

MAYOR
Michael L. Alvarez

MAYOR PRO TEM
David L. Cohn

INTERIM TOWN MANAGER
Scott J. Kaufhold, P.E.



TOWN COUNCIL
Gordon B. Daniels
Gary M. Savoie
Amy R. Stanton
Mark A. Wireman

**Indian Trail Town Council
Regular Meeting
Tuesday, February 23, 2016
Civic Building—6:30 PM**

MINUTES

The Indian Trail Town Council convened at 6:30 PM on Tuesday, February 23, 2016 for a Regular Town Council Meeting in the Council's Chambers at the Civic Building—100 Navajo Trail, Indian Trail, NC 28079.

The following members of Council were present:

Mayor Michael L. Alvarez
Council Member Gordon B. Daniels
Council Member Mark A. Wireman

Mayor Pro Tem David L. Cohn
Council Member Amy R. Stanton
Council Member Gary M. Savoie

The following members of Staff were present:

Interim Town Manager/Director of Engineering Scott J. Kaufhold, Town Attorney Keith Merritt, Town Clerk Kelley Southward, Planning/Neighborhood Services Director Rox Burhans, Communications Coordinator Mike Parks, Community Engagement Coordinator Julia Zweifel, Revenue/Tax Collector Alicia Massey and Community Development Specialist Susan Didier.

1. CALL MEETING TO ORDER & PLEDGE OF ALLEGIANCE

Mayor Alvarez called the meeting to order at 6:30 p.m. and led everyone in the Pledge of Allegiance.

2. AGENDA ADDITIONS & DELETIONS

NONE

3. MOTION TO APPROVE AGENDA

Councilman Savoie made a motion to approve Agenda. The motion was approved unanimously.

4. PRESENTATIONS/INTRODUCTIONS

a) Founder's Day Presentation—Recognition of Quentin Kindley

Don Moore of the Indian Trail Arts and Historical Society introduced the presentation and Certificate of Recognition. Indian Trail will be 109 years old next month. Mr. Quentin Kindley's family was in attendance and they were all asked to stand. Mr. Moore stated that

the Kindley family set the bar high by what their parents and grandfather did for Indian Trail's community. There is a social event to follow the presentation, to be held at the Cultural Arts Center.

Mayor Alvarez read the Proclamation which recognized the significant contributions of Quentin R. Kindley, as a public servant that selflessly dedicated his life to improving the quality of life for everyone in Indian Trail.

A photograph was taken of the family members with the Town Council.

b) Union County Board of Education Update by Mr. Gary Sides

Mr. Sides represents Indian Trail District 3 of the Union County School Board and was in attendance to request feedback from constituents regarding: long term capital plans for Sun Valley High School. The Union County School Board is in the midst of developing a plan called the CCEP, many hours of staff time and that of an outside demographic expert, Dr. McKibbin, have gone into the plan. Dr. McKibbin is projecting that after a bubble (currently in 9th grade) our school enrollment will level off and eventually decline. The facilities community met to discuss the updated CCEP taking into account Dr McKibbin's changes.

There has been talk about the need for a new Sun Valley High School, which was built in 1960. The following options are on the table. Mr. Sides is requesting feedback from this district, with an understanding of the opportunity and the costs of the options:

Options:

- #1 - A new Sun Valley High School is built on the property where the football field is located. The old school (except for new gym & science wing) would be demolished; the property it occupies would be sold for commercial retail development. Cons: A commercial property adjoining the high school and whether the roads can handle the additional commercial traffic. Cost \$60 million.
- #2 – Build an advanced technology center, dealing with jobs and training of a technical nature. Hybrid high school and combo technology center. It would also be built where football field is located. Price tag is \$102M. Cons: increased traffic, and different age groups. Pros: cost savings of not having two facilities: \$102 million vs. \$120 million.
- #3 - Update current school to include new kitchen, expanded cafeteria, updated classrooms, sport complex, auditorium, office and media center. \$25 million.

All this is proposed for bond or combination of bonds. Total capital projects: \$220 million. Go to website and see updated CCEP, what the plans are and timing. How should we best utilize our resources? My email address is on the UCPS website and I would like to hear from my constituents about this topic.

Mayor Alvarez: Can the school district divert them off the main roads to keep buses from clogging up Taylor Glen? Off Rodgers, through Old Charlotte Highway and it's only closed off by a gate.

A: (Mr. Sides) I will ask Staff and get back with you. It was not mentioned in the generalities of describing the three options.

Councilman Daniels: Sell the land on corner, has anyone valued that land?

A: (Mr. Sides) Not that I'm aware of.

Councilwoman Stanton: Let the residents know that the Board of Education is having a meeting March 1st at Piedmont Middle School to go over this again.

Q: Do you have the list of the ATC for the Academy?

A: (Mr. Sides) No.

Councilman Cohn: Is there one option you like better?

A: (Mr. Sides) I have concerns with the hybrid concept (Option #2). In my opinion, there are safety and traffic issues with that option. I am not convinced that an advanced technology center is what is needed.

Q: Is there still any thought to adding a High School to Hemby Bridge area? The residents still talk about that happening.

A: (Mr. Sides) No, that is totally off the table. The numbers support additional classes and expansion for Porter Ridge Middle and High. There is no justification to Hemby Bridge High and Middle.

Councilman Savoie. New schools increase property taxes. Property is large, any discussion to moving it back. Are there any renderings? Is there consideration in Option 3 to add more classrooms?

A: (Mr. Sides) It starts where the new gym and science wing is and back toward baseball diamond and middle school. I have not seen any drawings. There is consideration for adding some classrooms.

Councilman Wireman:

We could use the Community Engagement person that we have onboard to do a survey in the Sun Valley area and use social media to see what people want or are looking for.

Mr. Sides said that is a great idea since Council should understand that the next step is to go to the County and the County approves what goes on the bond. They need the feedback.

