for the vehicle and to accomplish the disposal efficiently and economically.

WHEREAS, North Carolina General Statute 160A-268 permits the town to sell personal property by advertisement and sealed bid;

NOW, THEREFORE, BE IT RESOLVED by the Town of Burgaw Board of Commissioners that:

1. *The Board of Commissioners does hereby decommission the one (1) 1999 Ford F150 and the one (1) 1997 Ford F150 above issued to the Burgaw Public Works Department and does hereby declare them to be surplus property;*
2. *The Board of Commissioners hereby authorizes the sale of the above mentioned property by sealed bid;*
3. *The Town of Burgaw will accept sealed bids for the property until 3:00 PM, Friday July 1, 2016, at which time all bids shall be opened in public and the amount of each bid recorded. The record of bids shall be reported to the Board of Commissioners at their regular meeting on July 12, 2016. Bids will remain open and subject to acceptance until the Board awards the bid.*

ADOPTED this fourteenth day of June, 2016.

Fire Department/Emergency Management – Allen Wilson, Fire Administrator

Discussion and Approval of Incentive Program

Mr. Wilson advised this item is being presented to request approval of Burgaw Fire Department Standard Operating Guideline (SOG) 15-67. This SOG outlines the incentive program for firefighters. He reminded the Board that the fire department was asked by the board to develop an incentive program to recruit volunteer firefighters and to increase volunteer participation. He said the fire department has developed a program and provided the board with a copy of the policy (see below).

Mr. Wilson said the first priority of the program is to get approval from the board to implement and run the program for six months. He advised once the program is implemented, the department will continuously evaluate the program and determine its effectiveness. The fire department will present evaluation findings at the January 2017 board meeting.

Commissioner Harrell commented that there are no dollar figures included in the documentation. Mr. Wilson reminded Commissioner Harrell that the Policy/Finance Board recommended \$25,000 for the program. He advised the funding is set by the approval of the budget not the policy.

There being no further discussion, Commissioner George made a motion to approve the Firefighter Incentive Program below. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

Burgaw Fire Department Firefighter Incentive Program

Purpose

The purpose of this guideline is to establish an incentive program to promote an increase in participation through call response and station duty.

Definitions

Call Response: action taken by a firefighter to respond to the fire station or emergency scene when summoned by Pender County 911 Dispatch Center.

Failure to respond: the failure to respond on an emergency call during scheduled duty time.

Point: a numerical value given for each sanctioned activity.

Progressive multiplier: rate of rise in points for each qualifying member to increase the total point value for members who respond to greater than 25% of the calls for a specified quarter.

Quarter: Calendar period of three (3) months:

- Q1 = January 1st – March 31st
- Q2 = April 1st – June 30th
- Q3 = July 1st – September 30th
- Q4 = October 1st – December 31st

Sleeping Time: a specific time during station duty set aside for sleeping, typically 11pm – 6am.

State of Readiness: available for immediate dispatch.

Station Duty: act of making oneself available for emergency response at a given time.

Eligibility

All Burgaw Fire Department personnel are eligible for the call response incentive provided they have responded to at least 10% of the calls for that quarter.

All Burgaw Firefighters age 18 older and who have completed a basic firefighting course are eligible for the Station Duty Incentive. Basic firefighting course can be from one of the Community College Seminars or a combination of experience and course work determined to be acceptable by Burgaw Fire Department.

Policy

Call Response Incentive

The purpose of the call response incentive is to provide compensation for all fire department personnel who response to at least 10% of the calls in a quarter. The incentive system will be calculated quarterly and be based on participation points. Each member will be given a single (1) point for active participation in any fire department sanctioned event such as: emergency call response, training activity at Burgaw Fire Department, Public Education Program, Burgaw Fire Department Officer's Meeting, and/or Burgaw Fire Department Membership Meeting. Members who are working in a fulltime or part time capacity will not earn points while "on the clock".

At the end of each quarter a point total will be tallied through Emergency Reporting. The point totals for all members will be added together to obtain a total point value, this value is then divided into the dollar amount earmarked for that quarter to obtain a per point value. This value is then multiplied by each member's individual point total providing the quarter pay out figure. The dollar amount for each quarter will be set by the Town of Burgaw Board of Commissioners during the budget process each year.

Station Duty

The purpose of the station duty incentive is to provide compensation for up to two (2) firefighters for a typical shift from 7pm to 7am seven days a week and 7am to 7pm on Saturday and Sunday. The compensation rate will be set by the Town of Burgaw Board of Commissioners during the budget process each year. Firefighters signing up for station duty must remain in a state of readiness for emergency response.

Rules:

1. Members are not required to complete station duty at the fire station, provided they can arrive (safely) to the fire station by the second page.
2. Members who live within the corporate limits of Burgaw do not have to be at the station during sleeping time.
3. Members who live outside the corporate limits of Burgaw shall spend sleeping time at the fire station.
4. Fire department officers are not required to spend sleeping time at the fire station, providing they can check enrooted and respond from their residence.
5. It is preferred, but not required, that only one non-driver sign up for station duty in any given time slot.

6. In the event an on-call member misses the first due apparatus, the on-call member shall contact the en-route apparatus via radio to confirm adequate resources are responding and if so they shall remain at station until the apparatus returns.
7. In the event someone needs to call off an assigned shift, they shall first try to find coverage. If unable to find coverage they shall make contact with a chief officer and advise them they will be unable to pull the assigned shift. Voicemail and/or text message is NOT approved contact.
8. A signup calendar will be posted during the first membership meeting of each month (second Thursday) for the following month's schedule. Any member in attendance at the meeting will be allowed to sign up for a maximum of four (4) shifts. The calendar will then be posted in the day room for signups. After the second membership meeting (fourth Thursday), the maximum number of shifts will not apply and all eligible members are allowed to sign up for any open shifts.

Discipline

Any member failing to respond to an emergency while pulling station duty will be subject to the following penalties and/or disciplinary proceedings per the Town of Burgaw Personnel Policy. Repeated offenses within a twelve (12) month period will result in progressive disciplinary action.

- First offense: upon a first violation of station duty policy, the guilty member/s will forfeit their compensation for that duty time and will serve as a counseling session.
- Second offense: upon a second violation of the station duty policy, the guilty member/s will forfeit their compensation for that station duty time, lose the possibility of the point multiplier and will serve as a written warning/reprimand.
- Third offense: upon a third violation of the station duty policy, the guilty member/s will forfeit all compensation (station duty and call response) for that quarter (as defined above) and be suspended from pulling station duty for 30 days.
- Fourth offense: upon a fourth violation of the station duty policy, the guilty member/s will face suspension and/or possible dismissal from the fire department.

Progressive Multiplier

Burgaw Firefighters are eligible to have their total points increased by a specified multiplier provided they meet the following requirements:

- Must complete at least four (4) station duty shifts for the quarter.
- Must attend at least 50% of the scheduled meetings for the quarter.
- Log at least nine (9) hours of fire department training for the quarter.

The multipliers are as follows:

- 10% - 24.9% = 1
- 25% - 49.9% = 1.25
- 50% - 74.9% = 1.5
- 75% - 100% = 1.75

Multipliers will be calculated once all points are totaled and the minimum qualifications are met.

Planning – Rebekah Roth, Planning Administrator

Resolution 2016-25 Approving Parks/Recreation Master Plan

Ms. Roth presented a lengthy overview regarding the proposed Parks/Recreation Master Plan. She advised over the past year, the town has received several requests for parks and recreation amenities and has started the planning process for the West Side Trail and Parks Project. She advised planning staff has been working since January with the Parks and Recreation Committee and Planning Board to develop such a plan to update the parks and recreation goals and objectives of the 2008 Town of Burgaw Parks and Recreation Master Plan, Burgaw 2030 Comprehensive Land Use Plan, and 2015 Town of Burgaw Bicycle and Pedestrian Plan.

Ms. Roth advised the plan has been developed as the result of a needs assessment, population projections, and survey sent to a random selection of Town of Burgaw residents. It has been submitted for public comment and has been reviewed by the Parks and Recreation Committee. The Planning Board voted to recommend the draft plan's adoption by the Board of Commissioners at their May 19, 2016 meeting.

Commissioner Harrell made a motion to approve Resolution 2016-25 as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote. (Due to the large volume of the Parks/Recreation Master Plan document, it is on file in the clerk's office.)

