

**MINUTES OF THE BOARD OF ALDERMEN
TOWN OF KERNERSVILLE, N.C.
JULY BRIEFING SESSION JUNE 18, 2014**

The Board of Aldermen of the Town of Kernersville met in a briefing session at 6:37 P.M. on the above date in the Town Hall Executive Conference Room at the Municipal Building at 134 East Mountain Street.

Present: Mayor Dawn Morgan, Aldermen Kenny Crews, Keith Hooker, Irving Neal and Tracey Shifflette.

Absent: Mayor Pro Tem Joe Pinnix.

Staff Present: Curtis L. Swisher, Town Manager; Jayne Danner, Deputy Town Clerk; John Wolfe, Town Attorney; Ken Whitaker, Zoning Administrator; Debi Grant, GIS Analyst; Scott Cunningham, Police Chief; Terry Crouse, Fire Rescue Chief; Dale Metzinger, Street Superintendent; Gray Cassell, Chief Information Officer; Franz Ader, Finance Director and Ray Smith, Human Resources Director.

Call to order and invocation.

Mayor Dawn Morgan called the meeting to order and Alderman Tracey Shifflette delivered the invocation.

1. Briefing on the June 24 (July) Regular Meeting Agenda.

Mayor Morgan noted the Ceremonial Item on the Agenda, an Oath of Office for Mr. Wyatt Samuel Jones Jr. who has been appointed to the NC State Board of Cosmetic Art Examiners. She also noted that this would be the last invocation led by Reverend Jeff Patterson, who will be leaving the area to serve in a new appointment.

Item # 1 PUBLIC HEARING: on a voluntary annexation petition by Ricky & Katherine Gray for property located at Grays Land Road near Macy Grove Road and I-40, 19.130 acres.

Item # 2 PUBLIC HEARING: Curtis Swisher, Agent for the Town of Kernersville for consideration of an amendment to the Kernersville Development Plan to amend the Land Use Plan for property located at 780 Macy Grove Road and within Guilford County being all of Guilford County PIN # 6895-44- 4614 containing 17.96 acres more or less.. Plan Docket KDP-41

Item # 3 PUBLIC HEARING: Hackett Properties, Inc., Agent for Others for property located at 780 Macy Grove Road and within Guilford County being all of Guilford County PIN # 6895-44-4614 containing 17.96 acres more or less. Petitioner requests to rezone from Guilford County AG (Agricultural) to Kernersville RM18-S (Residential Multifamily,

maximum 18 units/acre – Special Use District). Requested Use(s): Residential Building, Multifamily Zoning Docket K-726

Mr. Curtis Swisher, Town Manager briefed the Board on Agenda Items 1, 2 and 3 that pertain to property just past the entrance to the Kernersville Hospital. He stated that Staff recommends approval of these requests as its a good area for multi-family residential use, however an adjacent property owner did speak in opposition of the request presented by Staff and that the Planning Board voted 4-5 to deny the request. Mr. Swisher also noted that the developer had discussed changing the density to RM12, but the number of units would remain the same.

Mayor Morgan stated that she has received a letter from Becky Smothers, Chair of the City of High Point’s Comprehensive Planning Committee expressing support of the proposed multi-family residential use in this area, which falls inside the area covered by the Cooperative Agreement between the Town and City of High Point for shared ad-valorem taxes and utility service agreements. Mayor Morgan offered to contact the City of High Point if the Board had questions about the letter or would like additional information.

Alderman Keith Hooker asked if the property owner in opposition would be negatively affected by stormwater run-off. He also noted that the proposed development would have only one access point and asked if this would be a public safety concern.

Mr. Swisher illustrated on the site plan where the stormwater pond would be located and stated that it would not affect the adjacent property which is primarily wooded or lies in a flood zone. He also stated that he isn’t aware of any raised public safety concerns for the proposed development.

Alderman Irving Neal asked if the proposed amenities would be part of the conditions in case the builder decided not to include them or decided not to build at all.

Mayor Morgan stated that typically they are not and that if the property is resold it would have to be developed for the approved use.

Mr. Swisher stated that typically the amenities are built first to attract tenants.

Mr. Ken Whitaker, Zoning Administrator stated that any deviations from the site plan even to parking would have to come back to the Board of Aldermen for approval.

Item # 5 Consideration of an Ordinance to lower Speed Limit for Kentland Ridge Subdivision.

Mr. Swisher stated that the Town received a request from the Homeowners Association to lower the speed limit from 35 mph to 25 mph. He added that Staff recommends a 25 mph speed limit, which is consistent with other neighborhoods in the Town limits.

Item # 6 Consideration of an Ordinance for FY 13-14 Final Budget Amendment

Mr. Swisher stated that Budget Amendment # 3 for FY 13-14 nets an appropriation of \$740K from Fund Balance, with a total appropriation of \$1.4-\$1.5 M from Fund Balance for FY 13-14. He noted that \$630K will be put back into Fund Balance upon the payment of the HVAC system loan. He added that this Budget Amendment includes \$130K for extra expenses for HVAC system; \$200K for swap body truck; Police Department emergency repairs for equipment; and transfer of funds from Capital Reserve Funds for the future Durham Street project.

