

AGENDA

Regular Meeting of the Sawmills Town Council Sawmills Town Hall

**Tuesday, March 17, 2020
6:00 pm**

1. Call To Order Mayor Johnnie Greene
2. Invocation
3. Pledge of Allegiance Mayor Johnnie Greene
4. Adopt Agenda Mayor Johnnie Greene
5. Approve Meeting Minutes
 - A. February 13, 2020 Budget Retreat Meeting Minutes Mayor Johnnie Greene
 - B. February 18, 2020 Regular Meeting Minutes Mayor Johnnie Greene
 - C. March 5, 2020 Special Meeting Minutes Mayor Johnnie Greene
 - D. March 5, 2020 Special Meeting Closed Session Minutes Mayor Johnnie Greene
 - E. March 5, 2020 Budget Workshop Minutes Mayor Johnnie Greene
6. Public Comment Mayor Johnnie Greene
7. Recognitions:
 - A. Recycle Rewards Mayor Johnnie Greene
8. Financial Matters:
 - A. American Legion Post 392 Donation Request Mayor Johnnie Greene
9. Discussion:
 - A. Proposed Longevity Pay Mayor Johnnie Greene
 - B. Proposed Vacation Accruals Mayor Johnnie Greene
10. Public Comment Mayor Johnnie Greene
11. Updates:
 - A. Code Enforcement Report Mayor Johnnie Greene
 - B. Council Comment Mayor Johnnie Greene
12. Closed Session: NCGS§143-318.11 (a)(3) Mayor Johnnie Greene
13. Adjourn Mayor Johnnie Greene

THURSDAY, FEBRUARY 13, 2020
TOWN OF SAWMILLS ANNUAL BUDGET RETREAT
9:00 AM

COUNCIL PRESENT

Johnnie Greene
Clay Wilson
Rebecca Johnson
Joe Wesson
Melissa Curtis

STAFF PRESENT

Chase Winebarger
Karen Clontz
Julie A Good
Terry Taylor

COUNCIL ABSENT

Keith Warren

CALL TO ORDER: Mayor Johnny Greene called the meeting to order.

INVOCATION: Mayor Johnnie Greene gave the invocation.

PLEDGE OF ALLEGIANCE: Mayor Johnnie Greene led the Pledge of Allegiance.

ADOPT AGENDA: Mayor Johnnie Greene asked for a motion to adopt the February 13, 2020 Budget Retreat Agenda.

Joe Wesson made a motion, and Clay Wilson seconded, to adopt the February 13, 2020 Budget Retreat Agenda. All were in favor.

FINANCIAL UPDATES: FINANCIAL UPDATE: Town Finance Officer Karen Clontz presented to the council the following financial information for the Town Council.

1 – Attached is the summary sheet for revenues and expenditures year to date – 12/31/2019 – for all funds. The budget total is \$3,124,258 with \$2,101,008 budgeted for the General Fund and \$1,023,250 for the Utility Fund. Also, on October 15, 2019, Council adopted a Project Ordinance establishing a Capital Project Fund in the amount of \$1,200,000. The amount of \$480,000 will be transferred from the General Fund fund balance, \$320,000 from the Utility Fund net assets and \$400,000 from an installment loan from First Citizens Bank. *(See Statement of Revenues and Expenditures-page 4)*

| | Annual Budget | YTD Actual | Remaining Budget % |
|--------------|---------------|-------------|--------------------|
| Revenue | \$3,124,258 | \$1,735,840 | 44% |
| Expenditures | \$3,124,258 | \$1,348,786 | 56% |
| Over/Under | | \$ 387,054 | |

2 - Cash Balance and Budget by Fund as of 12/31/2019:

A. Cash Balance by Fund Summary (See General Fund/Powell Bill- page 5; Utility Fund, Capital Project, Capital Reserve- page 6)

| | |
|---|---------------------|
| General Fund Balance – Unassigned | \$5,354,799 |
| Powell Bill Fund Balance- Restricted/Streets | \$ 304,151 |
| Utility Fund Net Assets-Unassigned | \$4,213,657 |
| Capital Project-AMI Meters-Restricted | \$1,200,000 |
| Capital Reserve Fund – Restricted | \$ 344,000 |
| Total: | \$11,416,607 |

Attached is a breakdown of the cash on hand and investments for each fund. The outline also compares the current fiscal year to the same time last year. Interest rates remain low. (pages 5-6)

B. Budget by Fund Summary:

| <u>General Fund</u> | <u>Budget 19/20</u> | <u>Dec 2019 YTD</u> | <u>Remaining Budget %</u> |
|---------------------|---------------------|---------------------|---------------------------|
| Revenue | \$2,101,008 | \$ 1,314,467 | 37% |
| Expenditure | \$2,101,008 | \$ 1,057,784 | 50% |
| Over/Under | | \$ 256,683 | |

| <u>Powell Bill Fund</u> | <u>Budget 19/20</u> | <u>Dec 2019 YTD</u> | <u>Remaining Budget %</u> |
|-------------------------|---------------------|---------------------|---------------------------|
| Revenue-State | \$142,000 | \$144,539 | 0% |
| Revenue-Reserve | \$0 | \$0 | 0% |
| Expenditure | \$62,000 | *\$700 | 99% |