**RESOLUTION 2016-25
ADOPTING THE 2016 TOWN OF BURGAW PARKS AND RECREATION MASTER PLAN**

WHEREAS, the Town of Burgaw has identified public parks and recreational programming as effective tools for meeting the social, health, and economic needs of town residents; and

WHEREAS, resident demand for parks and recreation programming and facilities has increased in recent years; and

WHEREAS, the town does not have a current master plan in place to help the board prioritize requested facilities and programs and to support any town applications for grant funding; and

WHEREAS, this plan is intended to take a thirty year view of park facilities and recreation program needs in order to prioritize resident requests and to direct regulatory amendments and capital projects; and

WHEREAS, this plan incorporates the recommendations of past planning efforts and input from Town of Burgaw residents and community advisory boards; and

WHEREAS, the Town of Burgaw Parks and Recreation Committee reviewed the proposed plan at their May 9, 2016 meeting and determined no amendments were necessary; and

WHEREAS, the Town of Burgaw Planning and Zoning Board reviewed the proposed plan at their May 19, 2016 meeting and voted to recommend approval to the Board of Commissioners; and

WHEREAS, the Town of Burgaw Board of Commissioners reviewed the proposed plan at their June 14, 2016 meeting and desire to adopt its findings;

NOW THEREFORE BE IT RESOLVED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS TO ADOPT THE 2016 TOWN OF BURGAW PARKS AND RECREATION MASTER PLAN EFFECTIVE JUNE 14, 2016.

(Adopted June 14, 2016)

Discussion - Logo for Town-Wide Marketing and Branding Campaign

Ms. Roth advised before the May 10, 2016 Board of Commissioners meeting, the Promotions and Special Events Committee made a recommendation on a logo that depicted the courthouse inside a blueberry “dome” but the board requested to see some alternative versions showing a different view of the courthouse and a view of the depot. She advised she did not receive any revisions before the agenda packets went out but did receive some today just before the meeting. Ms. Roth presented the Board with copies of revised logos for review. After a brief review of the proposed logos, Commissioner George recommended placing the center design of the current town seal into the center of the logo in the place of the depot. After a brief discussion, it was the consensus of the Board to use the center of the seal since it more closely depicts the history of the town. Ms. Roth was requested to put the revised logo in the weekly update for the Board to review.

ITEMS FROM ATTORNEY – *Robert Kenan, Attorney*

Attorney Kenan presented the Board with a copy of an email he received from Commissioner Harrell. Attorney Kenan advised he received this email this morning. He advised he is going to respond to the four questions. He said he would appreciate the time to answer the questions, make his comments and answer any questions.

Why was the legal information on the bed and breakfast application presented halfway through the hearing?

Attorney Kenan advised when we had the hearing last month regarding the bed and breakfast, that was the advertised public hearing. He said his position is that whenever he is giving legal advice, he doesn't interfere with what the public has to say. He said the public is entitled to come here to present their statements, their evidence if they have any regarding the conditional use permit and before this board begins its deliberations with all the facts and the evidence in order to render its decisions at that point in time I provide you (the Board) any legal information as to whether or not any of the evidence or anything needs to be withdrawn or not considered.

Was the application valid with the information regarding ordinance incompatibility being withheld until most testimony and opinion had been expressed? Attorney Kenan advised again that goes back to the public hearing. He said whenever you have a public hearing, he wants the Board to hear that evidence and testimony because the public has the right to come in to address that. He said at that time if there is anything to address with the Board he will address it at that time so the Board will not consider anything that may not be proper.

Why does the town not have a contract with you? Attorney Kenan advised that as of the end of the month, he will have been the town attorney for sixteen years. He said he has had three contracts; the last one was done in 2010 and ended on June 30, 2011. He advised the NC Statutes and General Code of Ordinances for the town says that the

governing body appoints the town attorney; it doesn't say anything about having to have a contract for the town attorney. He said all a contract does is provide basically the rate of pay and any agreements between the governing body and the attorney regarding the services to be provided by that attorney.

How do you determine which meetings you will and will not attend? Attorney Kenan advised the meetings he typically attends and has attended for at least sixteen years is the Board of Adjustment meetings which are considered quasi-judicial meetings meaning that any decision from that particular board can be appealed to the superior court which also means that during that proceeding there must be an attorney present to rule on evidence and testimony to determine what is admissible or not; he said he always attends the planning board meetings as well because there are certain items that come up at the planning board level that members of the board need legal answers to and also if there is a review of a subdivision or anything of that nature there are also questions requiring legal answers. He advised all other meetings that he attends are at the request of the town manager or the request of the Board. He said he typically does not attend any kind of committee meetings that this board has unless there is a request to do so. He said he also does whatever else is required or asked of him.

Attorney Kenan said those are the answers to the four questions, but he would like to address the following comment made at the beginning of the email which reads *"Below please find some questions I intend for you. The last two were not a concern until your decision to avoid the committee meeting."* Attorney Kenan said to Commissioner Harrell that he assumes that he (Commissioner Harrell) is referring to the Policy/Finance Board meeting for which he and Commissioner Murphy are members of. Attorney Kenan said in the minutes of the meeting of May 24th Commissioner Harrell stated that they wanted to discuss Attorney Kenan's contract. Attorney Kenan said the town manager contacted him and he advised him that his presence was requested at a Policy/Finance Board meeting to discuss his contract. Attorney Kenan advised Mr. McEwen that he does not meet with committees regarding his contract; he meets with the governing body which is the six members currently sitting at the board table. He commented that he works for the six members of this board; he does not work for an individual policy group, an individual committee or individual members of this board. Attorney Kenan said he advised Mr. McEwen to notify the members of the Policy/Finance Board that he would not be attending the meeting because he does not report to the three members of the Policy/Finance Board; he reports to the full board. Attorney Kenan stated to Commissioner Harrell that he takes offense to him saying that he avoided a committee meeting. He said "I did not avoid a committee meeting; I avoided a meeting so I could meet with my clients here, not with the three of you". He also said "I find the email from Commissioner Harrell a little arrogant, abrasive, disrespectful and that is conduct that I am not going to tolerate". He said "I have worked sixteen years for this board; given all of you good advice and I don't expect that; that's not very professional and I don't treat you like that". He said "from here on out I don't expect that conduct". Attorney Kenan said "that's all I have to say".

Commissioner Harrell said he was sorry that Attorney Kenan took that as being disrespectful and that he did not intend it to be disrespectful. Commissioner Harrell said as far as the tone, he did not intend it to be abrasive. Commissioner Harrell said he felt the questions he had were valid questions and he was not aware that Attorney Kenan did not attend committee meetings; that has never been pointed out to him. Commissioner Harrell said he apologizes if he has offended Attorney Kenan but at the same time he felt that they were valid questions. Attorney Kenan said he did not have any problem with the questions themselves, it was how it was presented and also communication is important. He said he tells everybody (my clients included, this board is no different) that communication is the utmost important thing and if you don't understand something, pick up the phone and call me. He advised he has an open policy with all board members to call him at any time as well as department heads and the town manager. He said "that's what I am here for; all it takes is a little bit of communication". Commissioner Harrell thanked Attorney Kenan for the invitation. Attorney Kenan said you're welcome and said he had no further comments.

Mayor Mulligan said that in regards to the first question about the conditional use application that was submitted, the process was flawed. He said Attorney Kenan reviewed the conditional use application before we came to the hearing and he does not understand why he would have allowed or why he wouldn't have advised the commissioners that there were parts of the conditional use hearing that could not be heard because they were not legitimate; they could not be applied for and his problem was that in doing so it allowed the people that attended to give witness on things weren't germane. Mayor Mulligan said we have a host of citizens that came in and gave their opinion about sections of the conditional use regarding event centers and weddings that should not have been part of

the application in the first place. He said to Attorney Kenan that having reviewed the application I am surprised that you did not make our planner aware that the application was flawed and by interjecting before we opened the public hearing during your explanation of the consequences of a quasi-judicial hearing. He advised Attorney Kenan that he could have taken that opportunity to inform both the commissioners and the members of the public that two or three of the parts of the conditional use application were illegitimate and therefore allay the fears which most people gave witness to. He said the vast majority of the negative comments about that application were about events and weddings; that should have never been part of the application and so everybody got into a frenzy about something that was never going to happen. Mayor Mulligan said "I don't understand why you didn't tell us that first".

Commissioner Dawson asked Ms. Roth if we know if this item is going to be appealed. Ms. Roth commented that she has not heard anything. Commissioner Dawson said she was curious because she is not sure we should be discussing this if it is possibly going to be appealed. Attorney Kenan said we can discuss this. He said we are not discussing the merits of that case; we are just discussing procedure.