5. PUBLIC COMMENTS

- **Gordon B. Daniels, 1020 Woodkirk Lane – Matthews** – Councilman Daniels left his seat at the dais to make public comments from the podium. Public participation about Town Center and Community center. About 15 months ago we had 10 sessions where the public was able to comment on interior and exterior. Reminding Mayor and Council to be transparent. Town Hall Community Center Floor Plan 3 Alternate. I Think Council should have another alternative and the public should have chance to look at it and express their opinions.
- **Samantha Towns, 104 Pine Lake Drive.** Town Hall, #1 citizens asked for referendum which was denied. Now we are left with a monstrosity that was changed from the original plan and now reelections are coming up and now transparency is being called for. Now the citizens will have to pay additional money to get this building completed. Thanks to the new Town Council for letting us know.
- **Michael Faulkenberry, 519 Pickett Circle.** I spoke about the flooding in Traywick as far back as 2012. The County and Town only point fingers at each other. A public official called me a paper terrorist and stalker; the Mayor has not given me a public apology. He said he would take care of it in Council Comments but has not done so.
- **Jesse Brantley, 1714 Cottage Creek Road.** There is an expansion project underway at Crooked Creek Wastewater. I inquired of a (Union County Public Works) engineer if they planned to utilize heavy equipment and if so would there be any downtime? The engineer responded yes (to both questions). I asked if that equipment could be moved over here to help with our runoff

problem, and he responded that it would require a permit from the Town Council. Asking the Town to consider that as a solution.

6. LAW ENFORCEMENT UPDATE

Lt. Coble:

- Trying to get yearly mandated training completed in early part of year.
- Bonterra arrest, Deputy arrested female inside the neighborhood impaired for possession of schedule 2 narcotics. She was sitting in vehicle by the soccer fields.
- The new planters in the front of the building were installed to protect the wall from vehicles due to a concern with its structural strength (building was a garage). It was a town security recommendation in 2011.
- Lt. Coble suggested an upgraded system with a video recording for Town meetings. Union county has a cable channel where the meetings could be televised.

Q&A for Lt. Coble:

Councilman Daniels:

Q: Have all budgeted deputies been hired?

A: Yes Justin Kesiah should be finished in two weeks.

Q: Did council approve planters? What was the cost?

A: (Lt. Coble) I don't recall if Town Council approved the planters. Councilman Wireman asked Mr. Kaufhold the cost of the planters.

A: Mr. Kaufhold: \$2,000 cost for planters. Councilman Wireman said that Mr. Kaufhold can make those decisions; he is not required to get Council approval for a \$2,000 expense.

Upon a query from Councilman Savoie, Lt. Coble noted that deputies were being/had been added in conjunction with the revised contract with the Sheriff's Department.

Councilman Cohn requested everyone speak into their microphones as a complaint has been received about the audio recordings being difficult to hear on-line.

7. CONSENT AGENDA

- a) Street Closure Ordinance for 4th of July and Christmas Parades 2016 (Ordinance #0160223-233)
- b) Deer Urban Archery Season Renewal for 2017

Councilman Wireman made a motion to approve the Consent Agenda. Motion approved unanimously.

Councilman Daniels made a motion to suspend the rules to make an addition to the Agenda to discuss Alternate Floor Plan #3 (for the Town Hall). Council members Daniels and Savoie were in favor. Council members Cohn, Stanton and Wireman opposed, motion was denied.

8. PUBLIC HEARINGS

NONE

– Please adhere to the following guidelines:

- *Proceed to the podium, and state your name and address clearly;*
- *Be concise; avoid repetition; limit comments to three (3) minutes or less;*
- *Designate a spokesperson for large groups*

9. OLD BUSINESS ITEMS

- a) **Council consideration of property tax interest releases**

Mr. Kaufhold: Housekeeping item from prior Council. Last spring the Revenue Division reconciled all parcels with property taxes and fees. Two parcels were discovered to have been annexed into the Town, but the parcels were not included on tax rolls by Union County. During the August 11, 2015 Regular Meeting, Council was made aware of the exclusion and the Town's obligation to bill and collect for all years due from the date of annexation. Staff was not released to send billings to property owners. The Manager did not give approval to Staff to release the letter. The parcel numbers are 07024028 (owes \$558.78 in principle plus \$277.07 in interest) and 07024028A (owes \$1833.33 in principle and \$856.31 in interest)

Councilman Savoie made a motion to send the tax bills to property owners and release prior year's accrued interest on the property tax. Motion approved unanimously.

b) Town Hall Update: Council to select an interior architectural design/redesign.

Mr. Kaufhold: a couple months ago Council directed staff to review the current Town Hall design and try to maximize efficient use of space. The Staff worked collaboratively with builder and architect to bring forth options to Council for consideration. Alternate options being presented tonight are what staff feels to be the most cost effective options that maximize the most space. Basically, we could move forward with the current plan or select one of the Alternates being presented this evening. Staff believes the Alternates provide a better use of the interior spaces. On exterior, an aesthetic feature is proposed to be removed; the builder recommended removal during the value-engineering process. On the interior, a modification of the dual grand stair cases changed to single stair case, a more conventional balcony area on 2nd floor in front of the Council Chambers and removal of additional stairwell in back. These proposed interior changes have allowed for an increase in office space and community room space. Mr. Kaufhold showed the proposed changes in the floor plan options reiterating that the intent was to maximize use of permitted space. This could increase costs, we will find out what the specific costs will be for these changes upon Council direction of how to move forward. Advantages and disadvantages were sent to Council for consideration. Staff recommends Alternate floor plan 2A.

Councilman Daniels:

Q: Where would server room go?

A: Plenty of room, can choose wherever we want it to go, there is space. You could pick an office space for the server room; there is additional space in these Alternate Options that we can choose where the server room can be located.

Q: Mr. Kaufhold, would you consider presenting another plan to Creech to look at it, if one existed, that would save the taxpayers' money?

A: (Mr. Kaufhold) Would that plan have been vetted through the process with the architect and engineer as these options have been? And, are there cost estimates to demonstrate cost savings or cost increases?

