MAYOR
Michael L Alvarez

MAYOR PRO TEM
David L. Cohn

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, May 24, 2016
Civic Building—6:30 PM

MINUTES

The following members of Town Council were present:

Mayor Michael Alvarez
Mayor Pro Tempore David Cohn
Council Member Amy R. Stanton
Council Member Gary Savoie
Council Member Gordon Daniels
Council Member Mark Wireman

The following members of staff were present:

Town Manager Scott Kaufhold, Town Attorney Keith Merritt, Town Clerk Kelley Southward, Director of Planning and Neighborhood Services Rox Burhans, Director Parks and Recreation Jason Tryon, Director of Finance Jim Wojtowicz, Director of Human Resources Tihisha Sharif, Revenue/Tax Collector Alicia Massey, Contract Analyst/Executive Administrative Assistant Vicky Watts and Engineering Project Manager Adam McLamb.

1. CALL MEETING TO ORDER & PLEDGE OF ALLEGIANCE

Mayor Alvarez called the meeting to order and led in the Pledge of Allegiance.

Everyone was asked to remain standing to honor with a moment of silence for in honor of former Town employees who recently passed away: Kimberly Farris and Bill Bost; Mr. Bost was also a former Union County Sheriff's Deputy. Our condolences go out to their families and loved ones.

2. AGENDA ADDITIONS & DELETIONS

- Councilwoman Stanton, add to item 4b Presentations, Hemby Bridge Fire Chief Johnny Blythe.
- Councilman Cohn requested that the June 14th meeting be rescheduled to June 13th since both he and Councilman Wireman will not be available to attend.

Councilman Daniels made a motion to suspend the rules and take a vote on changing the regularly scheduled meeting from June 14th to June 13th. Motion is approved unanimously.

Councilman Cohn made motion to change the regularly scheduled Town Council meeting date from June 14th to June 13, 2016. Motion was approved unanimously.

3. MOTION TO APPROVE AGENDA

Councilman Savoie made a motion to approve the amended agenda. Motion was approved unanimously.

4. PRESENTATIONS/INTRODUCTIONS

a) Union County Sheriff's Office Service Award

Presenter: Tony Underwood with Union County Sheriff's Office, on behalf of Sheriff Cathey Earlier this year we started focusing attention on heroin and opioid substance abuse epidemic. One of the things that Union County Sheriff's Office has done is to train deputies in use of Narcan which is used to reverse the effects of opioids. In March most Sheriff's deputies were issued this equipment after being trained in February.

On April 21 2016, Deputy Mike Kenary, Deputy Elizabeth Ball and Sergeant Dan Rogers responded to a call for a missing 14 year old juvenile. When he arrived, there was information gathered that the child might be in a wooded area, Deputy Kenary responded to the information and located the child unresponsive. The child showed signs of opioid usage, and he alone carried the child out of the woods, made the decision it was life or death, and successfully administered Narcan. The deputies successfully administered Narcan and the child began to show signs of life after the Narcan was administered. The child was transported to the hospital and is expected to make a full recovery.

Deputy Kenary came to Union county police department from the NYPD, he retired as a detective. After 9/11 he was assigned a counterterrorism unit. His current assignment is serving the citizens of Indian Trail; he responds to disputes, larcenies, vandalisms and missing persons cases. Mike is on the Wesley Chapel Planning Board and is very active in the scouting program. His wife Janine serves on Planning Board at Wesley Chapel.

On behalf of Sheriff Cathey, I would like to present Mr. Kanery with this life saving award pin and read the service commendation.

Councilman Cohn said it was the second time he heard this story and both times it brought a tear to his eye. All of Council expressed their honor and deep appreciation to Deputy Kenary and all the Indian Trail law enforcement officers.

b) Hemby Bridge Fire Chief Johnny Blythe

Chief Blythe reported that Union County has again this year, as they did last year, put the decision to change the funding model for all the Fire Departments in Union County on hold. However, they were considering the same thing that they had discussed a year ago and changing the fire funding to a tax that would go into the County's General Fund. This scenario is especially concerning to Town's that have municipal fire departments because their property owners would essentially be double taxed for fire service. It is also concerning because as the funding is sourced now, by fire districts, fire fees received for a district can only be spent in that district. If a fire tax is imposed and funds go to the County's General Fund then moneys can be distributed anywhere that the County so chooses. Further, the County wants to absorb the assessts of the private departments such as Hemby Bridge but doesn't want to assume the liabilities. For instance, the County wants the private departments to hand over their fire engines

but leave the debt owed with the fire department. The County didn't help buy any equipment for these departments so why should the departments just hand them over?

Chief Blythe urged Indian Trail to contact the County Manager and request representation on any special committee that the County may form again this year to further research the funding models. Additionally, Chief Blythe relayed that he met with Stallings Public Safety Committee last night and they made a recommendation to their Council to contract for an independent study to examine what funding model would best serve this end of Union County so that when the matter goes back before the County Commissioners we will be prepared. Chief Blythe asked that Indian Trail consider partnering with Stallings (and perhaps other municipalities on this end of the County like Lake Park and Hemby Bridge) to have this study done. He said that the cost to Indian Trail for the study would be $5,000 and Indian Trail would have representation on an ad-hoc committee that would set the scope of work for the study. Chief Blythe estimated deliverables from the study would be returned in about 3 months after a consultant was selected.

Council agreed to include consideration of the request to contribute $5,000 to the study on their June 13, 2016 agenda.