Regarding the Powell Bill cash balance – the Town’s cash reserve must stay below the total sum of the past 5 years in revenue received from the State of North Carolina Department of Transportation. This is a result of HB 200 changes to GS 136-41.1 through 136-41.3. In summary, towns with a population over 5,000 cannot have a total reserve in excess of the five-year total revenue received. The Town’s current five-year total is \$734,945. Our cash balance is \$304,151, which is \$430,794 less than the total five-year allotment (see page 5).

*Council agreed to budget for general maintenance and supplied only, for FY 19/20, in order to build up the Powell Bill Reserve. No paving projects were scheduled. Council has since approved paving for the completion of Russell Drive with a cul-de-sac. The bid amount was \$32,659, for the project, with a \$62,000 budget.

| <u>Utility Fund</u> | <u>Budget 19/20</u> | <u>Dec 2019 YTD</u> | <u>Remaining Budget %</u> |
|---------------------|---------------------|---------------------|---------------------------|
| Revenue | \$1,023,250 | \$ 421,373 | 59% |
| Expenditure | \$1,023,250 | \$ 291,002 | 65% |
| Over/Under | | \$ 130,370 | |

Utility Fund revenues continue to remain steady.

4 – General Fund (Property/Vehicle and Sales Tax only)/Utility Fund Charts - for the past four years ending December 31st. (Pages 7-8)

5 – Updates regarding increase/decrease in revenues/expenditures:

Retirement –The Local Government Retirement System (LGRS) Board proposed an increase of .58% beginning with fiscal year 2016-17 .25% increases through FY2020-21. However, on January 31, 2019, the LGRS Board voted to change the original proposal in order to address significant system funding shortfalls expected in future years. Currently the Town's rate is 8.95%. Beginning July 1, 2020, the rate will be 10.15%. For fiscal year ending June 30, 2019, the Town's contribution to the retirement fund was \$40,406. The estimated cost for fiscal year ending 2020 is \$45,254.

| <u>Fiscal Year</u> | <u>Employer Contribution Rate</u> | |
|--------------------|-----------------------------------|---------------------------------|
| | <u>General Employees</u> | <u>Law Enforcement Officers</u> |
| 2018-19 | 7.75% | 8.50% |
| 2019-20 | 8.95% | 9.70% |
| 2020-21 | 10.15% | 10.90% |
| 2021-22 | 11.35% | 12.10% |

Insurance – Property/Health/Workman's Comp. – The North Carolina League of Municipalities (NCLM) provides the Town's insurance through the pooling method.

- Health Insurance - There was an 11.5% rate increase for health insurance for the current fiscal year. The annual meeting, conducted by NCLM will be in March where NCLM staff will report any new proposed increases. Total employer expenditures for FY 18/19 were \$132,490. Estimated cost for FY 19/20 is \$137,000. This represents an increase of only 3.29% due to the resignation of Town Administrator Christopher Todd and coverage being waived by Town Manager Chase Winebarger.
- Property Insurance – Employer expenditures for property insurance for FY 19/20 were \$18,228 compared to \$16,979 for FY 18/19. A 7% increase.
- Workman's Comp –Employer expenditures for Workman's Comp for FY 19/20 were \$16,469 compared to \$15,377 for FY 18/19. A 7% increase.

NC Debt Setoff Program – Since implementing the debt setoff program in FY 2012-13, the total reimbursement to the Town is \$5,666.01 for unpaid utility bills. There is a total of \$137.66 collected during the calendar year 2019.

Land Fill/Recycle – Year to date costs for trash collection and landfill is \$128,384 with a budget of \$285,000. Below is a breakdown of the year to date revenue and expenditures. The average recycling percentage for calendar year 2019 was 76% compared to 62% for calendar year 2018.