Attorney Kenan said to Mayor Mulligan that he typically reviews the packet that comes out on Friday either on the weekend or on Monday before the meeting. He said if there is something in there, he flags it and we will talk about it. He said whenever there is a special use hearing his duty as an attorney is not to deal with the public, that's the Board's job and the Board members are to deal with that. He said the Board is take testimony and the only thing I did is to make sure before you began your deliberations was to advise you about the ramifications that they could not consider the events as part of the application or the weddings as part of the application. He said it is clearly up to the Board before you begin to make those deliberations for me at that point in time to provide you that legal advice and that's what I did. Each of you get that packet just like I do and if you felt like there was something in there that was not appropriate you are more than welcome to give me a call any time before the meeting and discuss that with me and we can verify if there are any problems or not. He said whenever there is a public hearing, that is the time for the public to make their comments and he is not going to sit here and tell them what not to say or what they cannot do. You may not like what happened or transpired at the last meeting when I gave you that advice; I can't help that but I gave you the advice that you had to have before you began a legal deliberation. Attorney Kenan said "is there a better way of doing that, I tend to agree". He said "if the six of you scrutinize those packets a little closer especially when it comes to conditional use because they are an important step in the legal process that must be gone through just call me and let's talk about it and I will try to do a better job in trying to make sure I advise you whether or not it's a problem". Commissioner Robbins said he agrees with Attorney Kenan but we are told that we are not to talk about a conditional use permit, so what do I do, who can I call. Mayor Mulligan said none of these people on this board are attorneys; that's what we hire you for. He also said to Attorney Kenan you review the packet, the reason we pay you to review the package is so if you see something wrong with that package you make us aware if one of our employees has made a major bungle in the package it is not for you to say nothing until we expose ourselves to the public. Attorney Kenan said "I did advise you before you made you decision". Mayor Mulligan said you did not advise us before we went into the public hearing and give us information which was germane to that public hearing and which not have been included in that application.

Commissioner Robbins asked Rebekah Roth how all this got passed her to us. Ms. Roth said there conflicting portions of the ordinance which is the one of the reasons why we are rewriting it. She advised the bed and breakfast section says that you can request things like private parties and events. She said she discussed all of that with Ms. Allen prior to her application. She said based on our conversations and what she submitted to her she did not see that conflict because she did not consider it an event center however when Attorney Kenan reviewed the packet he saw that was a conflict and so it was just her interpretation of it. She said she did not see that as a conflict. Ms. Roth advised that's why she didn't stop this when Ms. Allen applied for it and she didn't include it as part of her staff report. Commissioner Robbins asked what about the gift shop that was included. Ms. Roth said accessory uses are allowed as a part of that in that you can request it. She said in the staff report it did say that the gift shop was not something that is generally included in this; that was addressed. She said if someone calls for it, she includes it in the packet whether or not it is allowed but she can't say you must change your application. She said we go over the parameters and anything thing that is not allowed, she tries to cover as much as possible in the staff reports. That's why she sends it out to all the staff in order to get as good a picture as possible.

Mayor Mulligan said if something is not allowed in a conditional use permit or not allowed in the zone, is the applicant not required to apply for a variance; is that not what a variance is for. Ms. Roth said variances are not for

uses, for things like accessory uses that are not specifically addressed in our ordinance and that is one of the reasons why we are rewriting this because we have these conflicts. She said accessory uses are not specifically addressed in most cases. She said in a conditional use permit, if someone requests an accessory use it may or may not be allowed. They apply for it and through the staff review we hopefully pick up everything that might not be possible to put in there as conditions that you would not allow that. That's the way we have done it in the past. People ask for what they want and then we advise you as to whether that is allowed.

Mayor Mulligan said in his opinion the way last month's conditional use hearing transpired was unfortunate and you should strive to try to ensure that this doesn't happen again. He said it may be that we have to have technical reviews of all conditional use applications but we can't have people applying for things they cannot apply for and people coming to argue against things that are never going to happen in the first place. It's unprofessional. Commissioner Robbins commented that if he remembers correctly we took the technical review of a conditional use away from the Planning Board several years ago and brought it all to the Board of Commissioners. Is that correct? Attorney Kenan confirmed his comment. Commissioner Robbins asked why we changed the process. Mr. McEwen said it was to keep the applicant from having to go through two special use hearings. He advised the thought process in changing this back then was to streamline the process so the applicant would not have to wait two to three months for approval.

Mayor Mulligan presented Ms. Roth with a theoretical situation regarding applying for putting horse stables for his four horses at a house in Creekside and asked her what she would say to him. Ms. Roth said the permit would be denied. She advised you can apply for anything you want (that's the purpose of the application) and then you get turned down or you get approved based on whether it is allowed. She said there are gray areas in our ordinance and we are working on rectifying those. She said if there are conflicts, the Board is supposed to make those decisions as to what the facts are so that she is not making the decisions for the Board that she is not authorized to make. Ms. Roth said if the Board has not agreed that certain items were not allowed and she had told the applicant that she could not apply for what she wanted then that would be an overstepping of her authority as perhaps mistakenly not seeing that there was a conflict there in the first place. Mayor Mulligan said in the middle of this public hearing the Board did not make a decision as to whether that event center should be allowed, the attorney made the decision that the event center was eligible to be applied for in this conditional use permit. He said there are two different things, one is the Board decides, two is the attorney decides. He said in this instance the attorney decided after we heard the testimony before the Commissioners. He said we should have known this before the conditional use permit public hearing was started if they were not eligible to apply for this. Attorney Kenan said "I didn't tell you that you couldn't consider it, I just said that the ordinance did not provide for that". Attorney Kenan said as far as he is concerned about that hearing is that you learned from it, everybody learns from mistakes; they learn how to do better things, certainly I will do a better job scrutinizing the application and if this Board wants me to advise you up front before you hold a public hearing then you ask me for that information and I will try to render that to you. Mayor Mulligan said to Attorney Kenan that he is not saying there is anything wrong with his advice; all he is worried about is that one of our citizens didn't get a fair shake, that's the only thing that bothers him. Mayor Mulligan said the whole public hearing slanted against those particular applicants because of what they applied for because there was so much emotion in the room by the time we got there. If before the conditional use hearing started we had been advised that the only thing these people can actually legitimately apply for is a bed and breakfast and a fire pit then the people in the audience who from what I heard from their testimony originally believed that was all they were eligible to apply for and then their opinions on that. He said most of the very emotional testimony he heard was about the disturbance of a residential area; the whole board didn't think that was a very good idea anyway. He said this was a distorted conditional hearing and the people who applied got a raw deal and the people who were taking their time out of their day to come and give evidence against something that was never going to happen; it was a mess. We probably should learn from it and try to do better the next time. Attorney Kenan said you have a procedural process and if the applicant felt like the process wasn't fair to them they certainly have a right to appeal to the Pender County Superior Court so I don't perceive anything wrong with the process. Attorney Kenan said you can always decline my advice and deliberate and so then that testimony would have been relevant. I'm just going to leave you with that. You don't always have to take my advice.

Commissioner Robbins said there was an individual that brought up the fact that some of those things were not allowed in our ordinance, so some homework was done ahead of time and he knew for a fact that it was brought up that the gift shop, the events and wasn't sure about the fire pit but those two in particular were not even allowed in

our ordinance. That was brought up by somebody in the audience. He said I don't like to sit here and hear the mayor say that they got a raw deal. I don't think anybody got a raw deal. Commissioner Robbins said he was a part of the decision making process that day and I don't think I gave anybody a raw deal.

Commissioner Harrell said he felt that basically it was not the advice that was given it was the timing that created conflict in his mind. He said he is not sure how we can address that going forward without some sort of direction from the Board if that's what we want. He said in this case there was a definite conflict with the ordinance that was identified and if there is some way to interject that knowledge a little earlier in the process it would be beneficial to everybody involved. Mayor Mulligan said we need to revisit whether or not we need to have the planning board to look at these things first. Mayor Mulligan asked Ms. Roth to place a discussion on the planning board agenda regarding planning board review on conditional use.

Attorney Kenan said going back to the minutes of the Policy/Finance meeting on May 24 there were questions regarding Attorney Kenan's services from a financial standpoint. Mayor Mulligan said what he was talking about was the necessity for the attorney to review the weekly update, whether there was a necessity for the attorney to attend the planning board meetings or should it be by request of the planning board or planner for the attorney to attend. Mayor Mulligan said legal costs are spiraling and he just wants to keep an eye on it. Attorney Kenan said he reviews the weekly update for the information therein to see the status of things that are going with the town and occasionally that review triggers questions for the staff regarding possible issues. He said the update is a good informational tool. He said in regards to his attendance at the planning board meeting, there may be questions raised that cannot be answered until the next meeting. He said he doesn't understand the comment about legal costs spiraling because he is not aware of any huge spike with the exception of the legal cost for the expense of the Town of Wallace vs. the Town of Burgaw. Mayor Mulligan said he was talking about the amount budgeted last year as opposed to the amount spent. He said cost is going up. He said from his point having the attorney go to the planning board and review everything there and then coming to the commissioners meeting and reviewing the same information is redundant. Attorney Kenan said being at the planning board meetings serves as a filter to remove the unnecessary items before it comes to the town board. Mayor Mulligan said he is looking at expenses not the attorney's professionalism, it's about purely expense. Attorney Kenan stated that he has been the town attorney for sixteen years and he has only had one pay raise and that was in 2007 and he has not asked for a pay raise since then. He said most attorneys hourly rates are \$250 plus; you are getting a deal at \$150 when you really should be paying somewhere between \$180 and \$200 an hour. He also commented that during his sixteen years he has kept this town out of any major litigation and the reason is because the past boards have kept him involved and as a result of that they have not faced any lawsuits. He advised the one time that a previous board did not involve him was the issue with the Town of Wallace and now you are going to spend 50k to 100k at least on legal fees before it is over with. Attorney Kenan said he works at the pleasure of this board and whenever the majority of this board tells me what to do, he will be glad to do it. He said if you want to sit down here today and tell him what you want him to do then let's do that now. Mayor Mulligan said he has no intention of having this discussion in front of the public. Attorney Kenan interjected "hold on"! Mayor Mulligan said "no, you hold on, I speak now"! He said he doesn't really want to discuss the deliberations of what the Town Board wishes to do in regards to a contract or not a contract in open session because we don't have the time and he wants a free exchange between the commissioners and when they do eventually come up with something, they may say it's fine the way it is and that's fine, his job is to be a steward of the tax payer's money and to bring to the attention of the commissioners his opinion on how that money is spent and their job is to make a decision as to what we expend. He said that's what he is doing and that is why we had that discussion at the policy finance meeting level and that committee reports to the Town Board and the Town Commissioners make that decision and then they will bring that decision to you and you can negotiate with the town board at that stage.