Q:(Councilman Daniels) the question you raise brings up another question: Why don't we submit this (an alternate #3 that Councilman Daniels had provided to Council that he believes came from the architect originally)? We are supposed to save tax payers money so let's see if this plan is more cost effective. He would like Council to direct Mr. Kaufhold and staff to present this option to Creech so that they can provide their professional opinion of this option.

A: (Mr. Kaufhold) I believe you stated that this would save money; do you have those cost estimates that would demonstrate a cost savings? I got to see a floor plan, perhaps the one to which Councilman Daniels is referring, that has some changes and there is a couple of flaws with it: I could present that to the public if you'd like or we could wait and you (Councilman

Daniels) or whomever created the design could present and show the flaws. Councilman Daniels said that the design was done by Creech; it's the original design. Mr. Kaufhold said the change that he saw was not. Councilman Daniels said that he was not referring to any plan but rather he said "if" there was such a plan. So, if there is a plan then you (Mr. Kaufhold) want costs associated with the changes and then you would submit it to Creech? Councilman Daniels said his dilemma is that we are the Council and we should be directing Mr. Kaufhold or requesting that you have staff do this. Councilman Daniels said that the plan that Mr. Kaufhold sent to his house on Sunday via email came in a form that Councilman Daniels did not find very professional. Councilman Daniels said the rendering is not labeled and he therefore has questions. Where are the cost estimates for this plan? Councilman Daniels said that he spoke to Mr. Kaufhold earlier today and asked that his plan be giving the same consideration by Council Options 1 and 2; Mr. Kaufhold has dropped Option 1 and now Council is left with Option 2. Sunday was the first time he saw the plan (Option 2) and Councilman Daniels opined that someone hand-drew the plan in a hurry; it is not labeled. Councilman Daniels said he would like to see cost estimates for this plan. Mr. Kaufhold said that the cost estimates were already presented; they are part of the \$400,000 from the architect and the builder. Councilman Daniels said that he has asked on numerous occasions to have Creech and Associates come to a Council Meeting; he confirmed that he called them directly and was told a nice story by them and a nice story by Edifice when he called them as well. Councilman Daniels said he wonders why they are not here to answer these questions. Point of order was called by Councilman Wireman and agreed upon by Mayor Alvarez.

Councilman Savoie: On the plans that you saw, I took the old plans and factored in the community center and fit all the 34 staff in there. This plan has changed again, as noted by Mr. Kaufhold. The original plan would not require the additional \$400,000 from the taxpayers and it does have space for 34 staff members. If there is an option that would not cost the \$400K, why wouldn't we look at it?

Mr. Kaufhold: I can point out the design flaw. On that plan you showed removing telecommunications and electrical room and putting staff in that space—we cannot do that. Councilman Savoie said they would be shifted and a cube erected. Mr. Kaufhold asked for the cost estimates. Councilman Savoie said they would like to see the cost estimates too; perhaps we could save a half million dollars if we can get the cost estimates for this design (the same design to which Councilman Daniels was referring).

Councilman Wireman: On December 8th, Council gave the Town Manager full discretion to look at a re-design of Town Hall, because it was not of appropriate functional use and it was not in keeping with what was presented to the Public, that it was to be a municipal complex and a town hall. The design that was put forth did not hold true to those elements of neither a functional Town Hall facility nor a functional community center facility. Three meetings were held where the public had a chance to view renderings of the exterior of the building but no details of the interior were provided; some interior renderings were provided. Mr. Kaufhold as the engineer have the experience, knowledge and the relationship with Creech. The designs that you are providing have gone through the proper vetting process. Thank you for bringing this forward and continuing to display the true renderings and cost to the public.

Councilman Savoie asked to be dismissed due to family emergency. Councilman Wireman moved to excuse Mr. Savoie from Council meeting at approximately 7:40 p.m.

Before leaving, Councilman Savoie asked Mr. Mayor, to please consider the apology requested by resident in Public Comments or let him know that you do not intend to apologize so that we can move past this issue.

Councilman Cohn:

Agreed that Mr. Kaufhold is an engineer and he respects his professional recommendations. Councilman Cohn said that he finds it odd when people said they had no input because there were people who ran that said they weren't going to build a Town Hall, and then when they got in, they did so. That was not very transparent. We are now asking the public and it will always be out there for them to see. Councilman Cohn was against this project to begin with because the public had no participation. You can say we had 10 meetings related to the project but that's not public participation; public participation would've been allowing the people to vote for the Town Hall. We want to do now, since the people didn't get a choice, is the best thing for the people and our Town.

Councilwoman Stanton:

No one on Council is an engineer or can sit down and make a drawing and do it correctly. However, our Interim Town Manager is an engineer so he and his staff have the professional ability to create a proper rendering. The design is a plan that is exactly what is given to people when they are buying a home or other kind of building. Emails sent to Council from Mr. Kaufhold detail everything by line item. Thanks to Mr. Kaufhold and Adam for all their hard work on this; it looks great. Mr. Kaufhold is supported as an engineer and a Manager.

Councilman Daniels: He had understood that Mr. Kaufhold was not invited to the meetings for the design of the new Town Hall because he is a civil engineer, not a structural engineer.

Mayor Alvarez called point of order to Councilman Daniel's comment and said it was insulting someone's qualifications. Councilman Daniels said he did not intend to insult Mr. Kaufhold's qualifications. Mayor Alvarez said in his opinion it was insulting. Point of order called by Mayor Alvarez.

Mr. Kaufhold: upon query from Mayor Alvarez, said that staff needs direction on how Council would like to proceed; do they want to stick with the previous approved plan or select one of the staff presented options that have been created as a result of Council's direction given on December 8, 2015 or any other option that Council may have in mind?

Councilman Wireman moved that Council move forward Alternate #2A Design Option.

Councilman Daniels: felt that Alternate Plan #3 should be considered. He opined that it is better for the taxpayers and should at least be considered because we are here for the taxpayers and to save them money. If it is not liked that's fine but it should at least be included in the process.

