



**MINUTES OF THE
TOWN COUNCIL MEETING OF THE
TOWN OF PINEVILLE, NORTH CAROLINA
TUESDAY, May 12, 2020 – Held Virtually (from PCS Bldg., 118 College St.)**

The Town Council of the Town of Pineville met in Regular Session May 12, 2020 at 6:00 p.m. via Zoom.

ATTENDANCE

Mayor: Jack Edwards

Mayor Pro-Tem: Melissa Rogers Davis

Council Members: Joe Maxim, Les Gladden, Amelia Stinson-Wesley

Town Manager: Ryan Spitzer

Planning & Zoning Director: Travis Morgan

Finance Director: Richard Dixon

Town Clerk: Barbara Monticello

CALL TO ORDER

Mayor Jack Edwards called the meeting to order at 6:02 p.m.

PLEDGE OF ALLEGIANCE TO THE FLAG Town Clerk, Barbara Monticello, led the Pledge of Allegiance.

MOMENT OF SILENCE

Mayor Edwards asked for a moment of silence for Phyllis Knight, Brian Nicholson, Allen Smith, Annette Moore and Walt Knowles, all who recently passed. The Mayor also asked that we remember our troops, first responders, police, fire and our military men and women. He also noted the current Corona Virus spreading world-wide and asked everyone to stay healthy and safe.

ORDER OF BUSINESS:

Adoption of the Agenda:

Council Member Les Gladden made a motion to adopt the agenda. Council Member Joe Maxim seconded the motion and there were ayes by all. Motion passed 4-0.

Approval of the Minutes of the Council Meeting of March 10, 2020.

Mayor Pro Tem Melissa Davis asked that on page 2, there be a correction regarding the improvement of the parking lot, not the purchase of the parking lot. Council Member Amelia Stinson Wesley made a motion to accept the minutes with the corrections on Page 2. Council Member Joe Maxim seconded the motion. There were ayes by all and the minutes were approved with the correction.

Consent Agenda:

The Consent Agenda consisted of the following items: a) *Finance Report as of 4/30/2020*; b) *Tax Refunds*; and c) *Resolution Declaring Surplus Items*. A motion was made and seconded to approve the Consent Agenda. There were ayes by all and the motion passed 4-0.

PUBLIC COMMENT:

Meeting was held remotely. Comments were emailed to the Town Clerk to be read in to the record. Jane Shutt of Pineville Neighbors Place gave a summary of the number of people that they have helped this year, along with the

amount of money they were able to assist people in need with. Additionally, she provided the figures for the number of people their food pantry was able to serve along with the number of meals served to children in need. Ms. Shutt thanked the community for their support and added that they had received a \$15,000 donation from the United Way, as well as a \$10,000 donation from the Church of the Nazarene.

NEW BUSINESS:

- A. Council Approval of COVID-19 Policy – (Ryan Spitzer)** A Covid-19 Policy had to be developed so that the town can be reimbursed by FEMA and to keep the town in compliance with the FMLA policy. The policy now needed to be approved by Council. Town Manager, Ryan Spitzer, clarified that the date of adoption of the policy goes back to the beginning of the Stay at Home Order from March. Council Member Les Gladden made a motion to accept the policy and Mayor Pro Tem Melissa Davis seconded the motion. There were ayes by all and the motion passed 4-0 to approve the policy.
- B. Review/discuss proposed ordinance regarding underground utilities: – (Ryan Spitzer/Travis Morgan).** Planning and Zoning Head, Travis Morgan, advised Council of the first text amendment of the year, TX2020-01, was amending a section of the Town Code regarding underground utilities; specifically, underground borings for utilities going in along with signage markers such as the dome topped poles. He noted that some are taller than they need to be and the ground was more saturated than it needed to be with these pole markers. Letter E was added to the section of the ordinance, along with items one through six, which define the three main types of pole signage allowed as follows:
- 1) Wood utility poles - use existing facilities for co-locates.
 - 2) Flat to the ground used for mowing purposes.
 - 3) Those not able to utilize options one & two will then be able to use dome signs specifying the limits on spacing and size, as well as the height of these markers.
 - 4) Addresses vacant or land under construction with no C/O issued.
 - 5) and 6) Exceptions to the rule.