Alderman Keith Hooker asked that the expenditures for Governing Body and Street Department be broken down to itemize the individual purposes and that the Budget Amendment Ordinance be updated to reflect this.

Item # 7 Consideration of an Ordinance establishing the Town Manager's Compensation.

Mayor Morgan asked Town Attorney John Wolfe to explain this process.

Mr. Wolfe stated that it is a requirement of the Town Managers contract that an Ordinance has to be adopted setting the annual salary and compensation, typically prior to the adoption of the Town's Annual Operating Budget that has to be before July 1st.

Item # 8 Consideration of an Ordinance adopting the Operating Budget for FY 2014-15.

Mr. Swisher stated that he has been able to make some additional cuts to the budget of about \$35-40K by reducing the fuel budget, cutting funding to the Piedmont Triad Partnership, by reducing equipment rental fees by \$5,000 in Parks and Recreation, and reducing overtime in the Police Department. Revenues were increased by approximately \$5,000 for inspections fees, and by adding \$9,500 for the proposed Walkertown Fire Protection Agreement. He added that the Board could also consider reducing the funding requested by the Forsyth County Senior Services from \$10,000 to \$5,000 since they did receive more funding from the County than originally expected. He further added this revised budget would require a 1.5 cent tax increase and an appropriation of \$211K from the Fund Balance, an appropriation of \$80K - \$85K more than he had originally recommended to the Board at the Public Hearing with a 2 cent option tax rate increase. He stated that in order to have a 1 cent tax increase it would require an additional \$120K appropriation from Fund Balance.

Alderman Keith Hooker asked if we had received any additional information on the projected revenues from the State for vehicle taxes.

Mr. Swisher stated that we are recommending using \$160K as projected revenue for vehicle tax. This is more than the County recommends and covers any new projections. He also stated that Staff needs direction from the Board so that a Budget Ordinance can be prepared for adoption on Tuesday evening.

Alderman Irving Neal stated that he is not in favor of cutting funding for the Forsyth County Senior Services. He added that he wants to see the tax returns for the Chamber of Commerce to determine what their financial situation is before appropriating funds.

Mr. Swisher advised that we could request Profit and Loss statements for each of the Chamber events.

Mr. John Wolfe, Town Attorney also advised that the Town could request details of money on hand and the amount of money earned annually.

Alderman Kenny Crews asked if we could also request salary information.

Mr. Swisher advised that salary information is included in the Chamber's annual report, but it is not broken down by position.

Alderman Neal stated that he does not want to raise taxes, however, nor does he want to keep raiding the Fund Balance. He added that everything has gone up and if he can be assured that employees have cut and maximized operational savings as much as possible he would be in favor of a 1.5 cent tax rate increase and an appropriation of \$211K from Fund Balance. He further added that he is aware of the hardship a tax rate increase is on citizens, especially those with fixed incomes, but it's the only alternative other than cutting the services the Town offers. He asked what the impact would be if we paid the North Carolina League of Municipalities (NCLM) 50% of the dues requested.

Mr. Swisher advised that it would be a cost savings to the Town to contract services such as garbage but it would actually cost the citizen more, around \$200 per year, and that is only for garbage not recycling or yard waste pick up. He stated that the NCLM has been a tremendous asset to the Town, in the matter with the hold harmless funds alone, and that Staff could not keep up with the day to day happenings in the Legislature and the impact their decisions would have on the Town in the way that the NCLM can.

Mr. Wolfe stated that in his opinion the Town should continue to fund the NCLM 100%. He further stated that the NCLM acts as a lobbyist on behalf of the Town, a task that would be impossible for a Mayor or Manager to perform with all that is going on in the General Assembly.

Alderman Tracey Shifflette asked about the Professional Services line items in each Department and also asked if funding to the Piedmont Triad Partnership (PTP) had been removed from the 1.5 cent budget.

Mr. Swisher advised that most of the Professional Service line item expenditures are for a one year contract for services such as Banking Services and the PTP funding has been removed.

Alderman Keith Hooker thanked Mr. Swisher for finding additional savings in the Budget. He stated that although he is not in favor of a tax increase, he suggested a 1.25 cent tax rate increase, setting a tax rate of 54 cents with a \$270K appropriation from Fund Balance.

Alderman Tracey Shifflette stated that she has some concerns with the new revenue associated with the proposed Walkertown Fire Agreement. She added that she understands that this agreement is similar to the one the Town has with Colfax, however she wanted to ensure that this additional coverage area would not affect the four minute response time for other citizens in Kernersville. She asked how many fire calls have been received in the proposed coverage area in the past three years, and what additional costs are associated each time we send the fire department to respond to a call out. She asked what services Walkertown residents receive for their tax dollars.