Councilman Cohn: I like Plan 2A because this is a building for the future and that is what we want to do; make a building that will last 80-100 years. Another feature I like about this plan is that it will open up this land (the Civic Building and CAC). Whereas, if it did cost \$400,000 more, we will probably get more money for the land to make the plan more successful for the future. I want to make this building the best building that we can make.

Councilman Daniels: agreed 100% it was always intended to sell this land (where the civic building and CAC are located) but it should be done at the most appropriate time when

profits can be maximized. As this down town area develops these property values will increase.

Mayor Alvarez called for a vote to the motion on the floor to approve Option #2A and motion carried by a vote of three (3) to one (1) with Councilman Daniels opposing.

c) Council consideration of changes to ABC Board Member pay—Update from Town Attorney

Mr. Merritt: I spoke with Ms. Lee at the State ABC Commission about other options for resolving the ABC Board pay discrepancy issue, specifically to Council's suggestion that the ABC Board makes repayment, not the individual Board members. She said that is not an option, the money would have to come back from the individuals. Collectively we could not come up with any additional options beyond those previously presented; either require the members to personally repay the ABC Board or Town Council can approve the Board member pay retroactively. It is now up to Council to make a decision in this matter.

Mayor Alvarez: Council has spent considerable time in two meetings addressing this topic.

Councilman Daniels: Regrettably, I would vote to retroactively approve the pay but I don't agree that a wrong was done. I would rather throw it back to the ABC Board and get them to handle it, but that is not an option.

Councilman Daniels made a motion to approve the pay change retroactively to the date(s) in question and for Staff, to initiate controls to review ABC Board pay on a quarterly basis to make sure this issue does not happen again in the future. Motion approved unanimously.

Mayor Alvarez called for a brief recess; after approximately 10 minutes he called the meeting back to order.

10. NEW BUSINESS ITEMS

- a) Council consideration of making a donation to the Artist Music Guild (AMG). Mr. David L. Cook of AMG gave a presentation to Council on February 11th showing how the organization is helping schools in Union County/Indian Trail and respectfully requested the Town of Indian Trail partner with them in their endeavors by making a \$3,000 donation.**

Councilman Daniels:

Q: Is this done on an annual basis or fiscal basis?

A: (Mr. Kaufhold) The current Donations and Sponsorship Policy specifies allocations and uses. It specifies that donations can be done every two years on an annual budget cycle. The budget is \$4,000, none has been distributed at this point in the budget year. Policy also stipulates a maximum of \$2,000 per organization or cause.

Councilman Cohn made a motion to approve the \$2,000 donation to Artist Music Guild.

Mr. David L Cook, Artist's Music Guild stated that since the last meeting, he has met with Ms. Didier, Community Development Specialist and Councilman Wireman. In November, we will have some of our artists perform in Indian Trail. We also discussed ways to bring attention to your Arts Center; the AMG can do some historical displays. Mr. Cook requests

Council to reconsider the \$2,000 donation. It will cost AMG \$3,000 to handle the existing commitment to the three schools in Indian Trail.

Councilman Daniels asked Mr. Cohn's motion to be withdrawn to address the specifics in the Town Policy. Mr. Cohn agreed to recall his motion but he added that he is not sure that the Town would have to change the Policy to approve the \$3,000 to AMG; staying with the \$2,000/per policy would allow Council to give more to different groups in the community.

Mr. Merritt: The Town's current policy also states that the organization must be based in Indian Trail, since AMG is based out of Monroe that would need to be amended in the current policy. The Policy is within Council's discretion, but the policy should be consistently applied.

Councilman Cohn's motion was withdrawn.

Councilman Wireman made a motion to suspend the rules to add an Agenda item for consideration of modification of the donation policy to include "organizations that are beneficial to Indian Trail community" and change the maximum donation amount to \$3,000.

Councilman Wireman made a motion to consider modifying the language in the Donation Sponsorship Policy to allow sponsorships to include "organizations that are beneficial to the Town of Indian Trail" and to change the maximum amount to \$3,000 in the Policy. All in favor, Motion was approved unanimously.

Councilman Wireman has made the motion for the Town of Indian Trail partnering with AMG and approving the Town donation of \$3,000 to AMG. All in favor, Motion was approved unanimously.

b) Council consideration of 2014 Stormwater Maintenance Contract Renewal

Mr. Kaufhold

The Stormwater Maintenance Contract is a source for funds for continuous work to improve and maintain the existing stormwater system. The 2014 contract with Bullseye Construction allows for three renewals at the same amount (\$261,951.50) as long as the Town and contractor agree. Staff is recommending approval of the third and final renewal of this contract.

Councilman Cohn made motion to approve 2014 Stormwater Maintenance Contract Renewal. Motion was approved unanimously.

c) Council approval of creating the "Business Friendly Act" that will cut red tape for businesses and entrepreneurs and reduce their barriers to entry by reducing the Town's fees for businesses. (Councilman Daniels)

The idea was initially conceived back in 2010. Due to recent suggestions from business people and The EDAC, Councilman Daniels wanted to recommend that Council approve a Business Friendly Act, to reduce the "red tape" and fees businesses incur from the Town.

Councilman Daniels made a motion for Indian Trail Town Council to create the Business Friendly Act which will help implement getting businesses here and keeping businesses here. There was discussion.

Councilman Cohn: (Q) Mr. Burhans, what are the costs to businesses coming to Indian Trail? How many businesses open up every year? In your opinion, do you think it would bring in more business if we have a Friendly Business Act? Were you approached for your input on this topic?

A: (Mr. Burhans) The cost depends, it could be \$50 for a business relocating to an existing space or if building a new structure our fees could be a couple thousand depending on requirements (could be temporary sign permits, rezoning, civil construction, etc). They are nominal amounts considering the scope of investment the businesses are making. In 2013 - 2014 fiscal year, there was \$89,643 in planning revenue; in 2014 -2015 fiscal year, \$133,042. Mr. Burhans did not know the number of businesses that opened in Indian Trail during these years but estimated that about 130 new business permits had been issued last year.