5. PUBLIC COMMENTS

- **Amanda Faulkenberry, 519 Picketts Circle.** First, I'd like to say thank you to Captain Coble and to all the deputies that serve our town. Second, since traffic and roads were such a big issue in last night's meeting, I went to the CRTPO website. We have no representation in these meetings. Councilwoman Stanton is supposed to be our representative and Mayor Alvarez is the alternate. However the CRTPO meeting minutes do not show they attended. February, March, April, May, four consecutive meeting that the Town had no representation. Why has the Councilwoman not attended these meetings? Especially since when campaigning she wrote, "why hasn't the Council assigned as high a priority to Indian Trail's infrastructure to improve traffic congestion…". Councilwoman, you have left the Town with no voice in these very important meetings. I am asking Council to remove you as CRTPO representative; assign Council representative who will attend the meetings and give the Town as voice, such as Councilman Savoie who had perfect attendance. Since Council moved the June meeting from the 14th to the 13th, you need to make sure the public knows you shifted the meeting date; 200 people at the meeting last night heard the wrong date. You need to make the sure the people know the date changed, it's important.
- **Juanita Woods, 5103 Darby Drive**. I am a resident of Sandalwood development in Sun Valley area next to Shiloh Elementary. We are the only group over there that doesn't have an HOA. My concern is with collection carts that are left by the residents outside of their homes, on the front of their homes, very unsightly. I am trying to organize a neighborhood watch. As far as the Town is concerned, what can be done, can the Town notify them that these carts need to be out of sight? There is no need for it, they can be behind fences. I called and was told I needed to come to Town Council meeting. Mayor Alvarez asked that someone on staff contact Ms. Woods to assist her with this issue. Ms. Woods said her email address is on the sign in sheet.
- **Mike Head, 2105 Bonterra Blvd.** After October I met with several of the candidates and voted on the customer centric candidates. My candidates won, and thank you, you have given more transparency and been more customer-centric. Two weeks ago during the hotel conversation thanks to the Council we had the meeting last night. After hearing some things about taxes and revenues, I walked into the meeting totally objective. I don't live in Sun Valley neighborhood but I use Sun Valley quite a bit, I travel a lot and frequent a lot of hotels. The majority of the people said there is a need for the hotel, location TBD. Based on my experience, any place other than Sun Valley, we are looking at 5 years before a hotel would be attracted since there are no amenities along 74 to attract a hotel. I understand traffic, but you have to have amenities. I am in support of the hotel, but I will support the Council on whatever is decided.

- **Jerry Morse, 271 Unionville Indian Trail Road.** Traffic: Two things going on with traffic, we are either stopped or someone is going somewhere in a hurry. I live 4 houses up from Kate's Skating, 35 mph speed limit and traffic going 65-70 MPH going down the hill. I am fearful for my wife even leaving my driveway, there have been cars going airborne flip, take out our mailbox etc. Not sure of the name but maybe "the sticks in the road" might help. I am happy to see a Council have an open and honest dialogue, and I appreciate the openness and honesty and think you are doing a good job.
- **Michael Faulkenbery 519 Picketts Circle.** Facebook page comments are seen not only in your community but by surrounding communities by news media, public officials. Public officials using Facebook page, the comments should always be truthful. Comments could damage the image of the Town. The same applies to public officials who post Podcasts on their Facebook page. For example, if you are wearing a UNC Tarheel shirt, don't talk bad about Duke, it's not wise.

6. LAW ENFORCEMENT UPDATE

Captain Coble:
Dedication comes to mind when you bring up Bill Bost. Some of you were not around when Mr. Bost worked here. He was married for 60 years, a sworn law enforcement officer in NC for 50 years. He began his career in Rowan County and stayed as an active reserve deputy even after he left law enforcement and went into private sector. He came over as code enforcement officer with Union County Public works and then came to work with Indian Trail as code enforcement working with junked and abandoned vehicles, part-time. He spent 50 years as an active member of his church. The man was dedicated to the residents in this Town and we will all miss him.

7. DEPARTMENT UPDATES:

1.) **Department Head Update: Planning & Neighborhood Services—Rox Burhans**

- Summary of May 19th Planning Board meeting:
  1) Crooked Creek exemption – Zoning Text Amendment. Union County Public Works staff provided Planning Board with ideas. Result was that Planning Board unanimously approved the request.

  2.) Dumpster Enclosures. This topic came out of a Council meeting discussion. We shared some examples of thoughts that we had, Planning Board considered some others too and developed a recommendation that we will bring to Council.

  3.) Church of the Redeemer: Off Wesley Chapel Road. Needed zoning change, shared plans and the building and Planning Board issued unanimous recommendation to approve. Item will be on Council agenda at future date.

- Regarding the conditional rezoning, off Wesley Chapel Road which is a project split between Indian Trail and Wesley Chapel, each going through separate rezoning. The way the boundaries work, the notices were sent to Indian trail residents for the Wesley Chapel rezoning. Wesley Chapel is a little ahead of Indian Trail in the process and will be holding a community meeting tomorrow night in their Town Hall.

- Last night the Council requested Community Meeting at SBCC related to hotel use within Sun Valley area was held. Approximately 150 in attendance. There was a box at the door for comment cards, and we received 52 completed comment forms. At the next Council meeting where this issue will be included on the agenda, presumably on June 13, Mr. Burhans will do a summation of the community meeting.

Councilman Wireman said the meeting was executed perfectly and thanks for all the hard work.

Councilman Daniels asked to see an update of the Sun Valley meeting before the next Council meeting where this matter is on the agenda. Mr. Burhans said that he will capture updated activity and summarize the information via email.

Councilman Cohn suggested that Mr. Burhans use the contact information he has available from the Sun Valley meeting to notify as many attendees as possible of the date change for the June Council meeting. Mr. Burhans agreed to do so within reasonable means as available contact information allows, and it will be posted the newspaper.

2.) **Department Head Update: Parks & Recreation—Jason Tryon**

Recent Programs:

- Youth Soccer shops for 3-5 year olds.
- At Crooked Creek Park: 7 residents signed up. Couch to 5k. Mini Chefs, Cultural Arts Center, education on healthy food. Total of 11 summer camps that are currently booked. Signed on two more today for tennis at Chestnut Square Park. Wide range of programs and ages. 14-15 once plans are finalized for summer
- Concert in the Crossing Paths Park, first of three concerts will be on Friday May 27. Two other jazz concerts will be held on June 22 and July 24th, in conjunction with The House that Rocks, featuring local artists. We have 275 people committed to Friday, May 27ths event. There is a movie night scheduled next Friday, and another on June 17th.
- Mr. Tryon shared the calendar of events which is available online.