Attorney Kenan said any conversation that you have about his services must be in this forum and within this board room. It cannot be in closed session or behind closed doors. He said you are my client; we discuss my services with my clients (the six of you) in an open meeting with all six of you present.

Commissioner George said he would like to make a motion. Commissioner George made a motion that Mr. Kenan continues on the way he is with the town as attorney. Commissioner George asked Attorney Kenan "will you accept that"? Attorney Kenan said he will if the majority of the Board votes in favor he will accept it. Commissioner Robbins asked if we really need to vote on him continuing because he is not under contract. He asked Attorney

Kenan when he was hired. Kenan replied July 1, 2000 and you don't have to have a contract. Commissioner Robbins said he understands that. Commissioner George said he has been on the planning board and he would not want to sit on the planning board without a lawyer. Attorney Kenan said he would continue to serve the way he has been serving which is to attend this meeting, the planning board meeting and any meetings that are requested by this board or by the manager as well as insofar as the things I bill for which is to continue to review the weekly updates and attend any meetings requested. Attorney Kenan said he too is a steward of his own money just you all are stewards of your own money; I don't try to ding you; you haven't been dinged too hard in the past nine years, you've gotten a pretty good break with an hourly rate. Commissioner Robbins said he doesn't really know why we need a motion but he will second the motion in support of the attorney; he does a good job; I don't have any problem with the way he does his job. The motion was carried by unanimous vote. Attorney Kenan said he appreciates the Board and their confidence and he looks forward to continuing serving with you.

ITEMS FROM MANAGER – Chad McEwen, Town Manager

Resolution 2016-26 Approval of Mass Communication, Social Media and Website Use Policies

Mr. McEwen advised the attached policy has been discussed with the Policy and Finance Committee as well as provided to the full board for review. The policy has also been reviewed by Erik Harvey who handles the Town's IT responsibilities. He advised the recommendation is the approval of the attached resolution approving the Town of Burgaw Mass Communications, Social Media and Website Use Policy.

Commissioner Dawson recommended some changes to the Responsible Party paragraph of the policy. After discussion, Commissioner George made a motion to approve Resolution 2016-26 with amendments to the Mass Communications, Social Media and Website Use Policy as follows by amending the Responsible Party section to read:

The Town Manager will serve as the Public Information Officer for the Town of Burgaw. All social media posts will go through the Town Manager before being posted. The Town Manager will be responsible for maintaining a list of all social networking domains names in use as well as the associated user identification and passwords currently active within the town. The Town Manager will be responsible for changing passwords if social media accounts are ever compromised.

The motion was seconded by Commissioner Murphy and carried by unanimous vote.

RESOLUTION 2016-26

Resolution Approving the Town of Burgaw Mass Communications, Social Media and Website Use Policy

WHEREAS, the Town wishes to codify the means and methods of disseminating information via technology to the general public; and

WHEREAS, these means and methods include the use of social and print media as well the Town's emergency telephone notification system (ECN/CodeRed is the current vendor); and

WHEREAS, the policy includes the acceptable issues and protocols that should be used when providing information to the public; and

WHEREAS, the policy also establishes the Town Manager as the Public Information Officer for all means of mass communication; and

WHEREAS, the policy also includes a public records disclaimer outlining communication that is subject to the state public records law; and

NOW THEREFORE BE IT RESOLVED by the Town of Burgaw Board of Commissioners the following:

SECTION 1. The attached Town of Burgaw mass Communications, Social Media, and Website Use Policy is hereby approved.

Witness my hand and the corporate seal of said Town of Burgaw the fourteenth (14th) day of June, 2016.

Resolution 2016-27 Approval of Contract with Freeman Concrete

Mr. McEwen advised as requested by the Board, the attached quote include repairs to sidewalks at the northeast side of the Cowan and Bridgers Street intersection, Bridgers Street sidewalk opposite the Baptist Church, and the old planter areas on Wright Street between Wilmington and Fremont Street. The quote provided by Freeman is consistent with the unit pricing awarded in the contract to repair the sidewalk in front of the library on Cowan Street last year. That project was competitively bid between several local contractors.

The breakdown of the cost of each repair is as follows:

1)	Bridgers Street and Cowan Street Intersection-	\$14,687.30
2)	Bridgers Street (Across from Baptist Church)-	\$ 6,236.25
3)	Wright Street (Between Wilmington and Fremont St)	\$ 464.00
	TOTAL =	\$21,387.55

Mr. McEwen advised in addition we requested a 15% contingency be added to the above price to cover unforeseen conditions or occurrences. The addition of the 15% contingency would bring the total to \$24,596. Mr. McEwen advised the recommendation is the approval of the attached resolution approving the contract with Freeman Concrete for sidewalk repairs on Bridgers Street and Wright Street in the amount of \$24,596.

Commissioner Harrell made a motion to approve Resolution 2016-27. The motion was seconded by Commissioner Robbins and carried by unanimous vote.

RESOLUTION 2016-27

Resolution Approving a Contract with Freeman Concrete Inc. for Sidewalk Repairs on Bridgers Street, Cowan Street, and Wright Street

WHEREAS, the Town wishes to replace several damaged areas of public sidewalk along Bridgers Street, Cowan Street, and Wright Street; and

WHEREAS, the current condition of these sidewalks present a possible risk to the public; and

WHEREAS, the Town has received a bid from Freeman Concrete which includes the following itemized repairs:

Bridgers Street and Cowan Street Intersection-	\$14,687.30
Bridgers Street (Across from Baptist Church) -	\$ 6,236.25
Wright Street (Between Wilmington and Fremont St) -	\$ 464.00
	TOTAL = \$21,387.55; and

NOW THEREFORE BE IT RESOLVED by the Town of Burgaw Board of Commissioners the following:

SECTION 1. The above described contract with Freeman Concrete is hereby approved in the amount of \$21,387.55.

SECTION 2. In addition a 15% contingency is approved for the above referenced work. The contingency amount is \$3,208.13 which would bring the total to \$24,595.68.

Witness my hand and the corporate seal of said Town of Burgaw the fourteenth (14th) day of June, 2016.

Discussion – Public Art Pieces

Mayor Mulligan stated that before discussing this item he would like to set up an infrastructure board meeting due to a large number of items that need to be discussed. He asked Commissioner Harrell and Commissioner Robbins to get together and set up a meeting sometime within the next month.

Mr. McEwen advised recently he and Jeanette Jones discussed the possibility of the Town commissioning a couple public art pieces through the Pender County Museum blacksmith shop. He advised Ms. Jones and Mr. Craig Brown are present today to answer questions regarding this item. He said the general arrangement we have discussed which is being presented to you today for consideration involves the creation of three pieces by local artist, Craig Brown. Three renderings of pieces Mr. Brown is proposing were presented. The first piece is a Blueberry that would be painted and powder coated. It would be placed at the Timberly Lane triangle shaped tract of land along the trail. The estimated cost of this piece would not exceed \$1,550. The second piece is a heron standing in cattails. We are

proposing this be placed along the trail possibly in the area between the Register of Deeds parking lot and the trail along Fremont Street. The estimated cost of this piece would not exceed \$2,200. The third piece is a large butterfly bench that we are proposing to be placed at the chosen site of the splash pad. The estimated cost of this piece would not exceed \$2,150.

Mr. McEwen said this partnership would be beneficial for all parties involved. The Town and its residents would receive quality pieces of art that could be placed in public spaces. The Museum would receive a portion of the estimated \$6,000 cost of these pieces and the Town and Museum would be helping a local artist.