Temporary markers such as the little flags or spray chalk are still allowed.

Council Member Les Gladden asked if the town could enforce that in a state ROW. Manager, Ryan Spitzer, advised that the town had control of all R-O-W's. Council Member Gladden asked if we had fines in place for doing this to which Mr. Morgan explained that it defaulted to town code violations. Council Member Gladden asked if we needed to include a specific fines section since there was so much going on now with underground utilities. Manager Spitzer stated that one could be included. Mayor Edwards asked who would enforce it. Manager Spitzer stated that work in R-O-Ws goes through Public Works. It would be enforced through them. Utility workers need to submit plans for work in the R-O-Ws and we should catch it then.

Council Member Les Gladden asked that we reference this ordinance with the permit that is issued to these contractors that come in and dig. Council Member Amelia Stinson Wesley asked if we already met these guidelines with Pineville Communication Systems to which Mr. Spitzer replied that we were moving toward this with PCS (Pineville Communications Systems). Council Member Joe Maxim asked if Planning and Zoning needed to sign off on any of this. Manager Spitzer replied that he did not. Council Member Les Gladden asked if there was a time frame attached to this. Mr. Spitzer said it will be for any new poles coming in with inclusion of fine.

Council Member Amelia Stinson Wesley made a motion to approve the amended ordinance with Council Member Les Gladden seconding the motion. There were ayes by all and the ordinance was approved.

Mayor Pro Tem Melissa Davis made a motion to adjourn this portion of the meeting before moving on to budget discussions. Council Member Amelia Stinson Wesley seconded the motion and the regular Council Meeting concluded at 6:27 p.m.

**Minutes of the Budget Wrap-up Workshop
Immediately following the Regular Council Meeting of
Tuesday, May 12, 2020 Held Virtually at the Pineville Communications Bldg.
located at 118 College St., Pineville, NC**

Council Member Les Gladden made a motion to begin the wrap-up workshop on the budget. Council Member Joe Maxim seconded the motion and the meeting began at 6:28 p.m.

A. BUDGET WRAP-UP

1. **Electric Rate Study:** (*Don Mitchell*) Town Manager, Ryan Spitzer, stated that the town was \$133,000 over budget and Council needed to cut some things from the budget in order to balance it. First, however, Don Mitchell, Electric Manager, had an Electric Rate Study to present to the group. He explained that an engineering firm came in to rate our electric system to be sure we were charging correct rates.

He continued, stating that a cost of service study was done in the fall to determine how much money should be in the fund balance. They looked at our electric rates and in targeting the fund balance they looked at five things:

- 1) Forty-five days cash on hand
- 2) Power cost working capital
- 3) Our rate base cash reserve
- 4) Cash for capital Improvements
- 5) Cash for debt service of \$31,000

Based on these five factors the fund balance should have \$3.799 million in reserves; as of June, 2019, it had only \$1,964,945. To make up for the difference, the firm recommended a two percent rate increase for FY 20-21. If we waited one year it will be a 2.52% rate increase. The study found that residential customers, as well as small commercial businesses, were not covering the cost needed to run the service.

The consultants recommended increases to residential customers and small commercial businesses, with a decrease to the medium and large commercial businesses. They recommended medium commercial businesses have a reduction of 2.33% and large commercial businesses have a 7% drop in rates.

Council Member Les Gladden asked how Pineville Electric compared with Duke Energy? Before he got off council in his last term, the electric company was sitting pretty. Pineville Electric should be in really good shape so how could this be? Town Manager, Ryan Spitzer offered that we hadn't increased rates in a while and that we used a lot of fund balance for upgrading the electric at the mall.

Mayor Edwards added that we should see the biggest cut in rates when the Catawba Plant is paid off and asked about the rate stabilization money? We got a big lump payment back last year and another one this year.

Mr. Mitchell, responding to Council Member Gladden's question, stated that Cornelius and Huntersville's rates were higher than Duke's as were Pineville's rates. Mayor Pro Tem Melissa Davis asked when we last had a cost of service done last to which Mr. Mitchell responded that he had no idea. Mayor Edwards added that the rates were raised in 2013 but hadn't been raised since then.