Other Updates:

- Received an award one of the best area parks and playgrounds from Macaroni Kid; Charlotte Parent Magazine, comes out in June, best playgrounds and parks in the area.
- Revenue goals, already hit 101% of revenue for Crooked Creek Park. The entire department's revenue goal, a little shy of that, but there are three more tournaments coming up and an approved sponsorship check came in today. Estimating 105 % of goals. The goals have been increased for next year. The response has been overwhelming.
- Sponsorships are growing; we have added more sponsors for the parks.
- Outdoor fitness equipment was installed as part of the Part F Grant. Six pieces of equipment; ADA compliant equipment, dual purpose. We are waiting to finalize announcement blastings for surfacing and signage completion. Already getting good feedback.
- Dog Park Update: 44 more dogs signed up, combination of both residents and nonresidents. Very popular feature.
- Crooked Creek Park: Nobody else in Union County has the fitness equipment; it was the first park in the country that had the Expressions Swing. Two publications of May magazines had photos from Crooked Creek Park in their advertising: ParksAndRec.com and Recreation Management.

Councilman Cohn asked about the jazz concerts at Crossing Paths Park -- if beer and wine will be available. Mr. Tryon responded that there will be beer sold on Friday, May 27th, but not wine. The goal is to have wine and beer available for the next event on June 22nd. Per ordinance, alcohol can be served at town sanctioned events through a permanent vendor. The public cannot bring their own beer/wine nor can they leave the gated park area with alcohol purchased from the vendor. The Town receives 20% of the profits from the sale of beer and wine.

Councilman Daniels asked if the Town sprays the Dog Park for pests. Mr. Tryon said that it is done monthly as part of maintenance, as necessary. When it is done, the keypad is locked down for access and a notice is posted on the website.

8.) CONSENT AGENDA

a) Approval Budget Amendments
b) Approval of Draft Minutes January 12, 2016 Regular Town Council Meeting
c) Approval of Draft Minutes January 26, 2016 Regular Town Council Meeting
d) Approval of Draft Minutes February 11, 2016 Regular Town Council Meeting
e) Approval of Draft Minutes March 22, 2016 Regular Town Council Meeting
f) Approval of 2nd Draft Minutes April 26, 2016 Regular Town Council Meeting

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

9.) **PUBLIC HEARINGS**

– 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***

a) Budget Presentation and Public Hearing for the proposed 2016-2017 Fiscal Year Budget

Mr. Kaufhold:

The 2016/2017 budget was prepared in accordance with NC Local Government Budget and Fiscal Control Act. It is a balanced budget. By statute, with a Manager-Council form of government, Mr. Kaufhold is the Budget Officer. We have a Finance Director with a degree in Finance, a CPA, and with a lot of experience. We received budget requests from the department heads in early April. After two Budget Retreats with Council the Draft Budget was prepared and distributed to Council on May 5th. A hard copy is available at Town Hall the Union West Library and on the Town's website. We have included comment periods on the development of the budget on the past three Council Regular Meeting agendas; the official public hearing is tonight. Before July 1st, the hope is to have an adopted budget ordinance.

Goals/important features: #1) Maintain flat tax rate of $0.185 cents per $100 of valuation; #2) Maintain town level of service for all departments, #3) Provide enhanced Park and Recs services and facilities #4) Continue with Crooked Creek Park #5) Complete Town Hall #6) Complete capital projects and #7) Start a street preventive maintenance plan.

Changes:

- Restructured town organizational chart. No increase in full time employees. Eliminated 5 positions, created 5 new positions, reclassified 4 positions; details available on website. A net of 44 full time and 9 part-time/seasonal employees.
- Law Enforcement: We are proposing to add one Lieutenant, (to replace Lt. Coble who was promoted to Captain) one Governor's Highway Safety Program (GHSP) Traffic Deputy, and reclassify the two Deputies to Sergeant. In order to keep the tax rate flat, we propose to stagger the start of new positions: The Lieutenant position will be slated to start in October; Traffic Deputy will begin on 10/16/16 assuming the GHSP grant is approved and the two additional deputies are slated for the next fiscal year on 7/1/17.
- Benefits: Last year's budget included funds for a HR consultant to complete an updated Classification and Pay Study. This budget includes funding for the implementation of

recommendations resulting from the study which were presented to Council. #1) Provide an improved competitive benefit package for employees. Provide affordable healthcare benefits for staff. Worked with a different service provider and we were able to do a lot more with what we had, for the same budgeted amount. Thanks to Tihisha Sharif, HR Director, for working with our broker. #2) The 401(k) plan will be an automatic 3% and a contribution with an additional 2% match; #3) 2% cost of living adjustments, 2% salary pool for merit reviews based upon performance reviews. 4.) Social Security participation: Municipalities got to choose if they wanted to participate some many years ago; for some reason Indian Trail chose not to participate. If we join now, there is a two step process: elected officials have to approve it, staff votes on it. Majority "wins". The state would come in and oversee the staff voting process.

- Changes to economic development – As we have seen, the Town trends have shown residential increasing, with commercial decreasing. Will restructure and refocus by partnering with Monroe Union County Economic Development (MUCED) group. The proposed budget cost center includes a $275,000 budget, a decrease of $83,000 over last year. $225,000 of the budget is at Council's disposal and set aside for pad ready site development; $50,000 to MUCED for pursuit of retail development which will fund a position to focus on retail development. Retail is not typically considered in standard economic development function as explained by Mr. Chris Plate' last month when he made presentation to Council.

Jim Wojtowicz – Finance Director

- Moody's upgraded Indian Trail's rating from AA2 to AA1. The change lowers our interest rate and is fantastic news. Councilman Daniels commented that this upgrade is the result of work over many years. Mr. Wojtowicz agreed completely and noted that previous staff was diligent and should be credited with the rating increase. Mr. Wojtowicz mentioned to Councilman Daniels that Mr. Wojtowicz had asked Moody's during the meeting that if the Town had a tax decrease would it have affected the Town's rating. Moody's responded that they would not have increased the Town's rating if the tax rate was lowered; they like conservative budgeting.
- Revenues: Primary goal was to keep the tax rate at $0.185, no tax increase. Our revenues based on ad valorem taxes, our valuation was up $120 million. Union County has informed us that there is an increase to our tax revenue of $222,109; which means the taxes are being spread out over more, thus the impact is negligible. Budgeting conservatively at 96% collection rate. Our actual collection rate for 2015 taxes as of today is 99.6%. Sales tax is positive at $1.2 million which annualizes out to $1.85 million, this year, there is a $300,000 surplus. Revenues are conservative. Fund balance budgeting to use $776,000 of fund surplus, major portion going toward Town Hall project. Based on this year's projected results, we will still be over $10 million on assigned fund balance.
- Expenditures: In general fund, wanted to ensure all service levels would be maintained.
- Law enforcement: Up $270,000 in budget for the new positions as explained by Mr. Kaufhold above.
- Debt service: Up $250,000. First year we will have to start paying for Town Hall debt.
- Parks and Recreation – Increased, Town's recreation needs are being met.
- Stormwater – Increased to tackle storm water issues in the Town. Monies that were not used in prior year.