Commissioner Harrell said he feels public art is an asset to the community and something we should explore. Commissioner George expressed concern about sharp edges on the art pieces. Mr. Brown advised all sharp edges would be rounded and smoothed for safety purposes. Mayor Mulligan said we have just spent two months on budget and prioritized expenditures but there was no discussion of art. He said if we do consider public art we should advertise the fact and not just consider one single artist. Commissioner Robbins said he is very much in favor of public art and maybe we should take a look at it. He said he does not want to lose the idea. Commissioner Harrell said he feels we should look beyond the artist mentioned and consider other possibilities as well. Jeannette Jones said that if Mr. Brown is allowed to do the work, Mr. Brown is willing to donate a portion of the proceeds to the museum thereby benefitting the town and the museum.

After discussion it was the consensus of the board to refer this item to the infrastructure board.

Other items from the Manager

Mr. McEwen advised he was supposed to meet with representatives of Teal Briar on June 9th but the meeting got cancelled at the last minute. He advised he is back to square one and is seeking the board's desires as to what to do next. He said none of the parties seem to be interested in meeting. He asked if the Board wants him to continue to be the point person on trying to put together these meetings. Commissioners Robbins and Harrell desired for Mr. McEwen to try again to set up a meeting with Teal Briar representatives.

BREAK 5:40 – 5:55

PUBLIC FORUM

Speakers: None

PUBLIC HEARINGS

Public Hearing 1 - Chad McEwen, Town Manager

Consideration of Adoption of the FY 2016-2017 Budget for the Town of Burgaw

The public hearing was opened at 5:56 PM.

Mr. McEwen presented the following budget message to the Board of Commissioners:

To: Mayor Eugene Mulligan and Members of the Board of Commissioners
From: Chad McEwen, Town Manager
Re: Fiscal Year 2016-2017 Budget Message

INTRODUCTION

In accordance with Chapter 159-11 of the North Carolina General Statutes, I am pleased to submit the proposed Fiscal Year 2016-2017 Annual Budget Ordinance for the Town of Burgaw. The proposed budget establishes a tax rate of \$0.48 cents per \$100 of valuation and based on current valuations, .01 cent generates approximately \$27,525

Highlights of the FY 16-17 budget include the following:

- No ad valorem tax increase proposed
- No proposed increase in water or sewer fees

- 4.5% residential solid waste roll cart increase (\$13.89 to \$14.52 a month)
- A 1% cost of living allowance (COLA) increase for eligible town employees
- A \$20,000 merit pool for eligible full time permanent employees
- A net increase of 1 full time employee and 1 part time employee for the Town
- General fund fund balance is being appropriated for the following purposes:
 - \$473,056 of water and sewer enterprise fund balance is being appropriated to retire debt related to a water and sewer bond with BB&T
 - No increase in the renewal of town provided health and dental insurance for town employees over FY 15-16
 - 1.8% increase in property and casualty insurance over FY 15-16
 - 40% decrease in workers compensation insurance over FY15-16

REVENUES AND EXPENDITURES

Estimated revenues for FY 16-17 were based on conservative estimates despite signs of positive growth in ad valorem, Powell Bill, and sales tax revenues. This expected growth is due to the recent construction of several new commercial businesses. The presence of these new commercial businesses resulted in increases in actuals received during the FY 15-16 fiscal year. From a line item perspective, most revenues sources are anticipated to remain relatively flat or incur a 5%-8% increase as compared to FY 15-16.

After experiencing an 8% increase for FY 15-16, our renewal for FY 16-17 did not include an increase. The efforts we have made of the last several years to improve our employee’s utilization of their coverage continues to reflect positively in our renewal rate. This renewal is based on the same health insurance plan being provided to the Town employees for the upcoming year.

In regard to property insurance our current provider has quoted a market rate renewal of 1.8%. No changes have been made in regards to our property insurance coverage deductibles or coverage levels.

After incurring nearly a 50% increase over the last two budget years related to workers compensation insurance, the Town has been quoted a renewal which reflects a 40% decrease. After receiving these large renewal increases over the two prior years, the Town switched carriers and moved our workers compensation coverage from Key Risk to the North Carolina League of Municipalities pool in FY 15-16. The renewal decrease is attributed to a significant reduction in the Town’s claims experience over the last couple years.

CAPITAL IMPROVEMENT PLAN

In February, the Board of Commissioners held a Capital Improvement Plan Planning Session to discuss the capital priorities for the next five years. During this Planning Session all requested expenditures over \$5,000 were ranked in terms of priority and anticipated funding year. The Capital Improvement Plan (CIP), which was developed as a result of this meeting, will serve as a guidepost during the budget process for the next five years. For FY 16-17 the following capital purchases were prioritized and budgeted for:

<u>Capital Item</u>	<u>Estimated Cost</u>
• PW and Impound Camera System	\$4,000
• Resurfacing Tennis Courts	\$60,000
• A/C Booster @ Community House	\$4,100
• Painting and Caulking Community House(Ext.)	\$3,000
• Arts Council Contract	\$4,500
• Depot Painting	\$8,000
• Interior caulking and touch-up	\$1,000
• Dock Board Replacement	\$3,000
• Water Rehab Project	\$1.36M
• Fremont Street Paving	\$125,000
• Street Paving	\$128,000
• Sidewalk Repairs/Construction	\$20,000
• Safety Upgrades at PS 1 and 2	\$25,000
• Sewer Manhole Rehab (I&I)	\$10,000
• Debris Grinding	\$15,000
• Mobile Data Terminals	\$5,000
• Protective Equipment for FD (4 sets)	\$11,000
• SCBA Equipment (1 of 3)	\$40,000
• Ballistic Vests for PD (3)	\$2,400
• 2 Police Cars	\$74,000
• Computer Replacement (var. depts.)	\$4,000
• Netmotion System (PD)	\$5,800
• Patrol Officer	\$42,850
• Intern/ Fellow	\$10,000
• Part-Time Community Development Position	\$30,000
• COLA (1%)	\$13,484
• Merit Pool	\$20,000

Please be advised that many of these capital expenditures scheduled for funding in FY 16-17 involve grants, designated revenue sources (i.e. Powell Bill), current year (FY15-16) expenditures, and/or fund balance appropriations.

FUND BALANCE

In FY 09-10 the Board of Commissioners established a goal of retaining a fund balance goal of 25% of the town's annual operating expenses. Based on numbers provided (as of June 30, 2015) by the Town's auditing firm, Thompson, Price, Scott, and Adams, it is estimated that the fund balance for the general and water and sewer fund are 80% and 127%, respectively.

SUMMARY

In summary, the proposed FY 16-17 budget insures the personnel and resources are retained to sustain the high level of services the residents have come to expect of the Town of Burgaw. This year the Town has continued its concerted effort of exploring innovative ways to reduce operating costs within its various departments while also expanding the services provided by the Police and Parks Department. Over the last several years the Town has undertaken several proactive cost-cutting measures that have enhanced the sound financial standing the Town has commonly been known to possess. This year, the strong financial position enjoyed by the Town has provided for the opportunity to retire debt related to a past water and sewer bond as well as the renovations of the Depot. Retiring this debt will help the Town to continue to provide greater responsiveness, efficiency, and utilization of its taxing authority.

Commissioner Robbins questioned the part time community development coordinator position. He advised he thought it was supposed to be more of a parks and recreation director position. He referenced the job description that was written by Commissioner Harrell and included in the packet for discussion. Commissioner Robbins asked Commissioner Harrell if the town manager or the personnel officer had anything to do with the writing of the job description. Commissioner Harrell advised they were not involved and that he had put it out as part of the packet so we could discuss it. He advised this item was intended to be discussed under items from the Commissioners. Commissioner Harrell said basically we agreed to put \$30,000 in the budget for that position but the job duties have not been determined. Mayor Mulligan said he agrees with Commissioner Robbins that this was intended to be more of a Parks/Recreation position but it needs further discussion. Commissioner Dawson asked if we can approve the budget without a determined job description. Mr. McEwen said approving the budgeted amount for the position is not a problem, we just have to come up with a suitable job description and have it approved and added to the personnel policy before we can advertise and hire for the position.

Commissioner George asked about the incentive amount for the fire department. Mr. McEwen advised the money is in the budget for that program. Allen Wilson advised the program was budgeted for six months and there would be a program evaluation at the end of six months and further appropriation for the remainder of the year depending upon the findings of the evaluation. He said that was the recommendation of the policy/finance board. Mr. Wilson advised they would have to come back in six months to ask for something because at that time the current funding will run out.

Mayor Mulligan said at the beginning of the budget process there was discussion regarding reduction of property taxes. He said we have now completed our budget and he still would like for the board to consider the reduction of property taxes in the amount of three cents which would result in a total reduction of around eighty two thousand dollars which would still leave us with a non-departmental reserve in excess of what we typically keep in that reserve fund. He said he would entertain a motion for a 3 cent tax reduction. Commissioner Harrell made a motion to create a three cent reduction in the tax rate. The motion was seconded by Commissioner Murphy. Commissioner Robbins said he would like for you gentlemen to make a list of what you would like for us to cut and that's all he would like to say. Mayor Mulligan said the only comment to that is that we have funded everything in our budget. Commissioner Robbins said there are a number of items that will come up later in the year that will need funding and those things must be considered. He said if you want to cut taxes just write down what you want to cut. Mayor Mulligan said we have the ability to cut the non-departmental reserve. Mayor Mulligan said we have a motion and a second to cut the taxes. Commissioners Harrell and Murphy voted "aye". Commissioners Dawson, George and Robbins voted "nay". Motion failed 3-2.