Mr. Burhans said that he thinks the right questions are being asked with this particular item: what can the Town do to support its existing businesses and how can we attract new businesses? But if you waive all the fees are you going to see a resurgence of business growth? In my professional opinion, when I started in 2011 when the Business Friendly Act was still in place, I did not meet a business owner that chose Indian Trail to locate because these types of fees were being waived. I'm not sure if that is the right approach or that it will achieve the goals. Most new businesses move into existing spaces/buildings and typically the fee they pay is \$50; very nominal. For those that build new commercial buildings usually are going to pay \$1 million plus and paying \$2,000-\$5,000 in permitting fees is simply a drop in the bucket when looking at the overall costs. Basically the homeowners and existing property owners would have to absorb the loss of the revenue. Staff will still have to spend time reviewing the plans. So, whereas now the permitting fees offset staff review time if fees were waived staff time for these matters would be passed along to existing tax payers. There may be other things that could be done to achieve the goals of supporting existing business and attracting new business.

Councilman Cohn asked if anyone had come to Mr. Burhans to seek his professional opinion on this matter. Mr. Burhans said he saw the agenda item and pulled some of these numbers to prepare for the meeting but no one had approached him on this subject.

Councilman Daniels:

Mr. Cohn, you made a good point, I should have reached out to Mr. Burhans and I will always consider that in the future.

Q: Mr. Burhans, are there any items in this Business Friendly Act that you would consider?

A: (Mr. Burhans) Item #3, regarding trash enclosures and the expense. I think there should be an allowance for using other materials that may not be as expensive.

Q: Is Indian Trail competitive on these business fees compared to other Towns?

A: (Mr. Burhans) Yes, the former Planning Director evaluated the fees, based on surrounding communities, our fee schedule is in line with immediate surrounding communities.

Councilman Wireman:

History of the Business Friendly Act – It was enacted in 2009; the purpose behind the Business Friendly Act was to make sure that Indian Trail did not fall behind from a growth perspective during tough economic times. Direction at that time was to put it in play with basically two elements, it temporarily halted sign enforcement and halted new business fees for a year. At a future date it was amended to allow the fees to be waived indefinitely if the business would be impacted by the Monroe bypass. It was extended for another year. The financial impact during the extension was \$23,000 on fees waived. In the prior year, (before Business Friendly Act) 223 businesses came to Indian Trail; in the year when the Business

Friendly Act was in effect, 218 businesses came to Indian Trail. It was clearly not a decision making vehicle for businesses that came to Indian Trail.

The Union County/Monroe Economic Organization said that the issue is not fees, but rather rezoning and the implications that rezoning has on the value of the property. When residential is rezoned to commercial it decreases the value in Union County. Also re-zoning takes so much time, and commercial developers don't have the time to wait.

Councilman Daniels:

Had discussed rezoning during EDAC and it has not been resolved, it is still a problem. *I will remove my motion from the table*; there were good points made and Council can address trash enclosures at future date.

Councilman Wireman: At some point during this discussion, it was commented that the economic development department was helping businesses cut through red tape. I am expressing concerns with a department doing that, there could be policy issues, perceptions etc. I would request more clarification from Mr. Kaufhold.

A: (Councilman Daniels) "Red Tape" was my language, but was intended to mean that economic development is guiding them through the process, not "cutting through red tape". Councilman Wireman was satisfied with response, no follow-up needed by Mr. Kaufhold.

Mr. Kaufhold commented re: #5, traffic impact studies. Traffic impact studies that result in roadway improvements being made as part of the development almost always fall under the State's Traffic Impact Policy, (NCDOT). The Town has their own Policy but it mostly mimics the state Policy.

d) Council approval of reducing the Town's tax rate from 18.5 cents to 17.5 cents. (Councilman Daniels)

Councilman Daniels: At the last meeting, Council approved a report to the state Local Government Commissioner (LGC) that shows the Town had approximately \$32 million in total cash on hand on December 31st, 2015. I believe that we should share these excess funds with all residents and business owners in Indian Trail in the form of a tax decrease; reducing the rate from 18.5 cents to 17.5 cents.

Councilman Daniels made a motion to direct staff to do a Proforma at next budget meeting showing what a reduction in the tax rate by 1 cent would have upon our resources. Discussion ensued.

Councilman Wireman: The audit report showed total assets valuing over \$50 million; \$22 million of which was liquid assets (i.e. cash). Of the \$22 million, 52% of it is restricted because it is statutorily mandated that it can only be used for specific projects. So, if you take the 52% out of the \$22 million, there is \$10.8 million remaining that covers the operational costs of the Town. There is a specific policy that states that 30% of the \$10M has to remain in the account which leaves about 7-8 million dollars to run the Town in the general funds. The tax increase that was done, capital project ordinance mandated that 4 cents of that increase was to fund the capital project ordinance. One cent of that was to fund the municipal complex. If the tax rate is dropped, we have implications from a capital projects aspect; the implications potentially are that the municipal complex would have to be stopped. Out of the capital project ordinance \$3.4M was taken out to pay for Town Hall, which could have been used to pay for Town debt. Town debt obligations: \$7M for park bond, \$4.5M for Town

Hall Town debt obligations, \$1.2M for Chestnut Parkway, expected debt obligations of \$10M for Monroe widening project and \$6.8M available for roads from a bond perspective. That is why Council made the decision to go forward with the financial assessment, to look at the many moving parts. The Town could potentially find itself in a difficult decision with decreasing taxes. Until I get a clear landscape of our total financial position, I won't feel comfortable in reducing the tax rate.

Councilman Cohn:

I always want to get the experts opinion. Has anyone asked the experts these questions? Town Revenue/Tax Collector Alicia Massey, in attendance, responded that she had not been asked any questions. Why would we borrow money for Town Hall if we have the cash? The time to work on this is during the upcoming budget meetings, which are starting next month. It sounds good but you can't buy things without knowing how to pay for them and it needs to be thought out.

