

**MINUTES OF THE BOARD OF ALDERMEN
TOWN OF KERNERSVILLE, N.C.
BRIEFING SESSION JUNE 20, 2012**

The Board of Aldermen of the Town of Kernersville met in a briefing session at 6:30 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, Alderman Keith Hooker, Mayor Pro Tem Dana Caudill Jones, Alderman Irving Neal, Alderman Tracey Shifflette and Alderman Neal Stockton.

Absent: None.

Staff Present: Curtis L. Swisher, Town Manager; John G. Wolfe III, Town Attorney; Jayne Danner, Deputy Clerk; Jeff Hatling, Community Development Director; Ken Gamble, Police Chief; Terry Crouse, Assistant Fire Rescue Chief; Doran Maltba, Public Services Director; Russell Radford, Engineering Director; Brain Ulrich, Transportation Manager; Ernie Pages, Parks & Recreation Director, Franz Ader, Finance Director; Gray Cassell, Chief Information Officer and Ray Smith, Human Resources Director.

Call to order and invocation.

Mayor Dawn Morgan called the meeting to order and Mayor Pro Tem Dana Caudill Jones delivered the invocation.

1. Consideration of a Resolution Authorizing the release of the Badge and Revolver to Max T. Creason, Retiring Police Lieutenant in accordance with the NCGS.

Police Chief Ken Gamble stated that it has been a tradition of the Town to present these items to retiring police officers and that it is authorized by NC General Statues.

Alderman Tracey Shifflette made a **Motion** to approve the following Resolution authorizing release of the Badge and Revolver to Max T. Creason, Retiring Police Lieutenant in accordance with the NCGS 20-187.2. Alderman Keith Hooker seconded the motion and the vote was all for and motion carried.

RESOLUTION NO. R-2012-22

**RESOLUTION DECLARING PROPERTY SURPLUS AND
AUTHORIZING DISPOSAL**

WHEREAS, Max T. Creason will retire from the Town of Kernersville Police Department on June 30, 2012; and

WHEREAS, in accordance with N. C. G. S. 20-187.2, Max T. Creason has

requested his service badge; and

WHEREAS, in accordance with N. C. G. S. 20-187.2, Max T. Creason has requested his service revolver, a Glock, 40 caliber, Model 22, SN: FRW739; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the Town of Kernersville that the service revolver, is hereby declared surplus to the Town and that the Town Manager is authorized to present said badge and revolver to Max T. Creason.

Adopted this the 20th day of June, 2012.

2. Consideration of an Ordinance Setting the Annual Compensation of the Town Manager.

John Wolfe, Town Attorney stated that the Board had discussed this matter previously in a Closed Session and upon the Board's direction he had drafted an ordinance for their consideration setting the annual compensation for the Town Manager.

Mayor Morgan asked Mr. Wolfe to read the Ordinance.

Alderman Neal Stockton made a **Motion** to approve the following Ordinance Setting the Annual Compensation of the Town Manager. Mayor Pro Tem Dana Caudill Jones seconded the motion and the vote was all for and motion carried

**ORDINANCE NO. 0-2012-13
AN ORDINANCE SETTING ANNUAL COMPENSATION FOR THE
KERNERSVILLE TOWN MANAGER**

WHEREAS, Curtis L. Swisher, has been employed with the Town of Kernersville for a period in excess of four (4) years with his anniversary date being February 18th; and

WHEREAS, the Board of Aldermen has, as it does from time to time, reviewed compensation paid Town Managers of other communities, as well as reviewed the Town Manager's performance during the past year; and

WHEREAS, the Board of Aldermen has found that the Town Manager continues to perform satisfactorily and commendably in his position;

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE BOARD OF ALDERMEN that the Town Manager's (Curtis L. Swisher) compensation be set in the following manner effective July 1, 2012:

1. An annual salary of Ninety-six Thousand and no/100 Dollars (\$96,000.00) paid in accordance with the Town of Kernersville Employee Payment Plan.

