

TOWN OF SILER CITY

The Siler City Board of Commissioners met in Special Session on Tuesday, April 28, 2015 at 6:30pm in City Hall Courtroom with Mayor John Grimes presiding. Commissioner Fadely gave the invocation with the recitation of the Pledge of Allegiance following.

ELECTED TOWN OFFICIALS PRESENT: Cindy Bray, Larry Cheek, Mike Constantino, Lewis Fadely, John Grimes, Bill Haiges, Thomas "Chip" Price and Tony Siler.

TOWN STAFF PRESENT: Town Manager Bryan Thompson, Planning and Community Development Director Jack Meadows, Finance Director Tammy Speicher, Public Works Director Terry Green, Parks and Recreation Director Jessica Puckett, and Town Clerk Jenifer Everage.

AGENDA ADJUSTMENTS/APPROVAL OF AGENDA

A motion to approve the agenda as presented was made by Mayor Pro Tem Cheek, seconded by Commissioner Haiges and unanimously approved.

CONSENT

A motion to approve the consent agenda which includes the March 16, 2015 Regular Meeting (Incorporation by reference as if fully set forth herein Schedule A), March 24, 2015 Special Meeting (Incorporation by reference as if fully set forth herein Schedule B), March 31, 2015 Budget Workshop (Incorporation by reference as if fully set forth herein Schedule C), April 6, 2015 Regular Meeting (Incorporation by reference as if fully set forth herein Schedule D) was made by Commissioner Constantino, seconded by Commissioner Fadely and unanimously approved.

BUDGET ITEMS

Insurance Update

Thompson stated during an earlier budget workshop, the Board of Commissioners and Staff discussed pricing alternative health insurance providers and benefits to determine if any cost savings could be realized. The Board and Staff agreed that consideration for maintaining strong benefits is essential, and that the Town would guard against weakening employee benefits for the sake of marginal savings. (Incorporation by reference as if fully set forth herein Schedule E)

Thompson stated staff engaged the process for identifying other benefit providers and benefit policy structure alternatives, and shared several documents that identify a proposed plan that seeks to enrich employee benefits while also reducing overall cost to the Town's budget.

Thompson stated at this point, he has spoken with most department directors (Police, Public Works and Utilities, Planning, Inspections, and Finance – have not had a chance to speak with Fire and Parks & Recreation) about the proposed health benefits package. Each of the departments I've spoken with agree that the proposed benefit package, as designed, appears to be an improved benefit over the current plan offered by the Town to employees. Staff has asked Chad Huff with Allegacy Business and Insurance Solutions to provide the Board a brief overview of the proposed plan.

Chad Huff with Allegacy Business and Insurance Solutions shared details of the proposed plan with the Board of Commissioners. The calculated annual savings the proposed plan is anticipated to offer is approximately \$160,000. This savings represents the equivalent of approximately 4 cents of the Town's property tax rate.

The consensus of the Board of Commissioners was to move forward with the insurance change.

Pay Plan Update

Thompson updated the Board of Commissioners on the pay plan (Incorporation by reference as if fully set forth herein Schedule G) Thompson shared a chart that demonstrates the impact of a 3% Raise on the bottom line of each Fund as well as on the Organization as a whole. The calculation assumes 3% of the total salaries of each department within each Fund. The total cost of a raise impacts Retirement, FICA and 401k. The "Life Net" is the calculation of the cost of Life/AD&D & Dependent Life less a 1% discount on health insurance from Blue Cross/Blue Shield for offering the Life Insurance products through BCBS. The over-arching purpose of the Pay Study is to target the increase where it is most needed. The salary number does not include any Part-time/Over-time/Double-time.

With respect to "double-time", during past budget workshops, Staff and the Board discussed the utilization and implementation of the subject pay study as a means to pay employees an appropriate wage on the "front-end" and remove the double-time practice. Doing so enables the Town to more accurately budget for salary-related expenses. This also seeks to benefit the employee by enabling him/her to have a reasonable expectation of anticipated pay. Currently, employees receiving double-time have limited awareness of what his or her actual pay will be. With a pay increase, pursuant to the pay study implementation, an employee working over his or her 40-hour work week will receive time-and-a-half at his or her new pay rate.