Councilwoman Stanton: Reading from State Statute: NCGS 159-13: Not earlier than 10 days after the day the budget is presented to Board and no later than July 1st, the governing board shall adopt a budget ordinance making appropriations and levying taxes for the budget year in such sums that the Board may consider significant and proper whether greater or lesser than the funds recommended in the budget. NCGS 159-15: Except as otherwise provided in the section, no amendment may increase or reduce a property tax levy. If after July 1st, the local government receives revenues that are substantially more or less than amount anticipated, the governing body may before January 1st follow adoption of the budget amend the budget ordinance to reduce or increase the property tax.

Councilman Daniels:

To clarify, I am asking for a Proforma to discuss it, not asking that it be approved; get a model to compare 17.5 cents to 18.5 cents for the upcoming budget. The one cent reduction in taxes would have reduced revenue of \$500,000. The report gives a false implication to the public that we have \$32 million; the way it shows on the reports. Our budget is about \$14 million. Restrictive funds are still useable and can be used for specific things. All I'm asking is that we look a model to what can or cannot be done.

Councilman Wireman:

The budget agenda item did not ask for a Proforma, it appears that I am asking for a tax decrease. The agenda item did not say it was asking Council to consider looking at what the effects of reducing the tax rate would have on the budget during the upcoming budget workshops.

Mr. Merritt:

The motion that was made was to look at tax revenues in the context of the budget cycle. I trust Ms. Stanton read the statutes correctly but I don't think that is the motion on the table. A motion has not been made to reduce the tax rate as of today.

Councilman Wireman:

If we use the figure of \$500,000 of lost revenue estimated by Councilman Daniels for a reduction of one cent; I recall, before becoming a Council member, that the public was told that the loan that was taken out for \$4.5 million for the Town Hall when you consider the debt for the loan repayment and other debts that we have, the Capital Project Ordinance at that point and time would have had a balance remaining at the end of the year for \$435,000-\$465,000; so a reduction of \$500,000 in revenue would leave us in the negative.

Councilman Daniels:

I believe the Capital Project Ordinance would have left us with closer to \$600,000 but you also have to realize we have revenues coming in from the parks. That's why you do the Proforma; to see what you have during the budget process. I'm just looking for staff to make a recommendation. My motion on the floor stands and he restated his motion. Mr. Daniels stated that a penny reduction reduces revenues by \$300,000.

Councilwoman Stanton:

Ms. Massey, when you do the budget, do you look at all this already?

A: (Ms. Massey): Typically the Town receives an estimation of valuation for all parcels in Town from the County, generally that is used to consider the revenue needed to cover the expenses required to run the Town.

Mayor Alvarez called for a vote. Councilman Daniels voted in favor of the motion with Councilwoman Stanton, Councilman Cohn and Councilman Wireman opposing. The motion was denied.

Councilman Cohn:

I understand where you are coming from but let staff figure out what it takes to run the Town. It is what they are doing. We don't need to direct the Staff. For the record, I want the Town staff to come up with the best option and lowest taxes.

Councilman Daniels:

For the record, we don't have a Finance Director or Assistant Finance Director right now so there was no one on staff for me to discuss this matter with.

e) Council Approval of neighborhood street construction and resurfacing. (Councilman Daniels)

In 2015, the Transportation Advisory Committee voted unanimously to repair and resurface all streets that scored below a 40 in the comprehensive street analysis.

Councilman Daniels made a motion for the town to adopt a policy to maintain a list of the worst streets that need the most attention on maintenance as determined by the third party comprehensive street analysis. Would direct Staff to maintain a list of those streets before July 1st 2016 and before the new budget cycle.

Mayor Alvarez: Is it not every year that this is brought before Council? There is a team that goes around checks the quality of the roads and makes recommendations to Council?

A: Mr. Kaufhold: Every year the Engineering Department has requested funds to do a street analysis. It was denied by the previous Town Manager. So we went from 2008-2015 without a street evaluation. Upon completion of street evaluation, on April 2, 2015, under the Powell Bill budget, we (the Engineering Department) recommended a transfer of sufficient money to repair the lowest ranking 20 streets based on the 2015 rating report. The rough estimate was \$1.5 million; the Town Manager only approved ½ of that. We tried to bid it out, but didn't get any bids. After 3 unsuccessful bids, Staff made the recommendation of \$1.2 million and it was again denied by the Town Manager. We are ready to advertise and need to get a contract out early to asphalt contractors. Timing is of the essence, private work is in abundance. Mr. Kaufhold concurred that it is good for this issue to be brought forward now.

Councilman Wireman: To clarify, only \$500,000 was budgeted, not \$1.5 million? So, if we approved it today, we don't have the money to move forward?

A: Mr. Kaufhold: We would have to make some changes, could use part Power bill fund and road bonds. The money is on hand, we would have to make the appropriation.

Councilman Daniels: Is there a possibility to get some grants?

Mr. Kaufhold: We will work with NCDOT and ask them to partner with the Town. If the NCDOT would bring them up to a decent standard, the Town could take them over and then we could continue with the maintenance. There are some federal grants that we could look at, not during this next contract season, but an avenue that could be approached.

Councilman Cohn:

The Transportation Committee suggested \$1.2 million and the Town Manager had cut it in half. We have gotten behind the 8-ball by not doing what the transportation committee had asked and we are going to pay for it in the future.

Councilwoman Stanton:

Do we have a list of roads?

Mr. Kaufhold: Yes. We have a currently inventory of all streets and the ratings. Typically the inventory/list is updated every year or every other year.

Councilman Daniels revised his motion to direct staff and the Interim Town Manager to accept maintain the streets as per the list that Mr. Kaufhold said we have for Indian Trail and bring back something to Council as far as the condition and cost by July 1st, 2016 and there was a question.

Councilman Cohn:

Don't we already have the cost estimates for a lot of these? Mr. Kaufhold said Engineering had the cost estimates a year ago. However, since the estimates are a year old, unit costs have gone up so we will have to update the cost estimates. Councilman Cohn felt that this may be better suited for budget meetings. Mr. Kaufhold reminded everyone that timing is of the essence; the asphalt plants will be opening soon and there is a lot of private and state work that contractors will be bidding on; we need to get a contract out early otherwise we could be waiting a long time or pay a premium. Councilman Cohn said now would be a good time to move.