Changes:

- Administration budget, new contract with Town Manager.
- Had originally budgeted $1.8 million to wrap up town hall, increased by $200,000.
- Stormwater allocated an additional $800,000. Fund balance of $1.3 million.

Mr. Burhans, Planning and Neighborhood Services:

This is a high-level review; details are available in the packages. The General Operating budget is largely unchanged.

- Not forecasting any new positions. Created a modest uniform account for public events.
- Some minor changes to fee schedules, accounted for things we had not thought about in prior years. Examples: Engineering asked to be reimbursed by applicant or developer for complicated reviews. Notifying adjacent properties- went with a flat fee for applicant because it is easier to understand and administer. Created a re-submission fee for applicants that submit incomplete projects for review. Seeing a lot of hasty and low quality submissions; we want to create an incentive for their doing best work.
- Contract services, project related activities, major UDO update and is in need of updating to address some state and case law changes. Will need to do an RFQ to get quotes and develop scope of work. Creating an account for a small area plan where the Monroe bypass is occurring, by Bonterra/Secrest Short Cut. Want to study the dynamics of those properties and future land uses. Union County is commissioning a similar study largely on behalf of Hemby Bridge. Completion of infovision permitting system, cutting edge in permitting and technology.
- Code enforcement, two officers, but only have one truck. We need a second truck for the code enforcement officer.
- Environmental services: At present $1.77 million, trash and recycling. Increase of 3.4% from prior year. Increased contingency account to $25,000; it was $10,000 which is not much, variable costs are largely tipping fees which are hard to predict. Going through bid process for solid waste now.

Jason Tryon, Director of Parks & Recreation

Goals: Additional seating at soccer fields, and at Splashpad. At Chestnut Square Park there is a need for a storage shed. Increase programs and participation, our goal is to create program guide mailers. Increase all town events and participation.

Specific items: Community events used to be under community development. Mayor's Tree initiative, is moving to Parks and Rec, used to be under Planning and Development.

Program Supplies and sponsorships are new items to the budget.

Part time seasonal staff increased to 3, one for events, 2 for athletics and programming.

Crooked Creek, separate cost center: There will be an increase of expected revenue. Goal behind the revenue is to offset expenses and contracted maintenance.

Five year capital improvement schedule: Create shade structures, sand replacement at volley ball parks, replace mulch at playgrounds.

Councilman Cohn:
Councilman Cohn suggested finding a way to get the message on the other side of 74, to get those residents to attend Town events. Mr. Tryon said he would work with Mike Parks. Also, there is already a movie night planned in the fall for Crooked Creek Park.

BUDGET COMMENTS, QUESTIONS AND ANSWERS:

Councilman Wireman:
Shed over at Crooked Creek Park? Mr. Tryon: funds have been included in the Budget on the capital page. Councilman Wireman queried about funds already spent and the contractor who abandoned the job. Mr. Kaufhold said that Captain Coble is assisting the Town to resolve the issue.

Councilman Daniels:
I commend Mr. Kaufhold on the budget especially to consideration of the employees of Indian Trail and the social security participation, and bring salary and benefits up to 21st century.

I have a few questions:
Q1: On page 30 and page 32: The $45,000, is that a duplicated number, it shows under Parks and Rec/Community Events and Economic Development/Community Events? On page 32, shows account # 4920. On page 30 there is a different account number. Mr. Wojtowicz will get back to Councilman Daniels, the question is referring to current year's budget (15/16) and not the upcoming 16/17 budget. Mr. Tryon said it isn't funded in this year's budget in that account it was transferred to Park and Recreation budget.

Q2: Health plans that were considered, can you provide that information to Council for review of the cost of plans. Ms. Sharif said she would provide it to Councilman Daniels tomorrow.

Q3: FTEs – how many of these five eliminated positions are funded in the current budget? I only counted three. Mr. Kaufhold said that all five were funded in the 15/16 budget: Assistant Parks and Rec Director, Director of Community & Economic Development, Assistant Planning Director, the staff IT technician position and Community Engagement Coordinator. These positions are not funded in the proposed 16/17 budget.

Q4: On Page 3 and Page 30; in 15/16 budget was $358,000 allocated to the Economic Development Budget? How many FTEs from this department moved to other departments? Councilman Daniels asked Mr. Wojtowicz to get back to him, wants to make sure he is comparing apples with apples.
Mr. Kaufhold: Responded that two moved to other departments and will therefore for the 16/17 budget be funded in the departments that they moved to: Mike Parks, Communications has moved to Administration and Susan Didier, Community Engagement Specialist has moved to Parks and Recreation; the jobs (titles and duties) remained the same, respectfully, but will now be funded out of different departments. Councilman Daniels asked about Ms. Zweifel, Mr. Kaufhold responded she moved to the Planning Department; her job position changed. She had previously been the Community Engagement Coordinator (that position has been eliminated in the new budget) but wanted to get back to her planning roots and was hired by the Planning Department as a Planner as there was a vacancy for that position; Ms. Zweifel has a degree in Planning and was a planner with another municipality before joining Indian Trail as the Community Engagement Coordinator.

Councilman Daniels estimated that the three salaries (Mr. Parks, Ms. Didier and Ms. Zweifel) amount to about $140,000. If you subtract that from the $358,000 (approximate amount in 15/16 budget) you are left with $218,000. He said that then we are left with a $57,000 deficit if we are budgeting $275,000 to give to Monroe Union County Economic Development (MUCED). Mr. Kaufhold clarified that the $275,000 allocated for the Economic Development Budget (all of which is allocated to contracted services in that department) is not being given to MUCED. Rather, it has been suggested to earmark $50,000 of that $275,000 to go to MUCED for the retail model of their program. The remaining $225,000 is included for the Council's discretion. Council had discussed using those funds, or part thereof, to purchase property and/or create a pad-ready site so that Indian Trail is marketable to companies looking to locate in the area. Councilman Daniels continued to hold that regardless of where the $275,000 is going to be spent it is an increase from last year of $57,000. He asked that Mr. Wojtowicz get back to him on the issue and answer all of his questions in the coming days—he didn't expect Mr. Wojtowicz to have all the answers this evening.