Thompson stated he has met with Public Works employees (the employees who currently receive double-time) on two occasions in the past several months. In doing so, the Town Manager discussed the double-time practice and indicated to the employees that the subject of double-time is an ongoing discussion with the Board and that the employees will be made aware of any development. In a later meeting with Public Works employees, the Town Manager informed them that the Board has approved a pay study to be conducted and that he anticipates the study's findings to be implemented in the coming fiscal year. Employees asked if the pay study will have any impact on the double-time provision that they are currently working under. The employees were informed that the pay study, if funded, will likely result in an adjustment from double-time to standard overtime provisions. Upon this response, employees at the meeting did not express any concern.

	Current	W/ 3% Increase	Cost of Raise
GENERAL FUND			
Salaries	2,100,482	2,159,415	58,933
Retirement	139,233	152,896	13,663
FICA	161,436	165,562	4,126
401K	70,397	74,757	4,360
Life Net	2,365	3,111	746
			\$ 81,828
WATER/SEWER			
Salaries	725,450	747,214	21,764
Retirement	51,191	52,828	1,637
FICA	55,926	57,162	1,236
401K	18,276	18,680	404
Life Net	873	939	66
			\$ 25,107
POWELL BILL			
Salaries	24,482	25,216	734

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Retirement	1,731	1,783	52
FICA	1,873	1,929	56
401K	612	630	18
			\$ 860
LPA FUND			
Salaries	80,227	82,634	2,407
Retirement	4,028	5,842	1,814
FICA	3,167	6,321	3,154
401K	1,424	2,066	642
Life Net	152	159	7
			\$ 8,024
GRAND TOTAL			\$ 115,819

Utility and Solid Waste Rates

Thompson shared several documents (Incorporation by reference as if fully set forth herein Schedule H) that revisit prior discussions and positions of the Board relative to the ongoing state of the financial position of the Town's utility system as well as that of the General Fund regarding solid waste fees. These documents include an overview of the utility system and explanation of the three-year phased increase, an built point document discussion both utility rates and garbage rates increases, and a spreadsheet that offers a comparison of other municipal utilities with the proposed increase of the Town's rates for the coming year.

The consensus of the Board of Commissioners was to not remove money from the Fund Balance and hopefully add money to the fund and to move forward with the second year of the three plan.

Green updated the Board of Commissioners on the waterline replacement in the Boling Lane Park Neighborhood. The consensus of the Board of Commissioners was to move forward with the water line replacement.

Siler City Airport Easements and Obstruction Removal Project

Thompson shared the following informational items(Incorporation by reference as if fully set forth herein Schedule I) The issue of local match commitment for the subject project is an item previously discussed and agreed to by the Siler City Board of Commissioners. Since this time, engineering studies funded by the State of North Carolina has more fully identified the scope of work required to complete the rehabilitation project. The following offers a brief overview of this project, its funding, and the latest probable cost associated with the same.

As expressed by representatives of NCDOT Division of Aviation, the Siler City Airport is a critical component of the State's aviation infrastructure. Accordingly, the State is willing to offer substantial assistance to the Town in seeing a runway rehabilitation project to completion. The State offered to, and is currently, funding the full cost for this project. Furthermore, the State offers to fund the full construction cost of the rehabilitation project, less a 10% local match. The initial estimate for the construction project was \$2 million. However, due to additional construction work required, identified through the engineering process, the current project cost estimate is \$2.5.

During earlier conversations with the Board regarding this project, the Board was made aware that the Chatham County Board of Commissioners offered a commitment of a 60% share of the 10% local match obligation, leaving Siler City with a 40% share.

Presuming continued financial commitment from Chatham County, as herein discussed, and in light of the noted project cost increase, the Town's local match obligation increases by approximately \$20,000 (from \$80,000 to \$100,000).

Thompson stated the \$365,000 projected cost, less a 10% local match of \$36,500. The local match represents the responsibility of financial contribution by the Town of Siler City. This amount does not need to be budgeted in the operating budget for the Town for the next fiscal year; rather, this amount can be identified and earmarked for future allocation from the General Fund Fund Balance. However, an ideal approach to funding this local match is to earmark the same with operating revenues if possible, thereby mitigating ongoing depletion of the subject Fund Balance. Staff plans to make efforts in programming these dollars through operating revenues, if possible; however, it is likely, due to expected revenue performance and operational expense needs, that this amount will be identified through the subject Fund's Fund Balance.

Non-Profit Request for Funds

Thompson shared a request for funds from Non-Profit groups with the Board of Commissioners.