| <u>Expenditure</u> | <u>Budget 19/20</u> | <u>Dec 2019 YTD</u> | <u>Remaining Budget %</u> |
|---|---------------------|---------------------|---------------------------|
| Trash Collection (5 mos.)/Landfill (6 mos.) | \$198,400 | \$ 84,800 | |
| Recycle | \$86,600 | \$ 43,584 | |
| Total | \$285,000 | \$128,384 | 55% |
| Revenue-Fees (\$8.00 per hshld) | \$200,000 | \$ 104,559 | 48% |
| Trash/Recycle Out of Pocket | \$85,000 | \$42,500 | 50% |
| Total | \$285,000 | \$147,059 | 52% |

| | <u>Revenue Dec 2019</u> | <u>YTD Cost</u> | <u>Cost p/u billed by Republic</u> | <u>Fees billed per household by the Town</u> | <u>Difference</u> |
|--------------------------------|-------------------------|-----------------|------------------------------------|--|-------------------|
| Trash Collection (1,789 units) | | \$80,952 | \$ 9.05 | (1,789 x \$9.05) | |
| Landfill | | \$3,848 | \$ 3.66 | | |
| Recycle (1,600 units) | | \$43,584 | \$4.54 | (1,600 x \$4.54) | |
| Total | \$104,559 | \$128,384 | \$17.45 | -\$8.00 | -\$9.45 |
| Over/Under | Out of Pocket | -\$23,825 | | | |

| | <u>Tonnage Dec 2019 YTD</u> | <u>Cost for Trash and Recycle to Landfill X 3.66 (Tonnage)</u> | <u>vs</u> | <u>Cost of Trash and Recycling X 4.54 (1,600 unit)</u> |
|-----------------------|-----------------------------|--|-----------|--|
| Landfill | 958 | \$3,848 | | \$3,848 |
| Recycle (1,600 units) | 105 | \$384 | | \$43,584 |
| Total | 1,063 | \$4,232 | | \$47,432 |

90% trash; 10% recycle

DISCUSSION: 2020/21 FISCAL YEAR RECOMMENDATIONS (see notes attached):

Town Manager Chase Winebarger stated that one of the first things he did as soon as he started at the Town of Sawmills was read the personnel policy and that the policy is a little outdated and there he has two (2) recommendations:

- 1- Increase Longevity** (see attached chart). Town Manager Chase Winebarger stated that longevity is so important in local government because you cannot give Christmas bonuses based off market or production so some Towns elect to do longevity pay.

Town Manager Chase Winebarger stated that longevity rewards tenure and is normally paid in late November or early December in most municipalities. Town Manager Chase Winebarger stated that with longevity you want three (3) things:

- 1-You want people to come to work for the Town of Sawmills;
- 2-You want people to never leave the Town of Sawmills; and
- 3-You want to reward those that stay with the Town of Sawmills.

Town Manager Chase Winebarger stated that longevity will not be the sole reason either of those things happen, but it will be a factor. Town Manager Chase Winebarger also stated that the policy for longevity should be amended to include an employee's years of service if the employee came from another municipality.

Council agreed to add the longevity scale that Town Manager Chase Winebarger suggested and to add an employee's years of service from another municipality in the budget as a policy change effective July 1, 2020.

- 2- Increase Vacation Accruals** (see attached chart). Town Manager Chase Winebarger stated that he suggests that the Town match the state accrual rate for vacation time. Town Manager Chase Winebarger stated that local government employees are tough to find and that it is getting tougher. Town Manager Chase Winebarger stated that you can pull employees from other fields and retrain them, but it takes time and is costly, so it is easier to be attractive to the ones that want to work in local government.

Council agreed to change the vacation accrual policy to match the State of North Carolina's vacation accrual policy effective July 1, 2020, based on the recommendations of Town Manager Chase Winebarger, to the FY 2020/2021 budget.

Salary Increases-Town Manager Chase Winebarger stated that he would suggest that Council give all Town employees a three percent (3%) COLA raise and up to a two percent (2%) merit raise based on his recommendations.

Council agreed to add a three percent (3%) COLA raise and up to a two percent (2%) merit raised, based on the recommendations of Town Manager Chase Winebarger, to the FY 2020/2021 budget.

Phase II Stormwater-Town Manager Chase Winebarger stated that the Town is paying the WPCOG to do the vast majority of the Town's stormwater. The State of North Carolina wants all of the Town to be mapped for the stormwater. The Town will have to pay to have the Town's stormwater area mapped. The total cost of mapping for the entire Town is \$51,504.17 with the WPCOG. The WPCOG guaranteed the mapping of the whole Sawmills stormwater area will be done within five (5) years. The Town can try for a EDA Grant which will cover \$25,752.09 (half the cost of the mapping), which will leave the Town paying \$25,752.09 out of pocket. The monthly rate for the next two (2) years for the Town would be \$1,073.00.

200 AMP Drop in Grass Lot for events and Christmas-Town Manager Chase Winebarger stated that there is a need for power at the grass lot where the Farmers Market, Fall Festival and Christmas Tree lightening is held. Town Manager Chase Winebarger stated that he has got an estimated cost of \$2,000.00 (depending on permitting costs) to put a 200 AMP Drop in to be able to provide power to vendors and the Town during festivals.

Council agreed to add a 200AMP Drop put on the Town's grass lot in the FY 2020/21 budget.

