



**MINUTES OF THE  
TOWN COUNCIL 3rd BUDGET WORKSHOP  
Thursday, April 23, 2020 - 6:00 P.M.  
Held Remotely via ZOOM  
200 Dover St., Pineville, NC**

The Town Council of the Town of Pineville, NC, met in a Budget Workshop on Thursday, April 23, 2020 @ 6:00 p.m. The meeting was held remotely utilizing ZOOM. Those that participated in the meeting were as follows:

**ATTENDANCE**

Mayor: Jack Edwards  
Mayor Pro-Tem: Melissa Davis  
Council Members: Amelia Stinson-Wesley, Les Gladden and Joe Maxim  
Town Manager: Ryan Spitzer  
Town Clerk: Barbara Monticello  
Finance Director: Richard Dixon

**Also, in attendance were Department Heads:** Don Mitchell for Pineville Electric/Electricities and Tammy Vachon for Pineville Communications Systems, along with guests Jane Shutt of Pineville Neighbor's Place and John Holobinko of the Pineville Chamber of Commerce.

**CALL TO ORDER**

Mayor Jack Edwards called the meeting to order at 6:11 p.m.

**DISCUSSION ITEMS:**

- A. **SPONSORSHIPS** – The meeting began with Jane Shutt, Executive Director of Pineville Neighbors Place, thanking Council for their past contributions and support. She reviewed the number of people our donations in the past were able to help and was grateful for that. However, in 2019 Pineville Neighbor's Place ran out of money in October demonstrating a trend that more people are needing assistance. That amount will surely increase for 2020 because of the number of people that have lost their jobs due to Covid-19. Donations in the past have been \$4,500 but Ms. Shutt requested \$7,500 for this year because of the Coronavirus situation. Pineville Neighbor's place did receive two grants this past year which was also a big help in serving those in need.

Council Member Amelia Stinson-Wesley stated that the money we give to Pineville Neighbor's Place is stretched really far and goes to helping people who need it, not toward any salaries. Mayor Pro Tem Melissa Davis added that the money given to Pineville Neighbor's Place goes only to residents of Pineville. She asked Ms. Shutt what the process was for helping people. Ms. Shutt stated that it was a multi-step process. The first step would be to go through Crisis Assistance where individuals are required to fill out a 13-page form to help determine the need and whether there is truly a hardship. This is the preferred method. Next, she will try to work with the landlord if it's a rent situation. If it's a utility situation with the threat of electric being disconnected, she will work with Pineville Electric Co., with whom she has a good working relationship. If everything is in order, she will write a check out on cut-off day to prevent disconnection. There were no further questions from Council. Ms. Shutt thanked Council again and expressed appreciation for whatever help they are afforded.

With the discussion still centered on sponsorships, the Executive Director of the Pineville Chamber of Commerce, John Holobinko, spoke next. He shared the background of how the chamber got started and that they had incorporated in June of 2019. The organization grew quickly and currently has a total of 62 members. He reviewed some of the events the chamber offered its members such as monthly membership meetings, Lunch & Learns twice a month and Power Team Breakfasts.

Additionally, with the current Coronavirus situation with most businesses closed for at least a month, they were offering Covid-19 crisis support, a listing of resources for small businesses to contact for assistance, as well as conducting informational and instructional webinars regarding the situation. Mr. Holobinko was before the board to request a \$5,000 donation to help produce a newsletter for businesses that will be distributed electronically. He also mentioned the possibility of operating the Farmer's Market.

Mayor Pro Tem Melissa Davis stated that she was impressed with all that Mr. Holobinko has done in such a short amount of time. She asked him how many actual Pineville businesses were members. Mr. Holobinko stated between 40-45 business were from Pineville but the only downtown business that has joined was Long and Long CPA firm. She asked if the fees to join the chamber were the same as they were last year to which Mr. Holobinko stated that "they were". Council Member Les Gladden asked if all the businesses listed on his website were members. Mr. Holobinko again replied that "they were". Council Member Amelia Stinson-Wesley thanked Mr. Holobinko for posting local restaurants on his website that were open and serving curbside pick-up meals. She found it very helpful and she encouraged him to continue to offer information to those who are not members. Council Member Joe Maxim echoed what Council Member Stinson-Wesley said and thanked Mr. Holobinko for all he has done to create the Pineville Chamber of Commerce.

Mr. Holobinko also noted that they were able to secure a good deal from the Employers Association who offered their members legal services for \$250, along with a great deal they got from Staples for office supplies for its members. Mr. Spitzer added that he had been talking with John Holobinko regarding a retired banker who may be able to help some of the businesses apply for loans, etc. Mr. Spitzer stated a total of \$30K has been budgeted for sponsorships with the breakdown as follows:

- \$10K to ASC
- \$5K to Pineville Neighbors Place
- \$10 K to PCAA
- \$5K to James K. Polk Site

Council Member Gladden asked if the Chamber was included in that total to which Mr. Spitzer replied that it wasn't. However, the town has put aside \$8K for the Farmer's Market which could be used for the Chamber. Council Member Gladden stated that there was some talk about putting resident, Chris Brown, in charge of the Farmer's Market as well as have two or three pop-up craft markets during the summer. Previous Farmer's Market head, Bill McConnell has stepped aside from those duties. Mayor Pro Tem Davis asked if anyone had talked to Adele McMahon about spearheading another pop-up market since she did a great job the last time. Council Member Gladden stated that she had suggested doing at least two – one in the spring and one in the fall but right now she was tied up with helping her sick mother.