Mayor Alvarez called for a vote; motion passed unanimously.

- f) **Direct staff/Planning Board to draft a modification to the Sign Ordinance to allow a Grand Opening sign without a permit within 30 days of opening a new business. (Councilman Wireman)**

Councilman Wireman:

There are always a lot of complaints about the sign ordinance. One of the challenges is the issue with a Grand Opening sign within a distance from their particular location. Some businesses have applied and just gave up after applying 3-4 times. We want to promote growth and businesses in Indian Trail, promote a business friendly Council and Town. Process can take too long. Need to help businesses navigate the process and start moving the ball forward to make Indian Trail business friendly.

Clarifying comments, I do not want to change sign ordinance with size and placement. The suggestion is that the Town waives the requirement to go through the permitting process for the Grand Opening sign, as long as sign is in compliance with the Town's sign ordinance. All the requirements could be included as part of the new business package. We need to trust the businesses, there will always be business owners that try and cross the line, but there is code enforcement to address it.

Councilman Daniels:

I'm all for helping businesses. Mr. Burhans, are there any pitfalls to allowing this? Did anyone reach out to you to discuss this prior?

A: (Mr., Burhans) New businesses are allowed for 30 days to have a Grand Opening sign. There is a \$10 permit fee to document size and record the 30 days.

Councilman Daniels suggests the option of putting the 30-days free at the back end; and the permit process stays the same.

Mr. Burhans deferred to Council on policy suggestion and responded that Council did not reach out to him prior to the meeting on this topic.

Councilman Cohn:

Q: I feel that there is a need for someone to look at signs, and we should look into ways to expedite process if it's taking too long.

A: (Mr. Burhans): Turnaround time for a temporary sign is 24 hours. I'd like to talk off-line to see what business had the issue so I could look into it more closely.

Mr. Burhans asked for Mr. Merritt's opinion on the content neutrality issue if the Town were to exempt Grand Opening banners but does not exempt other temporary signs, is the Town digging itself into the content neutrality issue?

Mr. Merritt responded it would not affect content neutrality. Businesses if left on their own will put signs where they shouldn't be, sight line, without size limitations etc. There needs to be a process for regulating signage.

Mr. Burhans: The Amendment would likely be to add Grand Opening Banners to "Exempt Signs" which are exempt from getting a permit as long as you comply with the standards to size, location, etc. Mr. Merritt added comment that this would be a change to the UDO, and would need to go through Planning and come back to Council for final approval.

Councilman Wireman made a motion to direct staff planning board to draft a modification to the sign ordinance that will allow a Grand Opening sign without a permit within 30 days of opening a business; the motion was approved unanimously.

11. DISCUSSION ITEMS

a) Policy to not allow Private Roads for new Residential developments. (Councilman Wireman)

Private roads have been a continuous conversation and problem. Some of the major issues, are substandard design and construction, inadequate easement or Right of Way, lack of recorded joint maintenance agreement where it runs with the land. I am proposing that we

enact the correct process to remove private roads in this Town. There are residents dealing with flooding etc, we want to protect residents and the Town.

Mr. Merritt, I'm all in favor of it, but we will have to look at the issue so see if private roads can be banned as they are allowed per State Statutes. I could see a situation where a private landowner may want private roads. There may be issues where it makes sense to have private roads. As part of the direction, we would need to take a look at this to see if you can do it. There may have to be exceptions.

Councilman Daniels:

How does this affect "Doughnut Holes" (state owned roads that might be in a residential area)?

A: Mr. Merritt: If you are referring to the unannexed areas within the town boundary, there will be no effect; they are not part of Indian Trail under County and State requirements.

Councilman Cohn:

Can the next Town Council change this?

A: Mr. Merritt: Yes, the UDO and policies can be changed by subsequent Councils. But if it works subsequent Councils will not be apt to change them.

Councilman Wireman made a motion to direct Town Manager and staff to draft a policy or modify UDO to see if as a general rule the Town can disallow private road and if not that they only be allowed under certain exceptions; the motion was approved unanimously.

12. UPDATES

a) Manager's Update: Scott Kaufhold, Interim Town Manager

- Extended an offer to a Finance Director (starting March 21st) and Assistant Finance Director (starting March 1st). Interim Temporary Finance Director, Cindy Jones has created a good tool for Council; a one page snapshot of finances (the document was dispersed to Council). The financial dashboard will be prepared and distributed monthly to Council and posted on the Town's website.
- Traywick: The consultant is in process of scoping out the work and providing costs and alternatives. All analysis work.

b) Department Head Update: Community & Economic Development—Kelly Barnhardt

Ms. Barnhardt is out sick and will provide an email update to Council when she is back in the office.

Councilwoman Stanton: Asked for update from Julia Zweifel about her efforts of attending HOA meetings. Julia said that she is in the process of working on it; most HOA held their fall/winter meeting before she started with the Town and are not slated to meet again until spring or summer. She has reached out to numerous HOAs in Town about attending their next meeting and she will provide updates to Council about the outcomes of the meetings.

c) Department Head Update: Planning & Neighborhood Services—Rox Burhans

- 2016 big year for rezoning
Gas station and two outparcel lots, early stages but active application.
- UDO Amendments Applications received recently. 1.) Desire to do a mixed use building in village centers asks for commercial space on a ground floor with

residential space above; 2.) Allow hotel uses within village centers (Sun Valley village particularly) and, 3.) Enable light industrial within one of the villages.

- Welcome Kristen Redmond, new Code Enforcement Officer. Previously worked with city of Charlotte and Columbia SC
- Mayor's tree initiative has kicked off. Program started by Mayor Alvarez. Go out to 4th grade classes and discuss trees, care, and give them a tree to take home and plant.
- Visited Union County waste transfer facility in Monroe. That facility handles 7,000 tons of solid waste per month and 300 tons of yard waste.

Mayor Alvarez – Behind the QT, what is going there? Also, the principals of the schools are very happy with the trees that have been provided.