Fire Chief Terry Crouse responded that 13 fire calls were received in the past year in the proposed area, and in the past five years there have been three fire calls to Johnson Control. He added that the Kernersville Fire Department responds already due to the Mutual Aid Agreement but they are not financially reimbursed so he does not expect there to be any additional financial burden on the fire department monies or other resources.

Mayor Morgan called for a recess at 7:51 p.m.

Mayor Morgan reconvened the meeting at 8:07 p.m.

Alderman Kenny Crews stated that he would like to fulfill the \$10K request by the Forsyth County Senior Services.

Mayor Morgan asked Mr. Swisher if the \$10K request was in the proposed budget. Mr. Swisher responded that it was.

Mr. Swisher stated that based on the discussions this evening Staff can prepare Budget Ordinances based on a 1.5 cent and 1.25 cent tax rate increase. He asked that the Board let him know of any other recommendations so that an Ordinance can be ready for adoption on Tuesday evening.

Alderman Hooker asked if the Budget Ordinance would include funding for the Chamber of Commerce and if so would it have to be removed prior to adoption or with a Budget Amendment at a later date.

Mr. Swisher recommended that the funds remain in the Budget Ordinance, and then if the Board decides to change or not fund the Chamber then less money would need to be appropriated from Fund Balance.

Item # 9 Consideration of an Amendment to the Kernersville Code of Ordinance Traffic Schedule 2 and Setting the Speed Limit for Kernersville Medical Parkway.

Mr. Swisher stated that Staff is recommending that a 40 mph Speed Limit be adopted for Kernersville Medical Parkway, a speed limit the town currently doesn't have in the Schedule 2, so this Ordinance incorporates adding it. Mr. Swisher also noted that the stop bars have been installed at the intersection of Brookford Road as previously requested by the Board.

The Board briefly discussed concerns with speeding on this road. Chief Cunningham stated that measures are being taken to address this issue.

Item # 10 Consideration and Adoption of Bond Issuance and Sale Resolution.

Mr. Swisher briefed the Board on this matter. He stated that five bids were received and Staff is recommending the lowest bidder, Carter Bank & Trust, with an interest rate of 2.15 %. He added that by refinancing these 2004 Series Street Improvement Bonds the Town will save approximately \$400K over 10 years.

Item # 11 Approval of a Resolution to provide Senior Transit Services.

Mr. Swisher stated that three bids were received to provide a Senior Transit Service for two years. He added that Staff is recommending the lowest bidder, Triad Transportation Inc., with a bid of \$27, 986.40 which will require a 10% Town match, previously approved by the Board.

Item # 12 Consideration of a Fire Protection Agreement with the Town of Walkertown.

Mayor Morgan noted that this matter was discussed earlier during the budget discussion. She asked Fire Chief Crouse to provide information on the number of fire calls to this area over the past three years and if the Town would require additional equipment to provide fire protection service to the area.

Chief Crouse noted that the fire personnel would require some additional specialized training but no additional equipment would be required to provide service to the area.

Mr. Swisher stated that this is a one year contract so it can be reviewed at that time.

Item # 13 CONSENT AGENDA: All of the following matters are considered to be routine by the Board of Aldermen and will be enacted by one motion. There will be no separate discussion unless a Board member or citizen so requests, in which event the matter will be removed from the Consent Agenda and considered under the following item.

- C-1 Approval of Minutes for May 6, 2014 Regular Session
Approval of Minutes for May 28, 2014 Briefing Session**
- C-2 Consideration of Ordinance by Forsyth County to Collect Town of Kernersville Taxes for Prior Years.**
- C-3 Consideration of Ordinance by Forsyth County to Collect Town of Kernersville Taxes for 2014.**
- C-4 Presentation of the “Growth and Traffic Data 2013 Annual Report.**

Mr. Swisher noted the Consent Agenda Items. He stated that Items C-2 and C-3, Ordinances for Forsyth County to collect Taxes is an annual procedure. He added that for Item C-4 the Board of Aldermen established a committee several years ago to provide citizen feedback on growth and traffic data for the Town which has evolved into an annual report.

2. Matters to be presented by the Town Manager and Town Attorney.

Alderman Irving Neal made a **Motion** to go into Closed Session at 8:26 p.m. to discuss personnel matters as permitted by NCGS 143-318.11(a)(6). Alderman Tracey Shifflette seconded the motion and the vote was all for and motion carried.

The Board returned to Open Session at 9:20 p.m.

3. Adjournment

Alderman Keith Hooker made a **Motion** to adjourn the meeting at 9:20 p.m. Alderman Irving Neal seconded the motion and the vote was all for and motion carried.

Being no further business to come before the Board, the meeting adjourned immediately following the closed session.


Dawn H. Morgan, Mayor

Attest:


Jayne Danner, MMC, NCCMC Deputy Clerk

I, Jayne Danner, Deputy Clerk of the Town of Kernersville, North Carolina, do hereby certify that this is a true and correct copy of the minutes of the meeting duly held on June 18, 2014.

This the 13th day of August, 2014.


Jayne Danner, MMC, NCCMC Deputy Clerk