Councilman Daniels stated that the only person that can terminate staff at the MUCED is the Monroe City Manager. The City of Monroe has eight of the sixteen voting seats on the MUCED Board. He did not understand why the Town is paying this money for our biggest competitor to market Indian Trail, (referring to MUCED). When will we see a contract for the MUCED? He stated that we are giving them $275,000 for Monroe to market themselves.

Mayor Alvarez called a brief recess so that the law enforcement officers present could partake in refreshments.

After a 10-minutel recess Mayor Alvarez called the meeting back to order.

Councilman Daniels asked when Council might see a contract with MUCED. Mr. Kaufhold again stated that there would be a contract or interlocal agreement for the retail component, which should be for $50,000; a draft will come before Council for review and action after the start of the 16/17 Fiscal years; likely within the first quarter of the new fiscal year. We are automatically a eligible to participate in their normal economic development functions as is every municipality in Union County. The remaining $225,000 is under Indian Trail Council discretion. Council can decide what they want to spend the $225,000 on in the 16/17 Fiscal Year.

Q5: On page 4, Rogers Road sidewalk shows an entry of $1,084,000; on page 52, the same item shows $1,343,517.00. Why the difference?
Mr. Kaufhold responded that there is a capital project ordinance for the project, the $1,343,517.00 is the correct figure because it is the amount of the capital project ordinance and includes everything: the construction costs shown of pg4 of $1,084,000 Construction Engineering & Inspection (CEI) services of $150,000 and 10% contingency of $108,000. So, what is shown on page 4 is just the construction cost. We need to make an edit to page 4 so that it is consistent with the capital project ordinance.

Councilman Cohn: What would the difference be in the Moody's rating if there was a bond?
Mr. Wojtowicz: Certainly be hard to quantify it, it would be a savings. My best guess would be $15,000-20,000 a year if you borrowed $3 million for a 15-20 year loan.

Q6: How much is in the budget for actual local street repairs? On Powell Bill sheet, under paving and resurfacing it shows $50,000?

Mr. Kaufhold: That is an error and was part of the revisions that were made and have handed out to Council at the start of this discussion. The $50,000 under paving and resurfacing, the amount is actually $428,944 for streets, and the $50,000 is reserved for sidewalks.

Mayor Alvarez asked if these questions were addressed at Budget Workshops. Mr. Kaufhold said that these are good questions and he is happy to answer.

Q7: When will Council have time to work on the new longevity pay scheme?
Ms. Sharif: Employees with longevity are difficult to replace and retrain. This budgeted amount replaces the Christmas bonus. It is structured with consideration to years of service. A lot of municipalities do it this way.

Q8: The Pay & classification plan is not completed?
Ms. Sharif: If there are blanks, the figures are the same salary range as the classification above it; so there aren't any blanks…refer to the range above.

Q9: I notice there is a professional Communications Coordinator reporting to an Executive Assistant on the org chart. Is it legal to have an exempt person reporting to non-exempt?
Ms. Sharif: That was an error and has been changed. Both positions are exempt.

Councilman Cohn:
Councilman Cohn asked Mr. Wojtowicz if anyone came down to speak with him, and/or did Councilman Daniels speak to you? Mr. Wojtowicz responded no, he had not spoken to Councilman Daniels about the budget. Councilman Cohn stated that he met with Mr. Wojtowicz prior to this meeting to ask his questions. Councilman Cohn said he felt that was a shame that these types of questions were not addressed prior to the meeting. Councilman Cohn said it was unnecessary and he apologized that everyone had to listen to the questions. It irritates Councilman Cohn that Ms. Sharif had answered several of these questions already in the budget meeting.

Councilman Wireman.
Thanks to Mr. Kaufhold and Mr. Wojtowicz for putting together these budgets. You are seeing a fiscally conservative council and it is good to see these types of questions and focus from Council. Some of the questions could have been asked beforehand but it is nice to see openness and ask the questions. Councilman Wireman thanked Councilman Daniels for asking the questions. Regarding the Monroe Union County Economic (MUCED), there is some misinformation going out, that the Town is just writing a check to them and they are going to do what they want to because they have 8 people on the Board. That is absolutely false. $225,000 is set aside for Council, based on consulting received from Mr. Chris Plate'. Mr. Plate' has been very successful at marketing Indian Trail nationally and internationally. That is money we are not spending. MUCED spent $50,000-$60,000 to go to conferences etc. and we have businesses now looking at Indian Trail; it didn't cost Indian Trail a dime. The residents need to know that we are fiscally conservative and we are reaping the benefits, i.e., Moody's rating increase.

Councilman Daniels asked Mr. Kaufhold to clarify his policy about Council members who want to talk with staff. Mr. Kaufhold said to just let him know and give him a heads up. Councilman Cohn said he always lets Mr. Kaufhold know in advance.

Public Hearing – Mayor Alvarez opened the floor for public comments and there were no speakers forthcoming. Mayor Alvarez closed Public Comments.

10.) **OLD BUSINESS ITEMS**

a) **Council consideration of awarding a contract for annual auditing services (tabled May 10th for staff to prepare a rating card). (Mr. Wojtowicz)**

Mr. Wojtowicz: He prepared and distributed to Council a scorecard, as requested by Council at last meeting. Mr. Wojtowicz spoke with Shirley Howe and also spoke with Potter and Company. Mr. Wojtowicz is still recommending Potter and Company to Council.

Councilman Daniels said that he would feel better if the Town had an independent auditor, perhaps the one in SC that bid. He mentioned Potter also audits the ABC Board and Council has recent experience with the pay discrepancy issue for the ABC Board.

Councilman Wireman agreed. He said he is concerned with what he learned about Potter and is not comfortable with Potter if there are other good options available. Councilman Wireman stated that he would prefer a company familiar with NC law.