The public hearing was closed at 6:09 PM.

Commissioner Harrell made a motion to approve Ordinance 2016-09. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

ORDINANCE 2016-09 BUDGET ORDINANCE

FISCAL YEAR 2016-2017

BE IT ORDAINED by the Board of Commissioners of the Town of Burgaw, North Carolina:

SECTION 1: The following amounts are hereby appropriated in the General Fund for the operation of the town government and its activities for the fiscal year beginning July 1, 2016 and ending June 30, 2017 in accordance with the chart of accounts established for this town:

<i>GENERAL FUND EXPENDITURES</i>	
Governing Body	\$ 80,134
Administration	\$ 350,262
Depot	\$ 169,393
Incubator Kitchen	\$ 13,372
Police	\$ 920,874
Fire	\$ 473,675
Planning	\$ 113,715
Inspections	\$ 138,624
Powell Bill	\$ 168,275
Streets	\$ 230,835
Sanitation	\$ 312,220
Non Departmental	\$ 298,798
City Parks	\$ 167,756
Cemetery	\$ 42,559
Garage	\$ 72,716
Special Appropriations	\$ 84,000
Community House	\$ 16,620
Old Jailhouse	\$ 3,000
EMS Building	<u>\$ 4,500</u>
TOTAL	\$ 3,661,328

SECTION 2: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017 at a tax rate of \$0.48 per \$100 valuation:

<i>GENERAL FUND REVENUES</i>	
Ad Valorem Taxes	\$1,321,232
Other Taxes and Licenses	\$1,266,920
Unrestricted Intergovernmental	\$ 349,725
Restricted Intergovernmental	\$ 360,379
Permits and Fees	\$ 25,100
Sales and Services	\$ 330,750
Investment Earnings	\$ 1,722
Miscellaneous	\$ 5,500
Fund Balance Appropriated	<u>\$ 0</u>
TOTAL	\$3,661,328

SECTION 3: The following amount is hereby appropriated in the Water and Sewer Fund for expenditures consistent for the proper operation of the water and sewer utility for the fiscal year beginning July 1, 2016 and ending June 30, 2017 in accordance with the chart of accounts established for this fund:

<i>WATER & SEWER FUND EXPENDITURES</i>	
Water Distribution	\$ 667,982
Sewer Collection and Treatment	\$ 357,146
Transmission Line	<u>\$ 654,397</u>
TOTAL	\$1,679,525

SECTION 4: It is estimated that the following revenue will be available in the Water and Sewer Fund for the fiscal year beginning July 1, 2016 and ending June 30, 2017 based upon a flat water rate of \$9.26 and a per 1,000 gallons rate per Attachment I and a sewer rate of \$9.23 per 1,000 gallons:

<i>WATER & SEWER FUND REVENUES</i>	
Water Distribution	\$ 618,291
Sewer Collection and Treatment	\$ 1,031,234
Impact Fees	<u>\$ 30,000</u>
TOTAL	\$ 1,679,525

SECTION 5: There is hereby levied a tax rate of \$.48 per one hundred dollars valuation of property as listed for taxes as of January 1, 2016 for the purpose of raising revenue as listed by category of General Fund Revenues in Section 2 of this Ordinance. This rate is based upon an estimated rate of collection of 95%.

SECTION 6: The Finance Officer with the approval of the Town Manager is hereby authorized to transfer appropriations within a fund contained herein as follows:

- a. Transfer amounts between objects of expenditure within a department without limitation and without a report being required.
- b. Transfer amounts between departments of the same fund with an official report on such at the next regular meeting of the Board of Commissioners must be approved by the Town Manager. No transfers shall be made of any amount between funds appropriation within any fund without Board authorization.
- c. In an emergency situation the Town Manager in consultation with the Mayor or Mayor Pro Tem may expend funds from any source. The Board will be notified as soon as possible of the expenditure.

SECTION 7: The Finance Officer with the approval of the Town Manager is hereby authorized to carry-over in the appropriations for the fiscal year any previously approved purchase orders and accompanying budget authority.

SECTION 8: This ordinance includes Attachment I - Schedule of Fees, Attachment II - Pay and Classification Schedule.

Adopted this, the 14th day of June, 2016 by the Board of Commissioners of the Town of Burgaw.

(Due to large volume of information attachments are on file in the clerk's office)

Public Hearing 2 - Rebekah Roth, Planning Administrator

Consideration of a requested amendment to the Town of Burgaw Unified Development Ordinance, Sections 8-2, 8-4, and 4-8, to allow Cargo Storage Containers in the RA zoning district.

The public hearing was opened at 6:10PM.

Rebekah Roth, Planning Administrator advised is petitioning for permission to place a cargo container on his property. She advised Mr. Wells is present to answer any questions. She presented the following background material:

Current Regulations and Standards. Currently the town only allows cargo storage containers (shipping containers) to be used as accessory structures in the I-1, Light Industrial, and I-2, Heavy Industrial, zoning districts as a use-by-right and the B-2, Highway Business, zoning district with a conditional use permit. Applicant James Wells is requesting that they also be allowed in the RA, Rural Agricultural district.

In the zoning districts in which they are currently allowed, these containers are subject to the following standard:
Cargo Storage Containers shall be subject to the standards for accessory buildings as outlined in Section 8-1 of this ordinance. Cargo Storage Containers must be located to the rear of the primary structure and screened with a fence tall enough to obscure the entire container (maximum height of eight (8) feet) or vegetative screen. Containers may be used for storage purposes only.

The Rural Agricultural (RA) district is defined as:

The purpose of this district shall be to maintain a compatible mixture of single-family residential and agricultural uses with a maximum density of one (1) dwelling unit per acre. The regulations of this district are intended to discourage any use which, because of its character, would substantially interfere with the development of residences and which would be detrimental to the quiet residential nature of the areas included in this district. No RA district shall be less than ten (10) acres in area. The Rural Agricultural District is intended primarily for traditional agricultural use, preservation of natural areas, recreation space, and low density residential uses, as well as non-residential uses that are associated with, accessory to, or supplemental to typical agricultural uses. This district is not typically served by public water and sewer facilities.

Uses-by-right in the RA district include residential uses, agricultural uses, and rural commercial uses such as milling, grain sales and storage, animal grooming, plant nurseries, and tobacco processing.

According to the attached size specification information on shipping containers, the square footage of this type of accessory structure would require no more than a five-foot setback from adjacent property lines.

Survey of Other Jurisdictions. Staff surveyed 46 other jurisdictions around the state, and found that the majority of them did not specifically address this type of structure.

Not Specifically Addressed	Allowed for Temporary Uses Only (PODS)	Allowed with Standards	Prohibited (either specifically or because of size)
33	8	2	3

The two jurisdictions that allowed these structures with standards are High Point and Pender County. High Point allows them in eight districts, including an AG district. Permanent use of these structures is only allowed in non-residential districts in Pender County. The primary standards in these jurisdictions are placement and screening.

Considerations. The primary consideration for this type of structure is aesthetics. This can be mitigated by screening, placement, etc. There is nothing in the land use plan that specifically addresses this type of structure in rural areas.

Staff Recommendation. In a Rural Agricultural area, if properly screened and placed on a lot, a limited number of this type of structure should not be out of character, given the uses permitted in the district. As a result, staff recommended that if this type of structure were deemed appropriate for the area, they be allowed as a use-by-right subject to standards regarding number, placement, screening, and grandfathering.

Planning Board Recommendation. The planning board was concerned about the aesthetics of this type of structure given the many residential properties zoned Rural Agricultural, and as outlined in the attached written recommendation, voted that these structures be allowed only as a conditional use with technical review in the RA zoning district.

Attorney Kenan administered the oath to James Wells, Applicant.

Commissioner George asked Mr. Wells if he plans to fix the container to look like a building. Mr. Wells advised his intent is to clear out a patch of woods, bring in a load of dirt and a load of rocks to build up the container which will be about 500 feet off the road. He would then place a pole barn over the container and have a parking space on one side for open storage and close in the front so that the only thing visible on the container would be the doors on the front of the container. Mr. Wells said if this is not approved he will go with another plan, it doesn't make any difference to him.

There was much discussion regarding what effect this would have on other requests for storage containers in the town's zoning jurisdiction. Ms. Roth said the best way to control this is the conditional use process and that is why the Planning Board decided to go this way. She said there are a couple of Planning Board members that live in the ETJ in a small lot neighborhood setting and that is why they felt the conditional use process is the best because this can be reviewed on a case by case basis.