Mayor Pro Tem Melissa Davis expressed her disappointment and wanted to know why Council wasn't told of this last year. She disagreed with, and thought it ridiculous, to decrease the commercial rates. She couldn't see how we got to this point. Mayor Edwards agreed that commercial businesses should not get a cut in rates as they were the largest consumers of electricity. Council Member Gladden was also displeased, wondering what happened in the last two years since electric was looking really good at that time.

Mayor Edwards advised the group that the town had gotten back about \$4.5 million. Council Member Les Gladden asked if this \$4.5 million was a rebate and Council Member Amelia Stinson-Wesley wanted to know how

often that money was distributed. Mayor Edwards responded that it only happened twice and that it was not an annual thing.

Mayor Pro Tem Melissa Davis did not realize how much difference there was between Duke and Pineville electric rates. She was disappointed in Electricities. Mayor Edwards stated that Electricities should step up with some financial assistance. Manager Spitzer explained that the electric infrastructure drained our capital fund.

Council Member Les Gladden, in referencing page 8 of the study, asked if very large commercial business was included with the large commercial businesses to which Mr. Mitchell responded that it was.

Mayor Pro Tem Melissa Davis stated that she was faulting Electricities for this and Council Member Les Gladden stated that the Rate Stabilization Fund was not like what he thought it was.

Council Member Joe Maxim commented that this was based on the assumption that we don't lose any commercial business and wanted to talk though the regulatory boundaries the electric company was in right now. Council Member Gladden remarked that Beacon Properties, who was preparing to construct another warehouse complex, needed the town's approval for the project. He suggested the town do a rough draft of where we thought the new electric substation should go and perhaps be able to negotiate something with Beacon since the majority of funds were being depleted to provide infrastructure to commercial businesses.

Council Member Joe Maxim was concerned that the numbers they were looking at did not reflect the town's current situation and wanted to know exactly what Pineville Electric's options were. Council Member Amelia Stinson Wesley asked if this Cost of Service Study was something that could be requested every so often so we would know better where we stood sooner rather than later. Mayor Pro Tem Melissa Davis asked if there was a way to see where that money was going for infrastructure. Mr. Spitzer stated that it was all in Clear Gov, the budgeting program the town just purchased, in the section under Capital Projects.

Mayor Edwards added that the town knows these big projects are coming and that we needed to be more proactive. Mr. Spitzer just needed to know if council wanted to increase the rates, and if so, it could be done under rate increases. He just needed to know if council wanted to do it this year or next year.

Council Member Joe Maxim asked if the metrics could then be made available to council regarding tracts of land available for development so they could think about what would go in there and how it will affect us and the overall bottom line. Council Member Les Gladden asked how much property a substation needs to which Don Mitchell replied about one and a half to two acres.

Manager Spitzer advised he just needed to know before budget adoption. Mayor Pro Tem Melissa Davis wanted to look at the Capital Budget in case there was something that could be cut from it but Mr. Spitzer wanted to let the Human Resources Manager, Dornessa Froneberger, do her presentation and then discuss it further after she was done.

2. **Employee Satisfaction Survey** (*Dornessa Froneberger*) Mayor Edwards began by asking how the survey worked and how it functioned. Human Resources Director, Dornessa Froneberger, explained that employees can do survey on the phone, at home, or wherever they want to do it. All are anonymous – even she would not know who did it. For the company she was favoring, Culture Amp, she explained that feedback could be obtained off their website.

Mayor Pro Tem Melissa Davis asked of the four programs she looked at, Culture Amp did not have installation fees, is that correct to which Ms. Froneberger replied that was correct. Additional questions were asked by council about the support provided by some of the companies, the cost for additional surveys, when they could start doing a survey, etc. After some discussion and review of the comparison chart, Council did not have enough information to make an informed decision and asked Ms. Froneberger to provide additional information which she agreed to get to them by Friday.