2. An annual allowance equal to the Membership Dues of a Civic Club of the Town Manager's choice up to Eight Hundred and no/100 Dollars (\$800.00);

3. A monthly automobile allowance of Five Hundred and no/100 Dollars (\$500.00);
4. One (1) week of paid vacation annually in addition to that which the Town Manager is entitled, and accrues, as an employee of the Town.
5. All other usual benefits afforded other Town employees as defined by the Personnel Policy of the Town such as relate to health and life insurance, sick leave, and so forth; and
6. By contract, that he is guaranteed severance compensation of five (5) months' salary (representing one month granted at the time of his Appointment and one month for each year of service to date) should the said Town Manager's employment be terminated during the current year of employment other than by himself voluntarily terminating his employment, or for misconduct on his part in his employment.

This Ordinance is effective upon its adoption.

This 20th day of June, 2012.

3. Consideration of an Ordinance adopting the Operating Budget for FY 2012-13.

Mayor Dawn Morgan gave an overview of the FY12-13 Budget process. She asked the Board if they had any questions.

Alderman Keith Hooker asked what the plans are for the funds that had been appropriated in the FY12-13 Budget for the Kernersville Downtown Council (KDC) since the organization had announced it would no longer be in operation after August 1, 2012.

Mr. Swisher stated that in the past the KDC had requested disbursement of funds twice a year, usually in July and January. He added that they may still request disbursement of some of the appropriated funds in July. He suggested that if the events previously hosted by the KDC are picked up by the Chamber of Commerce it would seem fitting to transfer those funds to the Chamber of Commerce to offset the cost of the events.

Town Attorney John Wolfe stated that the funds to the KDC are in the form of a grant and therefore if the events funded by the grant are transferred to another organization then it would be legal for the grant funds to be transferred to that organization.

Mayor Pro Tem Dana Caudill Jones stated that the KDC and the Chamber Boards have both met to discuss this transition. She added that both organizations are still in the discussion stage and therefore the August 1st date may change.

Mayor Pro Tem Dana Caudill Jones made a **Motion** to approve the following Ordinance adopting the Operating Budget for FY 2012-13. Alderman Irving Neal seconded the motion and the vote was all for and motion carried.

O-2012-14

AN ORDINANCE MAKING APPROPRIATIONS FOR THE OVERALL OPERATIONS

OF THE TOWN OF KERNERSVILLE FOR THE YEAR JULY 1, 2012
THROUGH JUNE 30, 2013

WHEREAS, this Board of Aldermen of the Town of Kernersville has received a budget with a recommended plan for the operation of the town government and its activities for the fiscal year 2012-2013 from the Town Manager, and

WHEREAS, after deliberations held in Open Session with the citizens of Kernersville, it is the desire of the Board of Aldermen to adopt said budget to provide for the effective and orderly provision of services to the Town of Kernersville.

NOW, THEREFORE, BE IT ORDAINED:

Section 1. That revenues for the General Fund be established as follows:

General Fund

2012-13 Ad Valorem & Prior Years Taxes	12,628,759
Other Taxes & Fees	145,235
Unrestricted Intergovernmental Revenue	6,180,618
Restricted Intergovernmental Revenue	3,160,503
Penalty and Interest	81,000
Other Revenue	197,512
Functionally Related Revenues	2,243,593
Operating Grants/Contributions	819,558
Interfund Transfers	480,110
<u>Fund Balance Appropriated</u>	<u>500,654</u>
Total Anticipated Revenues	26,437,542

Section 2. That expenditures for the General Fund be appropriated as follows:

General Fund

Governing Body	453,425
Administrative Department	280,502
Inspections Permits & Enforcement (Division of Community Development)	359,075
Finance Department	747,415
Information Technology Department	375,799
Planning and Zoning (Division of Community Development)	294,019
Human Resources Department	562,315
Police Department	6,517,102
Fire Department	6,250,644
Engineering Department	675,083
Street (Division of Public Services)	1,560,945
Solid Waste (Division of Public Services)	2,702,546
Engineering-Transportation	584,557
Recreation and Parks Department	1,272,607
Paddison Memorial Library Department	66,708
General Services Department	464,515

Special Appropriations Department	1,424,586
Public Services Administration	321,146
<u>Central Maintenance (Division of Public Services)</u>	<u>1,524,553</u>
Total	26,437,542

Section 3. That there is hereby levied a tax rate of forty-nine seventy five cents (\$0.4975) per one hundred dollars assessed valuation on all real property and other applicable property within the Town of Kernersville, such rate based upon an estimated total assessed valuation of property for purposes of taxation of \$2,554,355,241 and an estimated collection rate of 98.00% through June 30, 2013.