Ms. Roth reminded the Board that first they must pass the ordinance making cargo storage containers an allowable use in these designated areas and then Mr. Wells must come back with his plans for his conditional use.

Mr. Wells said he agrees that there must be specific guidelines in this situation and he has no problem with doing it the right way.

Mayor Mulligan said the advice of the Planning Board is to make this item a conditional use. Ms. Roth briefly reviewed the current requirements for use of cargo containers. Mr. Wells re-stated that if this is not approved he has no problem with building a barn for storage; he said he just thought this would be a quick solution for storage.

Commissioner Robbins said he is inclined to allow Mr. Wells to move forward with his plan because of where he is located but he is unsure of the future ramifications if we allow this one and other situations arise. Commissioner Robbins said that Pender County requires a special use permit for these containers.

Commissioner Dawson said that basically our planning board is saying that if we approve it we need to approve it as a conditional use.

The public hearing was closed at 6:25PM.

Commissioner George made a motion to concur with the Planning Board. Mayor Mulligan moved on to vote on the statement of consistency. The clerk reminded the Mayor there is a motion on the floor. Mayor Mulligan asked Commissioner George to withdraw his motion so we can move on to the approval of the Statement of Consistency. Commissioner George withdrew his motion.

Commissioner Harrell made a motion to approve Resolution 2016-28 approving a Statement of Consistency. The motion was seconded by Commissioner Robbins and carried by unanimous vote.

**RESOLUTION 2016-28
ADOPTING A STATEMENT OF CONSISTENCY REGARDING A PROPOSED AMENDMENT TO ALLOW
CARGO STORAGE CONTAINERS IN THE RURAL AGRICULTURAL ZONING DISTRICT**

WHEREAS, applicant James Wells has requested the town allow cargo storage containers as accessory structures in the RA, Rural Agricultural, zoning district; and

WHEREAS, planning staff has reviewed the proposed amendment for consistency with the Town of Burgaw 2030 Comprehensive Land Use Plan and has presented those findings to the Town of Burgaw Planning Board and the Town of Burgaw Board of Commissioners; and

WHEREAS, the Town of Burgaw Planning and Zoning Board voted at their May 19, 2016 meeting to recommend the adoption of a draft consistency statement to the Board of Commissioners; and

WHEREAS, the Town of Burgaw Board of Commissioners reviewed the staff report and draft consistency statement at their June 14, 2016 meeting and find the proposed amendments to be consistent with the Burgaw 2030 Comprehensive Land Use Plan, reasonable, and in the public interest;

NOW THEREFORE BE IT RESOLVED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT the proposed text change amendment is consistent with the Burgaw 2030 Comprehensive Land Use Plan because this type of structure is in keeping with the existing character of the uses recommended for the Rural Character and Rural Transition land use designations. The board also finds that the proposed text change amendment is reasonable and in the public interest because it mitigates the aesthetic issues caused by this type of structure and specifically requires removal in the case of rezonings to districts in which this type of structure is not allowed.

Adopted this 14th day of June 2016.

Ordinance 2016-10 Approval of Amendment to Town of Burgaw Unified Development Ordinance Sections 8-2, 8-4 and 4-8 to allow cargo storage containers in the RA Zoning District

Commissioner George made a motion to approve Ordinance 2016-10 as presented. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

**ORDINANCE 2016-10
APPROVING AN AMENDMENT TO ALLOW CARGO STORAGE CONTAINERS IN THE RURAL AGRICULTURAL
ZONING DISTRICT**

WHEREAS, the Town of Burgaw is a municipal corporation organized under the laws of North Carolina, invested with the powers enumerated in Chapter 160A of the North Carolina General Statutes; and

WHEREAS, the Town of Burgaw Board of Commissioners adopted the Unified Development Ordinance (UDO) and official zoning map on December 12, 2000; and

WHEREAS, the town has been requested to allow cargo storage containers to be used as accessory structures in the RA, Rural Agricultural, zoning district; and

WHEREAS, the aesthetic issues posed by this type of structure can be mitigated by screening and placement; and

WHEREAS, the Rural Agricultural district allows uses such as milling, grain sales and storage, animal grooming, plant nurseries, and tobacco processing; and

WHEREAS, at their May 19, 2016 meeting, the Town of Burgaw Planning and Zoning Board voted to recommend approval of allowing cargo storage containers as conditional uses requiring technical review, subject to standards; and

WHEREAS, the Town of Burgaw Board of Commissioners finds the proposed amendment consistent with the Burgaw 2030 Comprehensive Land Use Plan because this type of structure is in keeping with the existing character of uses recommended for the Rural Character and Rural Transition land use designations; and

WHEREAS, the Board of Commissioners also finds that the proposed text change amendment is reasonable and in the public interest because it mitigates the aesthetic issues caused by this type of structure and specifically requires removal in the case of rezonings to districts in which this type of structure is not allowed;

NOW THEREFORE BE IT ORDAINED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT SECTION 1. The Town of Burgaw Unified Development Ordinance is amended as follows:

Section 8-2: Table of Permitted Uses

Uses	NAICS	RA	R-20	R-12	R-7	R-7 MH	PUD	O&I	B-1	B-2	I-1	I-2	C/P
Cargo Storage Containers (including tractor trailers) ³		C ^t								C	X	X	

Section 8-4: Use Standards

F. Cargo Storage Containers (including tractor trailers). Cargo Storage Containers shall be subject to the standards for accessory buildings as outlined in Section 8-1 of this ordinance except that they must meet all setback requirements of the subject zoning district regardless of size. Cargo Storage Containers must be located to the rear of the primary structure and screened, with a fence tall enough to obscure the entire container (maximum height of eight (8) feet) and/or vegetation, from any adjacent property or public right-of-way. Containers may be used for storage purposes only. In the RA district, no more than two (2) containers shall be allowed on residentially-zoned properties, no more than three (3) shall be allowed on nonresidential properties, and no containers shall be allowed on properties without a primary structure. All containers shall be maintained in good condition free from structure damage, rust, and deterioration.

Section 4-8: Exceptions

- A. Cargo Storage Containers.** These types of structures are not eligible for grandfathering in the case of property rezonings to a district in which they are not allowed. In the instance of such a rezoning, containers must be removed within ninety (90) days of the effective date of the rezoning.
- B. RESERVED**

SECTION 2. This amendment becomes effective immediately upon adoption of this ordinance on this, the 14th day of June 2016.

Public Hearing 3 - Rebekah Roth, Planning Administrator

Consideration of an amendment to the Town of Burgaw Code of Ordinances Chapter 14, Environment, Article II, Nuisances, to allow for specified civil penalties for violations.

Upon Mayor Mulligan’s announcement of Public Hearing #3, Attorney Kenan interjected that before we begin this public hearing the ordinance says that he must approve all ordinances as to form. Attorney Kenan said this ordinance is a part of the general code of ordinances and having just reviewed this ordinance in the packet this weekend at this point in time he does not approve that ordinance as to form. He said that means that the Board may table this hearing until a later date or they may refrain from the attorney’s advice and go ahead act upon it. Attorney Kenan advised the primary issue is that this is a code of ordinance that he needs to research to see that all is in compliance with the statutory law. He said at that time if there are any amendments, he can present those to the Board. Mayor Mulligan asked if this item was presented to the Planning Board. Ms. Roth advised this item was reviewed by the Policy/Finance Board. Mayor Mulligan requested a motion to table this item on the advice of the attorney. Commissioner Harrell made a motion to table this public hearing until the July meeting. The motion was seconded by Commissioner Robbins and carried by unanimous vote.

ITEMS FROM MAYOR AND BOARD OF COMMISSIONERS

Commissioner Robbins presented copies of a proposed bench honoring former Mayor/Commissioner Charles Harrell. He advised he feels this rendering is a proper tribute and would like to have the bench placed in front of Harrell’s Department Store. Commissioner Robbins made a motion to proceed with the proposed design and purchase of a bench and place it in front of Harrell’s Department Store in honor of the late Charles Harrell, Sr. The motion was seconded by Commissioner George and carried by unanimous vote.

Commissioner Dawson advised she noticed in the packet that one of our planning board members, Mr. Jeff Rooks has missed more meetings than he has attended. She asked Ms. Roth if there is a policy that deals with attendance. Ms. Roth said it allows for Commissioners to remove someone for cause. She advised if a member misses more than four meetings the Commissioners can remove them from the planning board if they desire. Commissioner Dawson asked if we are at the point that we should be looking for someone else. Ms. Roth said that would be the Board’s

decision. She advised if the Board desires she can contact Mr. Rooks to determine what his intent is. It was the consensus of the Board to have Ms. Roth make contact with Mr. Rooks before making any decisions.

Commissioner Dawson asked Mr. Fay to have Vanguard Utilities workers to be mindful of the condition they leave in the yards of citizens after replacing the water meters. She said she has observed some debris left around the work area in some of the yards in her neighborhood.