3. **Summer Concert Series/Fall Fest – (Ryan Spitzer)** Town Manager, Ryan Spitzer, explained that a lot of the other towns have cancelled their summer events including their summer concerts. He did not think a lot of people would show up for the town's summer concert series, Rockin' & Reelin', and was looking for Council feedback as to whether the town should also cancel our events.

Council Member Amelia Stinson Wesley asked what the latest date to make a decision on this was, to which Manager Spitzer replied that it had to be done by July. Mayor Pro Tem Melissa Davis asked if we would lose our deposits, Manager Spitzer said we would not lose our money but would get credit for next year. He recommended cancelling the summer concerts. All of Council was in agreement to cancel them.

4. **Remainder of Outstanding Items in the Budget (Ryan Spitzer).** Mr. Spitzer stated that Council needed to go over the budget to cut some items out to make up the shortfall of \$133,179 to balance the budget. The largest and most obvious of the items was the VAC truck requested by Public Works. The one we currently use is not broken so it can still be used. Therefore, he suggested we put that item off until January. That truck will be small enough to do alleys. We are not doing them now but anticipate doing them in the future.

Another item for council to consider was the three engineers/drivers that the Fire Department was looking to hire. These new hires would be considered town employees. Mayor Pro Tem Melissa Davis asked who would do their evaluations. Manager Spitzer replied that Chief Gerin would be doing them.

Mayor Pro Tem Melissa Davis stated that every year council heard the same thing – they can't find people to work at the Fire Department. She added that the town was paying them more and they still couldn't find qualified people. She did not see the need for these three new drivers. Mr. Spitzer explained that Chief Gerin didn't bring this to Council because he, Mr. Spitzer, didn't think Council would go for it. Council Member Les Gladden understood the need for the new employees given his background as firefighter, but his recommendation was that these new employees not start until January. This would save an additional thirty thousand dollars in the budget since an entire year of salary and benefits would not be paid out.

Mayor Pro Tem Melissa Davis said she would like to discuss this with some members of the Fire Department before making a decision on it. She also wanted to discuss the Capitan position more in the Closed Session.

Manager Spitzer then went on to say that council had budgeted \$80,000 for maintenance workers in Public Works. For a new employee to start out in Public Works the salary was \$34,000. We could pay a maintenance person \$60,000 for light to medium electrical/plumbing work to be done in house; nothing extensive. Additionally, he reminded Council that Public Works just hired a Fleet Manager so they were now down two people in Public Works. He added that the town spent about \$25,000 in the last year on plumbing and electrical work.

Discussion turned to some of the other work that the Public Works Department has been doing which some felt was not up to standards. Council Member Gladden was particularly disturbed about having to pay an engineer to check sidewalks when the department should know how to do that.

Council Member, Joe Maxim, stated his fear was that we have someone do something that requires a licensed professional and then something happens, it could turn in to a law suit. Mayor Pro Tem Melissa Davis stated that this person had to be able to do multiple things, not just one or two things. A Public Works general handyman so-to-speak. Manager Spitzer suggested that the person would be in charge of the building maintenance program and to convert one of the Public Works positions into this General Maintenance Handyman position.

Manager Spitzer then turned to a discussion about Summer Camp. Mayor Pro Tem Melissa Davis asked if it was even worth doing a summer camp if it was not going to be for the full two months. Mr. Spitzer understood but stated that it was something that was needed to at least get kids out of the house for a while. He was proposing to do only about two or three weeks of camp, using Covid 19 precautions.

An additional \$30,000 could be cut from the budget if the A/C for the bathrooms at the stage was cut out. We can keep the heat portion so that it can be left on for the winter but do away with the A/C for now.

Mr. Spitzer agreed that the easiest thing is to eliminate was the new VAC truck but Council could look at it again in January. If there was enough money to make the purchase, a budget amendment could be done at that time. Council Member Joe Maxim thanked Mr. Spitzer for being prepared with that answer. He noted that everyone seemed to be onboard with eliminating the VAC truck, at least for the time being. Council all agreed to scrap the truck. Council Member Les Gladden said we can scrap the \$30,000 on drivers until January too. And we can scrap the \$30,000 on A/C at the Park until January as well.