Mr. Burhans: There have been plans to do a car wash for several years. The plans have not been approved. Also a desire to finish out the shopping center there, but we don't have any plans for that.

13. COUNCIL COMMENTS

Councilman Daniels: Thanks to the members. Our fifth council meeting and I keep hearing about prior the Town Manager, wish we could get past that and move forward. Every time his name comes up it sounds to me like it's a personal thing and you can't govern from a personal standpoint. You have to look past personal feelings and govern for the 38,000 residents we have in Indian Trail. A comment was made earlier about referendums, The Town would have needed a directive from the general assembly to do a bond referendum on the Town Hall. Once the Council voted unanimously, to finance the project with a loan, it took the item off the table of being eligible for a bond referendum vote of the people. A bond referendum is just a way for the Town to seek financing.

There was a choice for the people of Alternate Floor Plan #3 which had a different cost savings than what was voted on, I'm not saying it was perfect. But Council is willing to pay an additional \$400,000 without looking at another option/plan? And we wouldn't consider a proforma on taxes for the residents that will cost the same amount? Last thing, I will be teaching a business class at Porter Ridge High School, on Thursday from 9:30 – 11:00, if you are in neighborhood, you are welcome to come in to the class.

Councilwoman Stanton: Thanks to Lt. Coble and his department. Council thanks for it keeping it somewhat short tonight and let's all keep Councilman Savoie's family in our prayers. Regarding Councilman Daniel's comments, you can put whatever you want on a referendum. I do check my emails from residents. I do mostly reply to them, if it's appropriate for me to reply on and for the Council, and if applies to what I believe in it. If it's in the past it needs to stay in the past. Ms. Southward, hope you feel better; thanks for working sick—get some rest and get better.

Councilman Wireman: Thanks to the staff and the residents who came out and for Public Comments. Mr. Kaufhold you continue to do a phenomenal job and thanks for the details you provide to keep residents updated in detail.

I wanted to spend a few minutes and talk about a couple of things. I've been hearing a lot about how many Public Meetings there were about the Town Hall and the numbers keep changing. There were three Public meetings on the Town Hall: October 16, 2014, November 6, 2014, and November 20, 2014. Creech provided renderings, at a high level view, could not even see retaining wall that Mr. Kaufhold recently brought to Council's attention a few meetings ago. The residents during that time were told it was going to be a 25,000 SF building. I requested notes on those meetings. The Town

Staff had no meeting minutes, I had to request minutes from Creech; they had one employee that keep notes from the meetings. The most common question was about a dog park. There were also questions about the library and making sure that the Town Hall had room for new growth.

There were Town Council meetings where there were presentations and Public Comments on the Town Hall. On January 20, 2015, the residents were told the following:

25,000 SF building, \$250 per SF, \$6.25 million;
20,000 SF building, \$250 per SF, \$5M,
Design fees 8.5%, \$500,000
Tech and Furniture, 10% (\$500,000 + or -)
Contingency 15%, (\$1M + or -)

In February, there was a decision to move forward with contractor at risk. Edifice was asked to give the town a schematic cost estimate: 20,000 SF, \$5.81M, additional \$775,000 to include Edifice fees, site work \$900,000.

Council approved On August 11, 2015, the direct costs for the Town \$5.743M with a contingency up to \$7.9 M; the Capital Project Ordinance was approved.

Residents were not informed of all the other costs that were hidden in other locations. Residents were not given opportunity to comment on interior of building. If anyone has those comments, I would like to see them.

A bond referendum puts it out to the voters and asks the voters if they agree. The decision was made to move forward without listening to the voters. There was a petition of 250 persons signed that did not want the Town Hall.

If we are going to spend all this time money on Town Hall, it has to be a design that grows with the Town. If the design is modified later, it will cost more vs. making the changes now. I am proud that we are getting the information to the public.

Last point, I can't compel another Councilman to hold true to things they said in the past. I have to work with everyone on this Council. It is unfortunate that mistakes are made and things are said in the heat of the moment, but apologies are between two persons unless it impacts performance of the duties. I read all the emails but may not respond to them all if they do not pertain to town business.

Councilman Cohn:

We will hear some criticism since the vote on the Town Hall tonight increased the cost, I hope it will not seem hypocritical, but I agree with Councilman Wireman that these changes would cost more in the future. Our previous Town Manager did a poor job in the way he ran things. I feel strongly that we can sell this land, I am not sure what it will be worth, but we will end up making up some costs. I voted for many things for the Town Hall. From Day one, I said that I did not support the Town Hall. There were many votes that came up to Council and it is my job to vote on those things. The votes didn't change that I didn't favor the Town Hall. We could have done a referendum or bond for Town Hall, everyone knows it. There was never a meeting where anyone overwhelmingly supported the Town Hall. There were days we had 50/50. The reason we sit up here is because the people didn't want a Town Hall without their input. There are things from the past that we have to get over and get through. We learn from the past, and what was said in the past and done in the past, it counts. Renderings of the drawings that we talked about tonight, we have had weeks to look at different plans, to come in here tonight where we are supposed to make a decision, I had my mind made up.

Thanks to Staff and Mr. Kaufhold. Thanks to Councilman Wireman and the Mayor for bringing food.

Mayor Alvarez

Thanks all of the Council Members for putting yourselves out there for this Town. When we leave here we are back to being residents. I want to thank Carolina Courts for letting the new charter school hold the public lottery at their location. There were 661 seats in the classrooms and they had 1,050 applicants. Thanks to Mr. Gary Sides for helping to improve our schools.

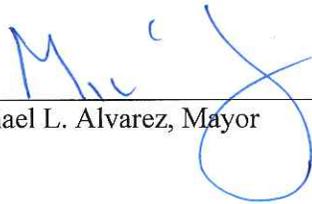
14. CLOSED SESSION: none

15. ADJOURN

Councilman Wireman made a motion to adjourn the meeting. Motion was approved unanimously.

(SEAL)





Michael L. Alvarez, Mayor

Attest:



Kelley Southward, Town Clerk