New Server/Server Room/Bigger Offices for Finance Officer and Town Clerk- Town Manager Chase Winebarger stated that the Town is in need of a new server and has been in need for some time. Town Manager Chase Winebarger stated that the current server the Town has goes down regularly, sometimes more than once in a week. The current server is a computer tower. Town Manager Chase Winebarger stated that he would like to convert to a rack style server, which will add more security and stability to the current system. The quoted price for the new server, which includes the cost of moving all the wiring to move the server to a more secure location, is forty thousand dollars (\$40,000).

Town Manager Chase Winebarger stated that a server room is beyond a necessity since it is housed in a coat closet in Council Chambers where anyone can pick it up and take it out the door. Town Manager Chase Winebarger stated that operating out of a coat closet with bi-fold doors is unthinkable with all the liabilities and security threats that face local governments especially with the utilities the Town offers.

Town Manager Chase Winebarger also stated that the Finance Officer's office and the Clerk's office are not big enough for all the records that they have to keep. Town Manager Chase Winebarger stated that staff could look into building an office in either the current records room or the garage and put the Finance Officer in the new office, possibly move the Clerk to the Finance office and put the server room in the Clerk office, or see what will work. Councilwoman Rebecca Johnson made to a contractor that she knows to inquire what the Town would have to do to be able to build a new office, and she was informed that to build a new room in the garage that the Town would need to pull an electrical permit and it would have to be inspected.

UPDATES:

LEGAL UPDATES: Town Attorney Terry Taylor stated that the North Carolina Department Of Transportation Secretary Jim Trogdon, would be retiring at the end of February and Eric Boyette, who is now the North Carolina Department of Information Technology Secretary will be the new North Carolina Department Of Transportation Secretary. Tracy Doacks will be the new North Carolina Department of Information Technology Secretary.

Town Attorney Terry Taylor stated that the State of North Carolina still has not passed a budget for the Fiscal Year 2019/2020 and it is not clear if the State is going to do amendments or try to pass a full budget. Town Attorney Terry Taylor state that the State is in their short session.

Town Attorney Terry Taylor stated that North Carolina Department of Transportation has extended authority to municipalities to close their roads due to hazardous weather conditions.

Town Attorney Terry Taylor gave Council a handout (which is attached to the minutes) about NC Opportunity Zones. Town Attorney Terry Taylor stated that it might be a good opportunity to have Town Planner Hunter Nestor to see if the Town could get one of its census zones appointed as an opportunity zone.

Town Attorney Terry Taylor gave Council a handout (which is attached to the minutes) about residential abatement and commercial vacant building abatements. Town Attorney Terry Taylor stated that in the past years, staff had talked about doing a study on the vacant properties in the Town, residential and commercial, and ranking them from worse to not as bad to help with abatement. Town Attorney Terry Taylor stated that this might be an opportune time to do the study and staff could talk to Town Planner Hunter Nestor to see if the WPCOG could do the study, with help from staff.

DISCUSSION: 2020/21 FISCAL YEAR RECOMMENDATIONS CONTINUED:

Social Media Footprint: Town Manager Chase Winebarger stated that the Town needs to increase its social media footprint. Town Manager Chase Winebarger stated that, depending on which study you look at, around seventy percent (70%) of the US population gets their news and updates from social media. The Town needs to tap into that market. Town Manager Chase Winebarger stated that the Town's Facebook page is not used to its fullest potential. Town Manager Chase Winebarger stated that it is a simple marketing tool and most municipalities do not know how to use it. Town Manager Chase Winebarger stated that the Town should hire an outside person to help with the Town's social media page. Town Manager Chase Winebarger stated that the cost would be approximately \$2,500 annually and he would work closely with the person that was hired.

Spring Clean-up and Shred Day- Town Manager Chase Winebarger stated that the Town has a lot of records that can be destroyed, but doesn't have the man power or the equipment to destroy the records. Town Manager Chase Winebarger stated that the Town can have a company to come in for approximately \$500 to \$750. Town Manager Chase Winebarger stated that the Town can offer it to the Town's citizens that have no way of destroying the documents that they have at their residence.

Town Hall-Town Manager Chase Winebarger stated that he thought the Council needed to formulate plan for a new Town Hall. Town Manager Chase Winebarger stated that he had talked about needing a new server room and bigger offices before Town Attorney Terry Taylor's updates, and he wanted to expand that discussion to talking about a new Town Hall. Town Manager Chase Winebarger stated that the current Town Hall building looks great from the outside and the few public access areas (Council Chambers and pay window).

Town Manager Chase Winebarger stated that a new Town Hall could meet some of the requests made by citizens:

- 1 a drive thru window
- 2 easier access regarding parking (this could be because they are not allowed to park in front of the building any longer)

- 3 a place to sit if they have to wait (there is no lobby in the current Town Hall so citizens either have to stand out front, stand outside, or wait in Council Chambers).