- B. ELECTRIC DEPARTMENT BUDGET:** Moving to the Electric Budget, Department Manager, Don Mitchell, stated two main items under the revenue portion of the electric budget included a \$2.3 million dollar refund from the power agency along with estimated additional revenues of \$13.3 million dollars due to charging customers incorrect rates. A rate study had determined some customers were in the wrong rate class and being charged incorrect amounts but everything has been corrected and being rated properly.

Mayor Pro Tem Davis asked how new commercial development was calculated in the revenue totals. Mr. Mitchell replied that new development was not included in projections until they are actually open and operational. Then they would be reflected in the next year's budget. Council Member Les Gladden noted that Pineville Electric did not get the Lance/Campbell warehouse that was recently completely on Downs Rd.; Duke Energy got their electric so the

town lost out on that new development. He stated that with this next warehouse going up on the other side of Downs Rd., we better not miss the opportunity to get the electric for that warehouse complex or someone from Electricities was going to have to explain why we didn't get it. Mayor Pro Tem Davis added that we didn't get the lines in fast enough in that area to be able to provide the electric to that warehouse. She asked if that was due to a lack of manpower to which Mr. Mitchell replied that it was more a matter of it falling through the cracks. He realized that it was a big loss to the town and agreed with Mayor Pro Tem Davis that further discussion was needed on this subject at a later date.

Mr. Mitchell explained the operating expense increase due to a number of small items, such as departmental supplies – those materials used in routine maintenance, installation of electric lines, etc. – tree trimming expenses of \$33K; substation maintenance of \$49K; and engineering services of \$8K.

- C. Items making up **CAPITAL IMPROVEMENTS** for the Electric Department, included the new Preston Park with 300 new homes, installing electric lines on Downs Rd., additional 120 townhomes at Carolina Village, a new substation which is needed at the southern end of town, and \$150K worth of pole replacements for a total of just over \$2M in capital improvements. Council Member Joe Maxim asked Mr. Mitchell the basis for his budget as he was not comfortable with the figures he presented. Mr. Mitchell responded that the figures were plugged in back in February and had not been revisited since the Coronavirus situation occurred. He could make a better estimation next month when payments come in; he'll know better then what the true impact will be. Council Member Gladden added that the worst of it should hit in this fiscal year but that next fiscal year should be OK with the figures Don Mitchell had plugged in. Finance Director, Richard Dixon, stated that his department would look at revenues at year-end close-out including 30, 60 and 90-day debt and uncollectable revenue. That's when the town will get charged back; charged to bad debt expense but he added that maybe some adjustment could be made to put a little more into the revenue bucket as he did see it being higher for FY21.

Mayor Pro Tem Melissa Davis asked what percentage was being proposed for salary increases for the next fiscal year. Mr. Mitchell responded that they were looking at 4% merit increases for next fiscal year. Council Member Amelia Stinson-Wesley asked how much land was needed for a new substation, to which Mr. Mitchell replied that about two acres were needed. Council Member Gladden asked if his department was looking somewhere off of Dorman Rd. but Mr. Mitchell stated they were looking more in the vicinity of Downs/Miller Rd. area. Town Manager Spitzer added that the AIM Project had been removed from the expenditures last year and the money moved over for pole replacement.

As for the \$33K to trim trees, Mayor Pro Tem Davis asked if the town had done its own tree-trimming in the past. Council Member Gladden stated that a previous manager had done that to save money but Mr. Mitchell will hire a contractor to do it. Conversation turned again to losing out on getting commercial electric business in the past with Mayor Edwards pointing out that the town was not being pro-active in getting those customers and it was a topic for further discussion. Council Member Amelia Stinson-Wesley agreed. Town Manager, Spitzer, stated that the departments were working on making things better.

- D. **PINEVILLE COMMUNICATIONS SYSTEMS** – Department Head, Tammy Vachon, took the floor to review the Pineville Communications budget for FY20-21. She noted that even though TV service was ending and landline service dwindling, businesses were still using long distance service – it has remained steady. There was a lot coming at them on the ILEC side of business with variances on both the ILEC and CLEC sides of the business. Internet service is what will bring them to the next phase. She noted that she would look at the bad debt line again which will probably show less money coming in due to Covid-19 adding that it was under line item #5300.000.532, Uncollected Revenue.