Wren Memorial Library

Town Staff and the Manager of Wren Memorial Library has requested the following up-fits following multiple meetings between the Town and Library Staff:

- New Lights
- Carpet
- Painting
- Landscaping

Public Works and Utilities Director Terry Green is obtaining estimates for this project. Funding for this item previously discussed by the Board of Commissioners will come from the Library Capital Reserve Fund. Therefore, funding for this project will not be programmed into the operating budget, but will be operationalized through a project ordinance at such time the project is approved to begin.

OLD BUSINESS

Parks and Recreation Master Plan

Thompson stated (Incorporation by reference as if fully set forth herein Schedule I) town staff submitted the advertisement for the request for qualifications (RFQ) on March 13, 2015. The RFQ was advertised in The Chatham News, Town's website, and emailed to more than 50 firms. The Town received four letters of interest and subsequent proposals. The Town Selection Team was made up of the Town Manager, Director of Parks and Recreation, and Director of Planning and Community Development. The Selection Team scored each firm using the evaluation criteria listed in the RFQ. The two best scoring firms were short listed and were invited for oral interviews. Following the oral interviews, the Selection Team again scored the short listed firms using the evaluation criteria listed in the RFQ.

The firm with the best score was McGill Associates. McGill identified two sub consultants which were Aquatic Resource Group and Management Learning Laboratories. The rationale for the choice was because of the firm, firm's staff, firm's ability to complete the project within the expected timeline, and firm's sub consultant familiarity, experience, understanding, responsibility, and knowledge with the project. The Selection Team feels confident the team headed by McGill Associates will provide the best leadership for this project and the Town of Siler City.

Expenditures:

1. Strategic Recreation Master Plan and Overall Program Management = \$33,500
2. Statically Valid Survey = \$15,000

- 3. Aquatics Feasibility Study and Plan = \$25,000
 - 4. Design Documents = \$ unknown (Generally between 8%-15% of Construction Cost)
- Total Cost: \$73,500.00 and not to exceed \$80,000.

Parks and Recreation Committee Review

Thompson stated on March 16, 2015, the Board of Commissioners established the Siler City Parks and Recreation Master Plan Committee as a temporary committee to assist with the completion of a Parks and Recreation Comprehensive Master Plan for the Siler City Community. The Town of Siler City Board of Commissioners seeks to appoint nine members from within and around the Siler City Community to comprise the Committee, with each Commissioner appointing one (1) member and the Mayor appoints two (2) members. (Incorporation by reference as if fully set forth herein Schedule I)

The Following Have Expressed Interest

Name	Address	Location	Phone	Email
Lisa Baaske	332 Little Creek Lane Siler City, NC 27344	County	919-837-5557	bauskaknights@gmail.com
Monaliza Hanner	706 S Second Avenue Siler City, NC 27344	City Limits	919-930-5880	mlhanner@chatham.k12.nc.us
Tyrone Hanner	706 S Second Avenue Siler City, NC 27344	City Limits	919-930-5880	mlhanner@chatham.k12.nc.us
Tori Mazur	307 E Dolphin St Siler City, NC 27344	City Limits	919-799-1410	misstori@gmail.com
Rosa Sutton	158 Scotton Matthews Dr. Siler City, NC 27344	ETJ	919-548-1142	sister602@embarqmail.com
Virginia Tobar				wdtobar@chatham.k12.nc.us

The Board of Commissioners tabled to Monday, May 4, 2015.

NEW BUSINESS

Compensatory Time Off Report

Mayor Pro Tem Cheek stated he requested the report from Thompson. (Incorporation by reference as if fully set forth herein Schedule H).

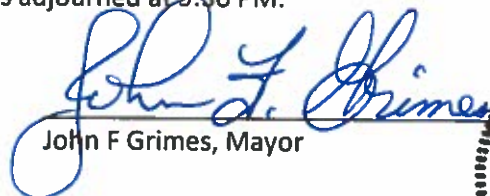
Mayor Grimes stated he will appoint two commissioners to discuss the process with Manager Thompson.

Former Henry Siler School Update

The Board of Commissioners tabled the discussion to a later meeting.

ADJOURNMENT

With no further business the Board of Commissioners adjourned at 9:30 PM.


 John F Grimes, Mayor



ATTEST:


 Jenifer J Everage, Town Clerk