Town Manager Chase Winebarger also stated that the current building (as is) will never meet ADA requirements. Town Manager Chase Winebarger stated that the Town would have to spend a lot of money to bring the building up to code, workout something with the Sawmills Volunteer Fire and Rescue Department for a drive thru window and there is still no guarantee that any of that would be possible, structurally, because of all the level changes in the building and the previous additions and renovations.

Town Manager Chase Winebarger also stated that a Town Hall should meet the needs of its employees. Town Manager Chase Winebarger stated that current building does not have a conference room and currently staff holds meetings in Council Chambers on plastic tables. Town Manger Chase Winebarger stated that not having a conference room is a bigger issue than most people realize. Town Manager Chase Winebarger stated that it is just not professional when meeting with professionals in either business or construction and not having a room to meet in. Town Manger Chase Winebarger stated that just "making it work" is very difficult. Town Manger Chase Winebarger also stated that the current building needs new carpet throughout and at the minimum new chairs in Council Chambers.

Vault/Safe-Town Manager Chase Winebarger stated that even though the Town Hall is right beside the Sawmills Volunteer Fire and Rescue Department, that the majority of the Town's records are in the back part of the office (records room, garage, finance office and clerk's office) and a lot of those records are not in fire proof filing cabinets because there is no room for them. If there was a fire at the Town Hall all the records would be destroyed. The Town needs a vault or safe built into a room to be able to store all the records that the Town keeps indifferently.

Break Room- Town Manager Chase Winebarger stated that to the Council it might seem like a luxury request, but Town employees are getting their lunch out of a refrigerator and heating it up in a microwave in a room that was built for a water heater, and then eating in the front row in Council Chambers in the audience chairs or in their office.

Town Manager Chase Winebarger stated that ultimately, the building is a Capital Asset and needs to be treated as one. Town Manager Chase Winebarger stated that his suggestion would be to identify properties where you would want to build a new Town Hall and get plans drawn up.

Council informed Town Manager Chase Winebarger to start looking for properties to put a new Town Hall and get them plans to look.

EMINENT ISSUES:

Optimist and Recreation in Sawmills: Town Manager Chase Winebarger stated that the Sawmills Optimist Club currently only has three (3) members. Town Manager Chase Winebarger also stated that the Optimist Club was running all the sports programs, but the

Town is already carrying the brunt of the cost:

- 1- Salary for Park and Recreation Director;
- 2- All the mowing and stripping of the fields;
- 3- All the maintenance;
- 4- The cost and maintenance of all the lights at the Park.

Town Manager Chase Winebarger stated that the only things the Town is not covering are the pass through or break-even costs such as the registration fees washing out with:

- 1- Insurance fees;
- 2- Umpire fees;
- 3- Equipment fees;
- 4- Sectioning fees.

Town Manager Chase Winebarger stated that with only three (3) members that the Town should look to be moving sports programs under the Town in the near future. Town Manager Chase Winebarger stated that the Sawmills Optimist would still run the concession stand and use the money for food for the concession stand and offer scholarships for outgoing seniors, or the Town can close the concession stand and have food trucks at all the sporting events. Town Manager Chase Winebarger stated that the Town would have to pay umpires and extra workers and possibly have to hire another Recreation Director.

Town Manager Chase Winebarger stated that the Town should look into building a recreation center in the near future.

COFFEE CONCERNS:

PA System: Town Manager Chase Winebarger stated that Council and citizens had expressed that the Town's current PA System is not loud enough for everyone to hear during events. Town Manager Chase Winebarger stated that he had priced a new PA System for approximately \$2,500 that would work everywhere that the Town holds events, with the exception of Veterans Park. Town Manager Chase Winebarger stated that Veterans Park could possibly use a bigger system. Town Manager Chase Winebarger stated that the cost of the bigger system is approximately \$3,600.

Council agreed to add the bigger PA System in the amount of \$3,600 to the FY 2020/21 budget.

LCD Signs and Corner Planters for Flowers: Town Manager Chase Winebarger stated that there had been interest regarding a LCD sign and corner planters with flowers in the Town limits. Town Manager Chase Winebarger stated that the only problem with planting flowers is getting citizen involvement. Councilwoman Rebecca Johnson stated that she would be happy to plant flowers in a planter and check on them.

Town Manager Chase Winebarger stated that the Town would need to find a noticeable location to put the sign and planter and suggested that Council table the idea until a decision

regarding a Town Hall is made.

Parking (Events): Town Manager Chase Winebarger stated that one concern that kept coming up for each event that the Town sponsors is parking at each location that a Town event is done. Town Manager Chase Winebarger stated that he has done some measuring with the GIS system and has come up with the following:

Parking at Baird Park (198 spots): Town Manager Chase Winebarger stated that there are 173 parking spots in the Baird Drive lot, with an additional 25 parking spots on the street. Town Manager Chase Winebarger stated that the Town could possibly get an additional 52-72 parking spots if the Baird Drive lot was expanded towards the big field, which would require paving of an area approximately 103' X 115'.