Commissioner Dawson commented that the crape myrtle trees on South Walker look bad. Mr. Colon advised they were just trimmed yesterday.

Commissioner Dawson asked Ms. Roth if it is possible to consider amending the ordinance to allow for replacement privacy fences to be eight feet in height instead of six feet. She advised a neighbor has asked about this. She said part of this problem is related to the height differences when one house is on a slab foundation and another is a crawl space foundation that a six foot fence is not tall enough for privacy. Ms. Roth said this can be considered in the re-write of the ordinance.

Commissioner Harrell asked Bill Fay to explain how the change in the debris pick up is being received by the public. Mr. Fay said that after the mailing of the policy to each resident, we have had an increase in debris pick-up. He also he has had to deliver a copy of the policy because residents have put out more debris than the policy allows. He said now more than ever we need to adhere to the limits because of the increase of the use of the service. He presented a lengthy review of some of the situations they have had to deal with in regards to excess debris being placed by the street that is outside the policy guidelines. Commissioner Harrell wanted to know if the crew makes the assessment or someone else. Anthony Colon advised he travels the town and photographs the debris and brings it to Mr. Fay and then the determination is made to pick it up or not. He also said it is still picked up if the property owner leaves it there over a period of more than a week; it is picked up in increments that are covered by the policy. Mr. Colon also said the crews are not allowed to have any exchange with the property owners, only he and Mr. Fay will talk with the property owners regarding the debris. Mr. Fay said biggest problem is the residents that use the Friday pickup for an extra trash day instead of the bulky items as intended.

Commissioner Harrell commented that the Policy/Finance Board has discussed expanding the committees beyond just two commissioners. He said it seems a little unwieldy to him because there are times that we (the Board) cannot make decisions because there are only two of us and we disagree. He said he feels that we should authorize an expansion of at the very least of the Policy/Finance Board and some of the other committees could use input from the public as well. He said he is not putting that in the form of a motion at this time but I would like for you to think about it.

Commissioner Harrell commented regarding the draft job description that he put together for the community development coordinator. He said it is more than we had originally discussed as far as parks and recreation. He said as a parks/recreation position it is limited in what can be accomplished. He said a community development coordinator has the potential to bring the needs of the citizens into more of a useful situation. Commissioner Robbins said he is more inclined for a parks and recreation person. He said from what he has read from Commissioner Harrell's draft job description, he is proposing more of a social worker and that is the county's responsibility. Commissioner Robbins said we need someone to create programs and opportunities based on what we have and people will find it. He also said that the job description needs to be drawn up by Mr. McEwen and Ms. Wells when they have an idea of what we want as Commissioners; we should have a deadline as to what we feel this position's job responsibilities should be and let the manager know our thoughts and he could put it all together for us and go from that. Commissioner Harrell disagreed with the parks/recreation position and feels that this position should be more than a parks/recreation position and should be responsible for developing a sense of community not just give the kids something to do. Commissioner Robbins said that Mr. McEwen needs to hear from everyone and we should write our thoughts down and give to him so he can come up with a job description. Commissioner Dawson agreed that the town manager and the HR person should be the ones writing the job description in order to be written in the correct format as required. She said also she remembers from a previous board meeting there was much discussion of a parks/recreation position that could help with programs. She said there could also be some overlap with a community development position as well that could help the police department with their needs. Commissioner Harrell said his idea was for this position to be more than just parks and recreation.

Mayor Mulligan asked if the oaks on the corner of Walker and Wallace have been taken care of. Mr. Fay advised “yes”.

Mayor Mulligan inquired about the group home discussion that was held at last month’s meeting. Chief Hock advised he and his department made personal contact with the neighbors and listened to their comments. He advised the main concern is from an individual that lives in close proximity to the group home. He said all were asked to call the police department at the time there is a situation and not to wait several days before letting them know of any issues. He also commented that there were several neighbors that were not even aware of the group home in their community.

BREAK: Mayor Mulligan called for a five minute break at 7:05PM. The meeting reconvened at 7:10PM.

Discussion Item – Results of Policy Finance Meeting Regarding Personnel Policy Amendments

Commissioner Harrell said the committee felt like that sections two and three in the pay increases, merit and or reclassification should be re-included as necessary for defining the pay classification. He said there were changes in the rate of the increase from 6 percent to 10 percent for a twelve month or greater employee and 5 percent from 3 percent for a shorter term employee. The other change was that the merit based increases *may* be given as a one-time supplement. Commissioner Harrell said he was under the impression that they *would* be given as a one-time supplement. Also in adjusting the pay brackets for the employees that rise above the top of the bracket it will not necessarily raise the minimum of that bracket. Commissioner Dawson questioned the 6% vs. 10% change. Mayor Mulligan said that what Commissioner Harrell is saying is that we will leave the ordinance the way it was and instead of having a 6% increase in salary as a result of a pay re-classification we will change that to 10%. In the case of a reclassification of a position of less than 12 months that will be an increase of 5% in salary or up to the minimum of the next pay classification. Commissioner Harrell said this was actually an attempt to give the town manager less incentive to change positions above what was necessary. He said there should be a standard practice. Mayor Mulligan said the standard practice was 6% now it is 10%.

Commissioner Dawson asked why only the maximum salary was adjusted and the minimum salary was scratched through. Commissioner Harrell said the maximum shall be adjusted accordingly in the pay brackets and the minimum will stay the same. Commissioner Dawson said the minimums and maximums must be adjusted accordingly to stay within a certain percentage or that percentage will balloon if there is never an adjustment to the minimum. Commissioner Harrell said when an employee rises above the maximum in the bracket, the maximum will be adjusted to allow for that rate but the minimum will not. Commissioner Dawson asked Mr. McEwen to interject if necessary. Mr. McEwen said a cost of living adjustment is making sure that \$35,000 is equal year after year and that people are not going backwards. If a job is worth \$35,000 in 2016 how are you going to stay competitive with the market if it’s not floating with the top of the range? Commissioner Harrell said he is concerned about the merit pay increasing the employee’s salary. Mr. McEwen said the section 6 only applies to COLA. Commissioner Harrell said he didn’t read that properly. He asked if there is any arrangement for when the pay grade is adjusted for merit. Mr. McEwen said if merit based increases will be given in the form of a one-time supplement as outlined in Article III then no employee’s salary compounds for retirement purposes and that is a huge issue for retention and recruitment of employees. Mayor Mulligan and Commissioner Harrell said they were under the impression that merit pay would be supplement only and not meant to increase an employee’s salary. Commissioner Robbins said he finds this issue to be very confusing in regards to the difference between a merit supplement and a merit increase. Mr. McEwen explained how a merit supplement would essentially leave an employee behind on the salary scale because his base salary would always be the same.

Mr. McEwen said there are two points he wants to express. He said there was a merit pool of \$20,000 last year and there is approximately \$6,000 left unused so he doesn’t use that as a starting point that he’s got to burn all that money. He said he has never used the whole merit pool, he said that is not the basis for which he and the department heads determine who is merit eligible and working towards a number and divvying out from that point. He said the other point is that as employees stay they do that job better. He said as employees get years of service and time they do their job better; they become more educated, more experienced and gain institutional knowledge. Mr. McEwen said institutional knowledge is worth something, whether you think it is worth something or not, it is worth

something. He said if you don't have institutional knowledge you start from zero. We have to train them, bring them up to speed and it is the cost of time. He said it is called lost capitalization of a human asset. They could be doing something more efficient than learning a process and learning the organization. Ultimately, this discussion has come down to a value of institutional knowledge or a lesser value of institutional knowledge. He said he values institutional knowledge for right or for wrong. Mr. McEwen said we will do whatever the board decides. He indicated this policy has had a lot of review and a lot of time. He said he presented the policy that he thought the majority of the board wanted, policy and finance committee has their recommendation with the 10 and the 5 and change the minimum. He said he will do whatever the board decides of course.

Mayor Mulligan said somebody is going to have to make a motion for something. He said he sees this as a misunderstanding by which Mr. McEwen thought one thing and the policy/finance thought something completely different.

Commissioner Harrell made a motion to table this item until the next board of commissioners meeting. He clarified that this is not to go before policy/finance but to go back to the Board of Commissioners in July. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

CLOSED SESSION – Pursuant to GS 143-318.11 (a) (3) Attorney/Client Privilege (7:30PM)

Commissioner Dawson made a motion to go into closed session Pursuant to GS 143-318.11 (a) (3) Attorney/Client Privilege. The motion was seconded by Commissioner Harrell and carried by unanimous vote.

OPEN SESSION RECONVENED (8:32PM)

Commissioner George made a motion to go out of closed session. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

ADJOURNMENT

Commissioner Harrell made a motion to adjourn. The motion was seconded by Commissioner Murphy and carried by unanimous vote. The meeting adjourned at 8:35PM.

Eugene Mulligan, Mayor

Attest: _____
Sylvia W. Raynor, Town Clerk