Section 4. That anticipated revenues for the Law Enforcement Forfeiture Funds be established as follows:

Other Revenue	150
	19,268
<u>Fund Balance Appropriated</u>	<u>269,327</u>
Total Anticipated Revenues	288,745

The expenditures for the Law Enforcement Forfeiture Funds shall be authorized as follows:

<u>Law Enforcement Forfeiture Funds Expenses</u>	<u>288,745</u>
Total	288,745

Section 5. That anticipated revenues for the Contributions Fund be established as follows:

Other Revenue	50
Contributions	3,500
<u>Fund Balance Appropriated</u>	<u>2,550</u>
Total Anticipated Revenues	6,100

The expenditures for the Contributions Fund shall be authorized as follows:

<u>Contribution Fund Expenses</u>	<u>6,100</u>
Total	6,100

Section 6. That anticipated revenues for the E-911 Fund be established as follows:

Forsyth County Reimb. E-911	32,000
<u>Fund Balance Appropriated</u>	<u>50,697</u>
Total Anticipated Revenues	82,697

The expenditures for the E-911 Fund shall be authorized as follows:

<u>E-911 Expenses</u>	<u>82,697</u>
Total	82,697

Section 7. That a Worker's Comp Self-Insurance Fund be established with anticipated revenues as follows:

Other Revenue	100
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Charges for Services	171,540
<u>Total Anticipated Revenues</u>	171,640

The expenditures for the Worker's Comp Self-Insurance Fund shall be authorized as follows:

Workman's Comp Self-Insurance Expenses	171,640
<u>Total</u>	171,640

Section 8. That a Stormwater Enterprise Fund be established with anticipated revenues as follows:

Other Revenues	3,750
Stormwater Fees	956,000
Due/fr General Fund - Town's Stormwater Fees	212,332
<u>Fund Balance Appropriated</u>	285,517
<u>Total Anticipated Revenues</u>	1,457,599

The expenditures for the Stormwater Enterprise Fund shall be authorized as follows:

Stormwater Fund Expenses	1,116,689
Transfer to General Fund - Engineering Department	25,000
Transfer to General Fund - Rent	25,000
Transfer to General Fund - Street Department	133,410
<u>Transfer to General Fund - Sanitation Department</u>	157,500
<u>Total</u>	1,457,599

Section 9. That an Occupancy Tax Fund be established with anticipated revenues as follows:

Occupancy Tax Revenue	84,425
Other Revenues	7
<u>Funds Balance Appropriated</u>	15,068
<u>Total Anticipated Revenues</u>	99,500

The expenditures for the Occupancy Tax Fund shall be authorized as follows:

Occupancy Tax Fund Expenses	64,500
<u>Transfer to General Fund - Recreation</u>	35,000
<u>Total</u>	99,500

Section 10. That a Capital Reserve Fund be established with anticipated revenues as follows:

Other Revenues	200
<u>Transfer fr. General Fund- Transportation Projects</u>	54,014
<u>Total Anticipated Revenues</u>	54,214

The expenditures for the Capital Reserve Fund shall be authorized as follows:

Transfer to General Fund- for Interest earned on investments	200
Reserve for Transportation Projects	54,014
Total	54,214

Section 12. That the Schedule of Fees and Charges be adopted for fiscal year 2012-2013 in accordance with Exhibit A attached and made a part of this Ordinance.

Section 13. That the Town Manager be authorized to establish rates and charges for all other use of Town Facilities and services other than special assessments or other charges regulated by State law or Local Ordinance.

Section 14. That the Town Manager, as Budget Officer, be authorized to make budget amendments to all departments and be required to have such amendments entered into the minutes of the next regular meeting of the Board of Alderman.

Section 15. That the Town Manager, as Budget Officer, be authorized to transfer amounts between line item expenditures within a department without limitation and without a report being required.