Town Manager Chase Winebarger also stated that the Town could try to purchase property from an adjoining property owner. Town Manager Chase Winebarger stated that if the property owner would agree to the purchase, the Town would have to purchase an easement and move a portion of a fence, but you could go in 60' deep (actually less if the spots were slanted), with the edge of the lot to Roger McCall Ln, which would equal 750'. Town Manager Chase Winebarger stated that that would give the Town approximately 155 additional parking spots, with an approximate total of 400+ parking spots together with the existing parking spots.

Parking at Waterworks Road: Town Manager Chase Winebarger stated that there are 172 parking spots at Veterans Park, 121 parking spots at Veterans Memorial/Soccer/Ball Fields, 51 parking spots at the Walking Track/Disc Golf/Bathrooms, and 77 parking spots at the Boat Landing (even though the boat landing is not the Town's, it was included because people park there for the fireworks event). Town Manager Chase Winebarger stated that during some Town events, there is parking on the roadway on both sides of the road (approximately 1 vehicle every 20' for roughly 4,000', from the Boat Landing to the first house on Waterworks Road) which equals to approximately 400 spots. Town Manager Chase Winebarger stated that doesn't include randomly parked vehicles (entry/exit of lots, past the first house, in the roadway, etc.), which could total up to 649 spots. Town Manager Chase Winebarger stated that it could easily add up to approximately 2,596 people just from parking spots. Town Manager Chase Winebarger stated that with the shooting of fireworks on the ballfield, if there is an issue, or a shell crosses the road, you have effectively trapped 2,600+ people with no way out. Town Manager Chase Winebarger stated that most of the injuries would come from the panic. Town Manager Chase Winebarger suggested that the Town consider widening the Waterworks Road, 1+ mile road 18' width with 60' easement, doing a combination of DOT/Town street. Town Manager Chase Winebarger stated that widening is needed but when comparing cost/benefit in regards to other needed projects, is it worth it for approximately 2 to 3 events per year? Town Manager Chase Winebarger stated that he would suggest adding the widening to CIP in the near future.

FUTURE CONCERNS:

New Logo/Brand/Marketing: Town Manager Chase Winebarger stated that the Town has a Town Seal but it needs a Town Logo. Town Manager Chase Winebarger suggested that the Town partner with CVCC Graphics Department to see if they can come up with a Town logo

since CVCC Graphics Department designed the Farmers Market logo last year for the Town.

Paving in Doe Run: Town Manager Chase Winebarger stated that he had talked to a few citizens about the condition of the roads in Doe Run and that he would like to have a plan in place regarding the paving.

Finance Officer Karen Clontz informed Town Manager Chase Winebarger and Council that the Town Engineers had already inspected the all the roads in Sawmills and there was a plan in place for paving.

ADA Assessment/Plan/Implementation: Town Manager Chase Winebarger stated that the Federal and State Governments have put requirements in place for grant monies and one of those requirements is for municipalities a five (5) to ten (10) year ADA plan in place, much like a CIP. Town Manager Chase Winebarger stated that the WPCOG offers services to help municipalities to get the ADA plan ready for when the Town wants to apply for grants for recreation areas. Town Manager Chase Winebarger stated that the Town should address this issue sooner than later to get ahead of other municipalities for grant monies.

Rates and Fees:

Sanitation Fees: Town Manager Chase Winebarger stated that the sanitation fees that are paid by every inside customer in Sawmills includes:

- Republic Services (Trash and Recycling);
- Bulk garbage pickup (mattress, box springs, couches, dressers, etc.), anything that will not fit in the trash can;
- Television and electronics (very rare);
- Limb and leaf (brush);
- White Goods;
- Salaries, higher workers' compensation because of curbside pickup, equipment maintenance, wear and tear of vehicles and liability.

Town Manager Chase Winebarger stated that the Town cannot pretend that the sole purpose of the sanitation fee is just focused on the two (2) cans that every house receives. Town Manager Chase Winebarger stated that the Town only charges \$8.00 per month to each customer for sanitation fees and there is no charge for recycling to the customer. Town Manager Chase Winebarger stated that Republic Services charges the Town \$9.05 per can for sanitation so the Town is already losing money per can. Town Manager Chase Winebarger stated that the Town would need to go up on sanitation fees to at least \$10.00, which is 2.5% increase, to cover some the difference that Republic Services is charging per can.

Council agreed to look at a purposed increase in sanitation fees for the FY 2020/21 budget.