Mr. Wojtowicz asked to table item to review again. Mr. Merritt asked if there was deadline to have an auditor in place and if he were comfortable in putting it off. Mr. Wojtowicz agreed to put decision off until the next meeting.

b) **Council consideration of selecting outside Counsel to review Phase 1 of the Operational and Fiscal Review. (Mr. Kaufhold)**
At the April 26th Council meeting, staff was directed to submit a list of potential attorneys to Mr. Merritt for review of qualifications. Mr. Merritt was asked to cross off attorneys he would not recommend and to provide the reasons. Not attorneys (firms) were disqualified. Staff recommended Spencer & Spencer.

Councilman Savoie asked what Mr. Merritt's comments were; Mr. Merritt said his comments were made to Council in Closed Session last month and another communication if Council needs further information from him they can discuss in Closed Session.

Councilman Wireman made a motion to go with staff's recommendation of Spencer & Spencer. Motion carried by a vote of four (4) to one (1) with Councilman Savoie opposing.

11.)**NEW BUSINESS ITEMS**

a) **Council consideration of approving Powell Bill Fund Appropriation. (Mr. Wojtowicz)**

Move $1.1 million in Powell Bill Funds (from the Powell Bill fund balance to the Powell Bill budget); saves street bond money for future use.

Councilman Wireman made the motion to approve the Powell Bill Fund Appropriation. The motion carried by a vote of four (4) to one (1) with Councilman Daniels opposing.

b) **Council consideration of approving a proposed amendment to the Municipal Complex Capital Project Ordinance. (Mr. Kaufhold)**

Background: Staff was tasked with assessing the financial condition of the project which was originally presented to the public and approved by Council on February 10, 2015 as a move

in ready facility for $7.9 million. A municipality shall not begin a project until the costs have been approved from start to finish per state statutes.

On January 12, 2016 Town Council meeting, staff presented the findings of this undertaking which showed that the $7.9 Municipal Complex was not a move-in ready facility. A number of key items were not accounted for: landscaping, tree mitigation, trash dumpster and enclosure, roadway and frontage improvements, and FFE (furniture, telecommunications, data, security, and A/V) -- over $720,000 in expenses that were not in the capital project ordinance. On Feb 11, 2016, staff recommended $400,000 in changes to the building for these items including the removal of the cupola which was a cost savings of $130,000. Council approved these changes on February 23, 2016 bringing the total authorized project expenses to $9,105,152. To address the omissions of previous staff, we recommend the approval of an additional $1,678,000 estimated to complete the project, for a revised total of $10.8 million estimated to complete the project and brings the project into compliance with the state laws associated with Capital Project Ordinances and our own town ordinances.

Council approved an option for $7.995 million, included a fully furnished building with all FFE in Feb. 2015 but when the Capital Project Ordinance was approved on August 11, 2015 $7.983 million, option 2 was selected; a shell building of 20,000 SF with no FFE. There is no record of this $1.2 million change ever being discussed with Council or conveyed to the public. So, how did it happen? Who approved the change?

Change Order #1: Changes authorized through November of 2015. Builder included language in their contract stating they would bid the project out but would not be held accountable if there were plan changes. There were owner requested changes as well as changes mandated upon code compliance review. Of course bonding and other numbers increase when the total project increases so these changes plus $11,000 in weather impacts are what make up Change Order #1; again, all approved through November 2015.

Proposed Change Order #2: actually reads as $890,000 but you can subtract $400,000 for the internal changes approved by Council. So, essentially it is for$490,000. Encompasses the revised drawings (approved by Council in February 2016) roadway and frontage improvements (a round-a-bout is the most cost effective roadway improvements), UDO landscaping in compliance, kitchen, overhead, profit bonds and insurance.

Change order #3: $898,102. Estimated FF&E, which was presented under Option 2 in February 2015, but "disappeared" in future estimates. This amount includes estimations furniture, telecommunications, A/V and security, dumpster, irrigation, tap & other permitting fees and $25,000 in additional design/construction/coordination services, estimated to fulfill the capital project ordinance.

Collectively, we are asking for $1.67 million to bring the project into compliance with our own ordinances and have a move in ready building and also bring the Capital Project Ordinance into compliance with state statutes.

Councilman Wireman: Do we have to borrow the $1.67 million?
Mr. Wojtowicz: No, it is in the budget.

Councilman Daniels: Do we need to spend $264,000 on furniture when we already have furniture? Mr. Kaufhold: All the field operations staff and law enforcement would be housed at the old site and the furniture will be used for their purposes.

What about the dumpsters? We already have dumpsters?
Mr. Kaufhold: The Town plan was originally to build a road, on its own, to connect the two buildings and have building maintenance transfer trash from one building to another. Our current dumpsters are maxed out.

Mr. Kaufhold, you had mentioned that there was no transparency. The website shows all the bid tabulations and all the details of bidding. This is a majority Council and I'm sick and tired of hearing about yesterday. Things were done properly. It could be that questions were not asked, I know the design cost was never included. Mr. Kaufhold responded to Councilman Daniels that the design contract was approved before the $7.9 million was approved. It was pre-design fees.

Councilman Daniels replied that when he asked about the cupola, Mr. Kaufhold gave him different dates, first February 11, and then February 23rd. Mr. Kaufhold responded that Councilman Daniels needed to clarify his questions and not accuse Mr. Kaufhold of misrepresentation. Mayor Alvarez overrode Councilman Daniels comments to Mr. Kaufhold.

Councilman Wireman made a motion to approve the proposed amendment to the Municipal Complex Capital Project Ordinance, as presented. The motion carried by a vote of three (3) to two (2) with Councilmen Daniels and Savoie voting in the opposition.

c) **Council consider including in the budget to hire staff to prepare Town minutes, and to purchase a new Granicus system. The Town Council has not been presented any official Town minutes since November 2015. This is the official record for the Town and it is a complete breakdown of transparency and open government that we have no official record approved for the last seven months. (Councilman Daniels)**

Mayor Alvarez said that there already was a unanimous vote to wait on the Granicus for the new Town Hall and he respectfully request that Councilman Daniels remove that issue from this topic. Councilman Daniels agreed.

Councilman Daniels said that it would have been great communication to find out that the minutes were in process of being updated which he saw on Granicus today. He added that the minutes not having been produced, regardless of the situation, puts the Town at risk. He indicated that he had contacted the local government commission and that it is an audit exception.