Section 16. That this budget ordinance be entered into the minutes of the Board and, within five days after adoption, copies thereof shall be filed with the Finance Officer, Budget Officer and Clerk to the Board of Aldermen.

Adopted this the 20th day of June, 2012.

4. Consideration of a Revision to the 2012 Board of Aldermen Meeting Schedule to begin the Regular meetings at 6:30 p.m.

Mayor Morgan stated that both Board Members and citizens have expressed concern recently about the length and late hour of the conclusion of the monthly Board meetings. She asked the Board if they wanted to consider starting the regular meetings at 6:30 p.m. for the next couple of months to see if this alleviated the issue.

Mayor Pro Tem Jones stated that it is difficult to stay focused when the meetings go past 10 p.m. and it is an inconvenience for citizens, however she also thinks it may be difficult for many citizens to be at the meetings at 6:30 p.m. She suggested that the Town Manager and Mayor consider placing the more routine items on the Briefing and Consent Agenda. She also suggested that time limits of not more than ten minutes be put on presentations given by both staff and consultants. She stated that the Board has already been briefed on the Agenda items and if the Board members have specific questions they could ask the staff at the Briefing, or via email or phone prior to the meetings. She reiterated the importance of keeping the meetings moving but also allowing citizens an opportunity to be heard. She noted that the Speakers from the Floor after Public Hearings was added to the Agenda so that citizens didn't have to wait to the end of the meeting.

Mr. Wolfe, Town Attorney reminded the Board that citizens or Board members can always pull an item off the Consent Agenda if they feel it warrants discussion. He also clarified that items can be placed on the Briefing Agenda that require a vote, as is the case for this evenings meeting. He also reminded the Board that the two opportunities for Speakers from the Floor should be to discuss matters that are not an Agenda item. He further clarified that the Board meetings are not meetings for citizens and the Board does not have to allow citizens time to give input on agenda items. He also stated that citizens should not be allowed to discuss Agenda items during Speakers from the Floor and that the Mayor has the authority to cut speakers off when their time limit is up.

Alderman Neal Stockton stated that the matter of starting the meetings earlier has been considered in the past, however it has been determined that 7 p.m. is best for the citizens.

Alderman Irving Neal stated that it is important to start the meetings on time. He suggested that if citizens don't sign up to speak, then they don't get to speak. He also suggested that the zoning case presentations be limited, since the Board has already heard the information at the Briefing meeting, has the information to read, and that if a Board member has further questions they should contact staff directly. He also stated that the Board needs to adhere to the time limits in the Meeting Procedures policies. He further stated that no business should be conducted after 10 p.m. and if the Board tidied up what is already in place, it shouldn't be an issue.

Alderman Keith Hooker agreed that many of the presentations are too long, and it appears at times the discussions are repetitive.

Mr. Swisher agreed that as the Board has suggested, more routine items can be added to the Briefing and Consent Agenda.

Mayor Morgan asked Mr. Wolfe if a motion would be required to implement the Board's suggestions.

Mr. Wolfe advised that a motion is not required, that based on this evenings conversation the Board is directing that the Regular meetings continue to begin at 7 p.m.; that the Mayor and Town Manager implement the following changes to control the length of the meetings by: placing more routine items on the Briefing and Consent Agenda; implementing time limits of not more than 10 minutes on presentations by Staff and Consultants; and that the two opportunities for Speakers from the Floor speakers are restricted to non-agenda items and are required to adhere to time limits outlined in the Meeting Procedures policies.

5. Briefing on the June 26, Regular Meeting Agenda.

Item # 1 a. PUBLIC HEARING: On the Proposed Financing of real property by the Town of Kernersville at the following locations: 1815 Teague Lane, 115 South Main Street, 125 South Main Street, 133 South Main Street, and 141 South Main Street.

Item # 1b. Consideration of Resolution Authorizing the Execution of an Installment Financing Contract for Infrastructure Purchases and the Consideration of Declaration of Notice of Intent to Reimburse for Infrastructure Purchases.