She was asking for some new vans for her tech employees that do installations, repairs or fix internet/telephone issues but she did have about \$40K in surplus items that would help offset the cost of the vans she was looking to replace. Her heating/AC unit is aged and to replace it would be about \$8-9K. She had upped her customer's internet service to 1 gig to help with those that were working from home but it has not incurred her department any extra expense to do that.

She was asked to present her goals, one of which was to do better in getting her employee evaluations in on time. She has done a better job of it but not 100% better. She has reached out to more HOA's as a point of contact and their services are being promoted in a Welcome Packet as well as doing more "Meet and Greets" at some of the communities or demos like they've done at the Cottages. Additionally, she has built a rapport with the sales folks at Chadwick Park, hoping to promote their services to new homeowners.

When asked about grant opportunities, she noted that she has kept an eye out for anything that becomes available but nothing has. As for marketing ideas, one of her employees has a graphics design degree and designs a lot of their flyers. She has marketing ideas to promote their internet services. She noted that she had landed a two-year deal with the Lance/Campbell warehouse folks for internet services, adding that they liked the quick turn-around in service from PCS. Council Member Joe Maxim thanked her and her team for the excellent service they provide to residents and Council Member Amelia Stinson-Wesley commented on the many residents that have expressed appreciation for how telecommunications has been over the last couple of months and by upping the internet speeds. That concluded department budget presentations for the evening.

Town Manager Spitzer wanted to wrap-up some open items from the last budget meeting. He received a proposal from ISS for recruitment of a new police chief. The ISS proposal was more panel oriented and came in at \$23K whereas the Developmental Associates was oriented more towards role-playing and their proposal came in at \$18K. When asked if Developmental Associates had done recruiting for Police Chiefs previously, Mr. Spitzer responded that they had.

Mr. Spitzer continued, stating that he had received a quote from STR Mechanical on the cost to have a dual heat/AC unit in the bathrooms at the stage area. The permits alone would be about \$5,000 with the cost for such a unit at \$34,000. Mayor Pro Tem Davis thought it sounded high. A \$5,000 adjustment could be made to the health insurance line if Council chose to make employees pay for their insurance and Park & Recreation salaries could be adjusted if Council was in favor of increasing the counselors pay. He asked Council to review these items and stated that raises and COLA would be discussed at the next budget meeting on May 4, 2020.

He continued with an update on the Stay at Home Order which will likely be extended to May 8, 2020. He proposed having one more wrap-up budget session on May 12<sup>th</sup> in lieu of an actual Council Meeting and moving the Budget Hearing to May 26<sup>th</sup> during the town's Work Session and finally budget approval at the June 9, 2020 regular Council Meeting. The consensus of Council was to have a wrap-up budget session on May 12<sup>th</sup> but they wanted to do it in person.

Mr. Spitzer asked if Council wanted to discuss Hazard Pay for some employees. He introduced a proposed policy that delineated who was considered "essential" using two criteria:

- Must be a full-time employee not working an augmented schedule
- Must be a position that interacts with the public

Mr. Spitzer clarified that it did not include civilians. Mayor Pro Tem Davis asked if it included Parks and Recreation and Public Works to which Mr. Spitzer stated it did not because they were working augmented schedules but he could look at including them if Council chose to do so. He added that some other municipalities were including their fire departments and telecommunicators. Employees would have to notated the hours on their time sheets. He then asked Council who they wanted to extend the policy to. All agreed that PD should get it and Council Member Les Gladden suggested that Chief Gerin decide who should be paid and then bring a budget amendment before council. Mr. Spitzer asked if they wanted to include telecommunicators. Mayor Pro Tem Davis stated that it would be a matter of whether they were able to distance themselves 6 feet apart from one another and added that he should just go ahead and approve it for them if Mr. Spitzer determined they could not be at least 6 feet apart from one another.

If they just paid police hazard pay, it would be at a cost of \$10,000 and they would get it from March 23, 2020 to May 3, 2020 and then extend to May 8<sup>th</sup> if the order is extended. It would come out on the May 22, 2020 paycheck. He

will check with Chief Gerin and make a proposal. Hazard pay was not reimbursable by FEMA unless it was already specified in our personnel policy.

Mr. Spitzer stated that he had sent out the numbers for the utility deferrals for Council to review. They were only looking at Class 13 businesses which equates to \$155,000 in deferrals. Council Member Gladden asked if they could do it on a case-by-case basis. Mr. Spitzer indicated that it could be done that way if Council wanted to do it that way. Mayor Pro Tem Davis stated that this way, they could take their past history into consideration.

Mr. Spitzer stated he talked with Pineville Chamber of Commerce and the retired banker that offered to help people with loans would be paid \$100 per applicant. He informed Council that there would be a 10:00 a.m. Conference call with the County to get their reaction to the Governor extending the Stay at Home Order.

**ADJOURNMENT:** At 8:39 p.m., Mayor Pro Tem Davis moved to adjourn the meeting, seconded by Council Member Les Gladden. There were ayes by all and the meeting concluded.



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Jack Edwards, Mayor

**ATTEST:**



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Barbara Monticello, Town Clerk