Mayor Pro Tem Melissa Davis asked about the Mini-bus and if driving it required a CDL licensed driver. We have to be sure there is someone with a CDL License to drive it before we invest in it. She stated that if it was a fifteen-passenger vehicle and weighed 26,000 pounds it needed to have a driver with a CDL license. She wanted to be certain we had someone with that type of license.

Mayor Pro Tem Davis also asked about the Baricat for the Police Department and wanted to be sure that the funds used to purchase it would be coming out of the asset forfeiture fund. Mr. Spitzer stated that it was an armored vehicle for the SWAT Team and that the Police Department would be giving a presentation on it to Council.

Mayor Pro Tem Melissa Davis asked about the flooring contract for the new gym floor and stated that it had a warranty on it and that Council did not know that maintenance would need to be done on it every year. Mr. Spitzer replied that the first year of the maintenance was free under the contract but not thereafter and that if we didn't keep up with the maintenance on it, the warranty could become null and void.

Discussion turned to park signs. A suggestion was made regarding the use of an LED sign, possibly on a timer to indicate when the park was OPEN and when it was CLOSED and preferably something that could be done easily.

Council Member Amelia Stinson Wesley mentioned that about three quarters of the park signs were faded but not in horrible shape. Manager Spitzer said that was the park that got more activity so they should be replaced. Mayor Pro Tem Melissa Davis suggested doing just the black signs and asked if Mr. Spitzer could find out the cost for solar or LED lights.

Mayor Pro Tem Melissa Davis asked if Council had settled on a location for outdoor fitness equipment and then asked to do away with the \$35,000 for exercise equipment. Council Member Joe Maxim thought that the exercise equipment would get used and that Jack Hughes Park was the perfect place to put it, provided the loop of the trail was completed.

Mayor Pro Tem Melissa Davis asked for the cost per vehicle to install equipment on the Police Department vehicles. She would like a breakdown for 2019 and 2020. She then asked about the \$220,000 for four Police vehicles and would like a breakdown of equipment and labor for that process. Finance Director Richard Dixon said the cost was \$22,000 to install the equipment for the Police Department vehicles.

Manager Spitzer moved on to Employee Health Coaching. He did not think this program was all that beneficial and recommended eliminating it from the budget to save another \$5,000 to put toward the shortfall.

There were two bids for Council to consider for recruitment of a new Police Chief - \$18,000 for Development Associates and \$23,000 for ISS. He recommended we go with Development Associates. Most Council Members were in favor of using Development Associates.

Mr. Spitzer stated that the plan to recruit for a new Parks and Recreation Department Head was to start the process in mid-July and then call applicants back to begin in January.

A few additional items were discussed:

- Newsletter – will only be done quarterly now. Utilize electric bill stuffer each month for any important events, dates, info that needs to be communicated to residents and do a regular newsletter with the Parks and Recreation events quarterly.
- New state law due to Coronavirus – budget can be adopted within a 24-hour period if the Budget Public Hearing is held remotely. The Budget Public Hearing will be done at the June Council Meeting and the budget can be adopted 24 hours later. A special meeting would need to be called to vote on the budget.
- Council Member Les Gladden requested a copy of an updated budget once all the changes have been made.
- Mayor Pro Tem asked that the Christmas lights be changed out to all be uniform in color; there are two different colored white bulbs being used and it does not look good, nor does the old, tattered garland that hangs over the streets at the entrances to town. She asked Mr. Spitzer to check into some new decorations.
- Mayor Pro Tem Davis also asked the clerk to look into doing a Government 101 class; she thought it might be a good idea to have a program like this for residents.

At 9:55 p.m. mayor Edwards called for a ten-minute break before moving into Closed Session.

CLOSED SESSION: At 10:06 p.m. a motion was made by Mayor Pro Tem Melissa Davis and seconded by Council Member Amelia Stinson-Wesley to enter Closed Session. One personnel issue was discussed at length and two additional ones thereafter.

ADJOURNMENT: At 12:15 a.m. Mayor Pro Tem Melissa Davis motioned to adjourn with Council Member Amelia Stinson-Wesley seconding the motion. There were ayes by all and the meeting adjourned.

ATTEST:


Barbara Monticello, Town Clerk


Mayor Jack Edwards