Mayor Alvarez and Mr. Kaufhold asked Mr. Merritt can you clarify or rebut Councilman Daniels comments. Mr. Merritt said that the minutes can consist of the recordings or the written minutes. While it is nice to have written minutes prepared in a timely manner, the Town Clerk's practicalities within the last few months prevented it. From a risk standpoint, the information is available in audio on Granicus; there is no risk.

Councilman Wireman, I don't share this concern. Ms. Southward volunteered to step up into the HR role, and was responsible for bringing in 13 staff members. The appearance of this topic is that we are attacking staff members. We should be taking any issues up with the Town Manager and not in a public forum. Mr. Kaufhold thank you for hiring someone in a part-time capacity to help Ms. Southward get caught up on the minutes.

Councilwoman Stanton: When I saw this on the agenda, I called the Town Clerk and apologized. We had a Town Manager leave as soon as Council was voted on and Ms. Southward stepped up and held the Town together. Ms. Southward is fantastic, we apologize.

Councilman Cohn: There were circumstances and now we have a happy staff. I commend Ms. Southward and Mr. Kaufhold. Don't let this kind of talk bring you back to where we once were. We keep dwelling on the past. Councilman Daniels called Point of Order on Councilman Cohn to stay specific to the topic of the minutes.

Mayor Alvarez said there have been times in the past when minutes were not produced for a year.

Councilman Daniels said he would remove the minutes topic from the Agenda.

d) **Council consideration to reduce the Town's property tax rate from 18.5 cents to 18.0 cents due to the $32 million fund balance reporting on Dec. 31, 2015, and reduce the FY 16-17 budget by approximately $179,000 and to fund this specific fund decrease by eliminating the funding for the unfilled and unneeded Assistant Town Manager position by eliminating $23,000 in funding for an increase in the Town contribution to the new 401K Plan, and by delaying the implementation of funding in this year's budget for the Town Manager's Executive Assistant and the Planning Technician position. (Councilman Daniels)**

Councilman Daniels made a motion to reduce the Town's property tax rate from 18.5 cents to 18 cents.

Councilman Cohn said this is a waste of time and it is grandstanding. We have gone over this time and time again. The Town is doing wonderful, with the good news with Moody's.

Mayor Alvarez anything said to you and about you must be made in public record. If you do not like the discussion during the motion, you cannot speak in the middle. If you don't like this learn the rules of parliamentary procedures. Stop calling Point of Order, I am the Mayor. If you don't like the heat, don't put the item on the Agenda, it is disrespectful. Councilman Daniels you have to take the heat as an elected official.

Councilman Wireman: A couple of concerns in that we are working very hard to keep our staff and recruit the top talent in the area. And when I see items that seem to hurt our recruiting and retention efforts, I question why that is. I looked at the budget, I can't find that $32 million. The government's net position increased 5.8 million. The general fund balance was $9 million. The governmental funds reported combined ending funds of $23.5 million which were decrease of the previous year. 14/15 year total assets and deferred outflows were $50.3 million; at close of that fiscal year there was a combined ending fund balance of $22.5 million which was a decrease from prior year. You can start seeing the decreasing trend. We are mandated to have a balanced budget. The general fund revenue summary according to 14/15 budget recommendation was $11.1. 15/16 budget, $15.1 was recommended and approved. 16/17 recommended was $14.8. There is no $32 million dollars. A tax decrease will negatively impact the Town and residents; we need to maintain our tax base. From a fiscal conservative perspective, I cannot support this agenda item. I think we are in a solid position to maintain our tax base.

Councilman Savoie: I cannot support a motion unless I can see some numbers from Mr. Wojtowicz on how we could do this if at all possible. There could have been possibilities if Mr. Wojtowicz knew about this before the meeting.

Councilman Cohn: Mr. Wojtowicz has already answered that question three or four times tonight. This topic has been on the agenda several times and we keep going over this agenda item.

Councilman Daniels made a motion to reduce the Town's property tax rate from 18.5 cents to 18 cents. All were opposed with only Councilman Daniels in favor. Motion denied.

e) **Council consideration to have the Town Attorney review the Town approved Traffic Calming Policy found on our website and see if the Town followed our own policy process when recently approving traffic calming devices and funding for certain neighborhoods, and report to the Council on the June 13th Council Meeting. (Councilman Daniels)**

Mr. Merritt and Council to approve a motion to make sure the Town is following process with regards to traffic calming.

Councilman Wireman said he was confused about the item. He would expand that to the Town Hall since the UDO was not followed. If we are going to be fair and ask for a review of all Council's decision we need to review others.

Councilman Daniels responded that his agenda item is for traffic calming and to make sure the policy is being adhered to. If you have other issues, feel free to put through an agenda item.

Councilman Cohn asked Captain Coble to confirm that people were tickled to death about traffic calming. Captain Coble responded yes, yes and yes. Councilman Cohn said he does not want to waste attorney's time on something that has helped the community and law enforcement.

Mayor Alvarez asked Mr. Merritt, if the Council makes the rules, how a Council can violate a rule that the Council has made. Mr. Merritt, Council adopts policies and the Council can change the policy at their discretion.

Councilwoman Stanton: Some of the traffic calming, people had told her they had been waiting for years and can finally let their kids go out in the front yard. We are doing a great job for our residents.

Councilman Savoie: Isn't the process somewhat quantitative? An analysis showed that speed tables were warranted in Taylor Glen. Mr. Kaufhold said that there were several requests through that whole area. He considers it a town initiated safety project that was in the wings for quite a long time.

Councilman Daniels made a motion that Counsel review and approve that the policy was adhered to with the traffic calming. All were opposed with only Councilman Daniels in favor. Motion denied.

f) **Council Consideration to begin the implementation of the formation of a fully operational Business Park within 2 years. (Councilman Daniels)**
I spoke with one of the Council members prior to elections and he mentioned that this was a priority of his and so I have been waiting for him to bring it to Council so as not to 'steal his thunder'. He has not yet brought it to Council, but it was on the budget last year and I want to make sure we don't lose focus on that.

Councilman Wireman: I was the one he talked to, and I support a business park and ask that we table this for a conversation with Mr. Plate. He has good insight and can shed information on what Indian trail should be focusing on.