Mr. Swisher briefed the Board on this Public Hearing and Resolution to reimburse the Town for the recently purchased real properties. He stated that the deadline for request for proposals for an installment purchase loan in the amount of \$1,218,500 from banking institutions was 4:30 pm today. He added that details of proposals received and the Staff recommendation will be sent to the Board in Friday Packet and posted to the Town website.

Item # 3. Presentation by the War Memorial Foundation on the Carolina Field of Honor at Triad Park.

Mayor Morgan gave a brief history on the establishment of the War Memorial Foundation committee.

Item # 4. Discussion by the McConnell Homeowners Association Regarding the Retention Ponds within the Subdivision.

Mr. Russell Radford, Engineering Director briefed the Board on this request from the McConnell Homeowners Association (HOA) to address the Board about their concerns regarding the two stormwater retention ponds in the subdivision. He provided a brief timeline of the situation to date. He noted that additional time was allowed so the HOA could raise the funds needed to rectify the matter. He stated that he believes the HOA wants the Town to pay for the remediation of the ponds.

Mayor Morgan asked if the Town was obligated to fund the remediation of the ponds. She also asked that the Board be provided with photographs and documentation for the time period this situation has taken place.

Mr. Wolfe stated that the Town is under no financial obligation to rectify this matter that it is the responsibility of the HOA.

Mr. Swisher stated that all retention ponds in the Town require annual upkeep in order to remain in compliance with the Town Ordinance. He added that on one occasion the Town paid for the remediation of the Trillium subdivision pond because the developer had declared bankruptcy; however a bond that had been put up by the developer was cashed to offset the cost of the ponds remediation.

Item # 5. Consideration of Budget Amendment No. 3 for Fiscal Year 2011-12.

Mr. Swisher stated that this will be the final Budget Amendment for FY 2011-12. He added that it will be posted to the website and forwarded to the Board as soon as possible.

Item # 6. Consideration of Condemnation Proceedings for property on Kernersville Medical Parkway.

Mr. Wolfe briefed the Board on this request for the Town to initiate condemnation proceedings. He stated that Hanks Perkins, a representative with Trade Street Development has prepared a notebook for each of the Board Members with information on each of the parcels of property that the developer has been unable to acquire the right-of-way for in order to begin the construction of the Kernersville Medical Parkway. Mr. Wolfe noted a correction to Tab # 6 in the notebook that the owner is L.E. Pope Building Co. and not Riddle. He also noted that the Developer will reimburse the Town for all legal and purchase costs for these condemnation proceedings.

Item # 7. 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 1, 2012 Special Meeting
Approval of Minutes for May 16, 2012 Special Meeting
Approval of Minutes for May 30, 2012 Special Meeting**
- C-2 Consideration of NCDOT Supplemental Agreement # 2 for Union Cross Road Turn Lane.**
- C-3 Consideration of NCDOT Construction Agreement for Roundabout at Intersection of NC 66 and Dobson Street.**
- C-4 Consideration of Appointments to the Sister City Commission.**

Mr. Swisher highlighted the Consent Agenda items.

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

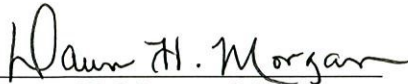
Doran Maltba, Public Services Director invited the Board Members to attend Rick Everhart's Retirement Reception on July 25th. He also distributed a 2012 - 2013 Public Services Collection Schedule that will be distributed to citizens.

Mr. Swisher advised the Board that the developer of Gateway Place has requested a change to their building design from a 3 story building to a single story building; he noted that this qualifies as a minor staff change.

Alderman Keith Hooker made a **Motion** to go into Closed Session to discuss certain matters which fall within Attorney-Client Privilege as authorized in N.C.G.S. 143-318.11(3) at 7:55 p.m. Alderman Irving Neal seconded the motion and the vote was all for and motion carried.

7. Adjournment.

Mayor Pro Tem Dana Caudill Jones made a **Motion** to adjourn the meeting at 8:12 p.m. immediately following the Closed Session. Alderman Irving Neal seconded the motion and the vote was all for and motion carried.


Dawn H. Morgan, Mayor

Attest:


Jayne Danner CMC, 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 20, 2012.

This the 10th day of August, 2012.


Jayne Danner CMC, Deputy Clerk