Councilman Cohn: We have the cart before the horse again. How much is it? You should first have the money. I find it odd that we ask for a tax decrease and then ask for something that could cost millions of dollars. Let's keep going in the right direction. I have heard from private enterprise where they might want to do it themselves. Let's look at all options.

Councilman Savoie: I'm a big advocate for business parks and pad ready sites. I think we need a feasibility study on cost and location. I think the future is good, but need to figure out where, when and how.

Councilman Daniels agreed to table it for the meeting on June 28th, 2016 provided that Mr. Plate' is available for that meeting to discuss options. Councilman Wireman and Daniels will take lead on it. Mr. Kaufhold to contact Mr. Plate'.

12.)**DISCUSSION ITEMS**

13.) **UPDATES**

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

No updates.

14.)**COUNCIL COMMENTS**

Councilman Cohn:
I got a little frustrated tonight. I love this town and the people. I am tired of the pandering and grandstanding that we go through every meeting. I keep hearing about transparency. One of the Council members wanted to add 4 deputies and he didn't want to discuss costs. This person voted to build a Town Hall without a vote from the people, after he had told people he didn't want to when he ran for office. He said he didn't need to go to the residents to build a Town Hall or to change a light bulb. He voted to raise the town debt 79% but yet he wants to lower taxes. That doesn't weigh out. Don't show up to a meeting at Town Hall. He told residents that we could not put the Town Hall on a referendum, which is just not true. He told people he never took money from a developer; 7 employees from a developer gave him money but none of them voted for him. It's like Benedict Arnold calling someone a traitor. Now he wants to lower taxes. I look like a jerk; I hate to be this way. But I'm tired of it and I see the frustration in everyone else. People don't forget, so do the right thing. I've tried to live my life by doing the right thing. We deserve better.

Councilwoman Stanton: I agree full heartedly. I do not think you are being rude, you are telling it like it is. See the difference in town management with just getting information from Town Hall. Thank you Mr. Kaufhold and staff. I am grateful for each one of you, you put your

heart into it with passion and love for the town and people. Listening to the residents last night and emails and calls I've been receiving, the town residents are happy in Council and staff. They are so excited and happy. I know you can't make every single person happy but we are trying and we are doing a good job. Councilman Daniels, do your homework before putting things on an agenda. Don't waste the people's and council's time. We are paying for it. Ask and beg for you to do your homework. Call Mr. Kaufhold. I am thankful for everyone. Captain Coble, thank you. Have a great weekend.

Councilman Savoie: Thank you everyone, staff, Captain Coble. Have a good evening.

Mayor Alvarez: It's not easy sitting here. I made the point that as an elected official you have to take every jab and smile and wave while you do. I admire each of you. It is the nature of the game. In my opinion, the agenda items do give the appearance that it is attacking. Just because a new Town Manager takes over. The impression I get is that because things are coming to light now, people are realizing that they blindly following. So they are making jabs now. Yesterday is yesterday and we have to stop going back and move on. The meetings are for town business. Councilman Cohn, I'm really getting annoyed with you not calling yourself the smartest guy. One of the worst feelings is when you told me that I disappointed you. I would not have been so disappointed in myself if I thought you were a dumb person.

Memorial Day, let us remember all who have fallen for this country. Thank a veteran, the VFW will be having a special presentation that day, everyone would like to attend.

Councilman Wireman: It is truly an honor and privilege to be sitting here. Proper incentives where they are needed, bonuses, benefits. Since taking office on December 8th, I say with confidence that we are doing a good job; 9 out of 10 residents I talk with have been pleased. There have been a lot of questions asked that were not asked before. Consent agenda would be full of millions of dollars in items, not one question asked. Budget would be riddled with rabbit holes. Residents said this was one of the most simple and easy to read budgets. Testament to Mr. Kaufhold and Mr. Wojtowicz. Town Hall, we have brought forth the truth behind the numbers. I would rather get the numbers out there, and have the residents be angry than not have the numbers out there. We are fiscally conservative Council. We have an attentive staff that is keenly aware of what council wants. Captain Coble, thank you and your staff, you continue to do a phenomenal job. I'm glad that the emotion and passion is coming out. We love this Town and want to do right for the residents. Hope to see everyone out there at festival.

Councilman Daniels: Early today we had resident come up and talk about CRTPO….representation needs to be addressed if we are not going, we need to discuss it. Moody's upgrade on rating, would like to thank previous Town Council and Finance Director, took place over years. Referendums, in NC it is a limited referendum state. This was done at a Council meeting, five to nothing, funding was in place. You don't look for another source like a bond. Chris Plate, was an exofficio. We are working on the same things now that we got for free. The relationship between Union County $400,000 for economic development. They are looking at the tax revenue. If the Council has chosen it, hopefully it will be a good thing for the Town. Tax based, the ½ cent is more symbolic. The Town Hall did not cause a raise in tax. Anytime you take out a loan or debt, the taxes were raised for the parks. There is such a thing as good debt. If you can pay it off and still have the asset. Past budgets, we had a different relationship with the town manager and I hope one day to have it with this Town Manager. We as Council set a budget; we would have brought that building in at that amount. Every time you make changes it costs money. If you don't have Granicus and you don't have minutes, if you had

temporary help today, why not yesterday. I'm looking at those that run the ship, not at the personnel. Grandstanding, and showboating, I care about this town more than anyone else. I look at being consistent and fair. I try to be patient, I think it's unprofessional. I hope the person running the meeting will run a more consistent meeting.

15.)**CLOSED SESSION**

Councilman Daniels moved to enter Closed Session pursuant to N.C.G.S. 143-318.11 (a)(6) to consider the qualifications, competence, performance, condition of a public officer or employee or prospective public officer or employee. The motion was approved by way of a unanimous vote.

Councilman Savoie made the motion to come out of closed session. All in favor, approved unanimously.

16.)**POSSIBLE ACTION FOLLOWING CLOSED SESSION: none**

17.)**ADJOURN**

Councilman Daniels made the motion to adjourn. All in favor; motion approved unanimously.

(SEAL)

TOWN OF INDIAN TRAIL, NORTH CAROLINA ★ INCORPORATED 1907 ★ OFFICIAL SEAL

Michael L. Alvarez, Mayor

Attest:

Kelley Southward, Town Clerk