Water and Sewer Rates: Town Manager Chase Winebarger stated that aside from taxes, the

most volatile issue in the Town is water and sewer rates. Town Manager Chase Winebarger stated that NC Rural Water Association is going to perform a rate study for the Town (free of charge because the Town is members) at the end of February. Town Manager Chase Winebarger stated that the rate study is good for five (5) years. Town Manager Chase Winebarger stated that at the next budget meeting he should have the results of that study and can more give the Council direction of where the Town should go with the rates. Town Manager Chase Winebarger stated that most Councils, not just Sawmills, put off raising taxes and rates until the Town is in a major bind. Town Manager Chase Winebarger stated that based off the percentage recommendations in the study, he plans on proposing the Council implement a gradual annual increase. Town Manager Chase Winebarger stated that Council should make changes now that are necessary to sustain growth and expansion and to do it gradually, because if the Town waits to make adjustments when it is mandatory to do so, the rates will increase substantially and that might not get you back in black, the Town would still have to subsidize from the Fund Balance.

EVENTS: Town Manager Chase Winebarger stated that even though the meeting is about budget, it seemed the most contentious issue at the Coffee with Council session was events, their dates, times, schedule, locations and logistics.

- **Coffee with Council-** Council decided to cancel Coffee with Council due to poor public interest;
- **Easter Egg Hunt-** The Easter Egg hunt will be on Thursday, April 9th, 2020, beginning at 4:00pm, with the first race beginning at 4:30pm and the Town will rent an Easter bunny costume;
- **Farmers Market-** The opening day of the Farmers Market will be Tuesday, May 5, 2020, and every Tuesday from May to September, from 3:00pm-6:30pm, with the official kick off being on June 2, 2020, beginning at 3:00pm;
- **Memorial Day-** The Memorial Day program will be on Monday, May 25, 2020, at 10:00am, at Veterans Park;
- **Sawmills Fire and Rescue Appreciation Week-** Sawmills Fire and Rescue Appreciation week is designated as the first week of September every year. The Town will make a donation to the Sawmills Fire and Rescue Department;
- **Fall Festival/Tractor and Treat-** The Fall Festival/Tractor and Treat will be October 30, 2020, from 12:00pm to 6:00pm. The Town will get a committee, made up of Town citizens, to prepare for the event, which will be held at the Farmers Market lot;
- **Veteran's Memorial Ceremony-** The Veteran's Memorial Ceremony will be held on Saturday, November 14, 2020, beginning at 10:30am at Veterans Park;
- **Christmas Tree Lighting-** The Christmas Tree lighting will be Thursday, December 3, 2020, beginning at 6:00pm at the Farmers Market lot;
- **Christmas Parade-** The Christmas Parade will be Saturday, December 5, 2020, beginning at 10:00am (lineup is 9:30am) starting on Helena Street.

February 13, 2020
Budget Retreat

COUNCIL ADJOURN: Mayor Johnnie Greene asked for a motion to adjourn.

Clay Wilson made a motion, and Rebecca Johnson seconded, to adjourn the meeting. All were in favor.

The meeting was adjourned at approximately 3:45pm.

Johnnie Greene, Mayor

Julie A Good, Town Clerk

Memorandum

To: Chase Winebarger
From: Karen Clontz
Date: February 13, 2020
Re: Mid-Year Report as of 12/31/2019

This memo includes the following information regarding the financial and budget status for the Town:

1 – Attached is the summary sheet for revenues and expenditures year to date – 12/31/2019 – for all funds. The budget total is \$3,124,258 with \$2,101,008 budgeted for the General Fund and \$1,023,250 for the Utility Fund. Also, on October 15, 2019, Council adopted a Project Ordinance establishing a Capital Project Fund in the amount of \$1,200,000. The amount of \$480,000 will be transferred from the General Fund fund balance, \$320,000 from the Utility Fund net assets and \$400,000 from an installment loan from First Citizens Bank. (*See Statement of Revenues and Expenditures-page 4*)

| | <u>Annual Budget</u> | <u>General Fund + Utility Fund YTD Actual</u> | <u>Remaining Budget %</u> |
|--------------|----------------------|---|---------------------------|
| Revenue | \$3,124,258 | \$1,735,840 | 44% |
| Expenditures | \$3,124,258 | \$1,348,786 | 56% |
| Under | | \$387,054 | |

2 - Cash Balance and Budget by Fund as of 12/31/2019:

A. Cash Balance by Fund Summary (See General Fund/Powell Bill- page 5; Utility Fund, Capital Project, Capital Reserve- page 6)

| | |
|---|-------------|
| General Fund Balance – Unassigned | \$5,354,799 |
| Powell Bill Fund Balance-Restricted/Streets | \$304,151 |
| Utility Fund Net Assets - Unassigned | \$4,213,657 |
| Capital Project – AMI Meters-Restricted | \$1,200,000 |
| Capital Reserve-Restricted | \$344,000 |

Attached is a breakdown of the cash on hand and investments for each fund. The outline also compares the current fiscal year to the same time last year. Interest rates remain low. (*pages 5-6*)

5 - Updates regarding increase/decrease in revenues/expenditures:

Retirement – The Local Government Retirement System (LGERS) Board proposed an increase of .58% beginning with fiscal year 2016-17 with .25% increases through FY 2020-21. However, on January 31, 2019, the LGERS Board voted to change the original proposal in order to address significant system funding shortfalls expected in future years. Currently the Town's rate is 8.95%. Beginning July 1, 2020, the rate will be 10.15%. For fiscal year ending 6/30/2019, the Town's contribution to the retirement fund was \$40,406. The estimated cost for fiscal year ending 2020 is \$45,254.

| Fiscal Year | Employer Contribution Rate | |
|-------------|----------------------------|--------------------------|
| | General Employees | Law Enforcement Officers |
| 2018-19 | 7.75% | 8.50% |
| 2019-20 | 8.95% | 9.70% |
| 2020-21 | 10.15% | 10.90% |
| 2021-22 | 11.35% | 12.10% |

Insurance – Property/Health/Workman's Comp. – The North Carolina League of Municipalities (NCLM) provides the Town's insurance through the pooling method.

- Health Insurance – There was an 11.5% rate increase for health insurance for the current fiscal year. The annual meeting, conducted by NCLM will be in March, where NCLM staff will report any new proposed increases. Total employer expenditures for FY 18/19 were \$132,490. Estimated cost for 19/20 is \$137,000. This represents an increase of only 3.29% due to the resignation of Town Administrator Christopher Todd and coverage being waived by Town Manager Chase Winebarger.
- Property Insurance – Employer expenditures for property insurance for FY 19/20 were \$18,228 compared to \$16,979 for FY 18/19. A 7% increase.
- Workman's Comp – Employer expenditures for Workman's Comp for FY 19/20 were \$16,469 compared to \$15,377 for FY 18/19. A 7% increase.

NC Debt Setoff Program – Since implementing the debt setoff program in FY 2012-13, the total reimbursement to the Town is \$5,666.01 for unpaid utility bills. There was a total of \$137.66 collected during calendar year 2019.

Town of Sawmills
Statement of Revenue and Expenditures
Revised Budget

Page 1

For the Fiscal Period 2020-6 Ending December 31, 2019

| | Current Actual | Annual Budget | YTD Actual | Remaining Budget % |
|---|-------------------|------------------|-----------------|-----------------------|
| Total Revenues-General Fund & Utility Fund | \$ 335,870.23 | \$ 3,124,258.00 | \$ 1,735,840.34 | 44.44% |
| Total Governing Body Expenditures-GF | 6,364.09 | \$ 50,450.00 | \$ 27,629.19 | 45.23% |
| Total Administration Expenditures-GF | \$ 50,361.23 | \$ 646,758.00 | \$ 400,992.20 | 38.00% |
| Total Finance Expenditures-GF | \$ (16,661.91) | \$ 90,000.00 | \$ 45,948.56 | 48.95% |
| Total Public Works Expenditures-GF | \$ 22,995.09 | \$ 466,400.00 | \$ 146,973.47 | 68.49% |
| Total Planning Expenditures-GF | \$ 17,869.00 | \$ 123,850.00 | \$ 53,770.29 | 56.58% |
| Total Parks Expenditures-GF | \$ 11,226.98 | \$ 376,550.00 | \$ 234,952.25 | 37.60% |
| Total Streets and Highways Expenditures-GF/PB | \$ 0.00 | \$ 62,000.00 | \$ 700.18 | 98.87% |
| Total Sanitation Expenditures-GF | \$ 38,019.28 | \$ 285,000.00 | \$ 146,817.76 | 48.48% |
| Total Water Expenditures-UF | \$ 29,435.92 | \$ 787,500.00 | \$ 208,197.80 | 73.56% |
| Total Sewer Expenditures-UF | \$ 14,851.87 | \$ 235,750.00 | \$ 82,804.48 | 64.88% |
| Total Revenues | \$ 335,870.23 | \$ 3,124,258.00 | \$ 1,735,840.34 | 44.44% |
| Total Expenditures | \$ 174,461.55 | \$ 3,124,258.00 | \$ 1,348,786.18 | 56.83% |
| Total Excess of Revenues Over Expenditures | \$ 161,408.68 | \$ 0.00 | \$ 387,054.16 | 0.00% |

Fund 2 - Utility Fund-Net Assets

A. Cash Balance

| <u>Cash</u> | <u>December 2019</u> | <u>December 2018</u> |
|--|----------------------|----------------------|
| Cash in Bank | \$4,018,113 | \$3,629,529 |
| Undeposited Cash (\$100 each cash drawer) | \$200 | \$200 |
| CD Investments/Money Market | \$607,200 | \$603,923 |
| Subtotal | \$4,625,513 | \$4,233,652 |
| Less Encumbrance-AMI Meters Capital | | |
| Project | (\$320,000) | (\$0) |
| Less AMI First Citizens Loan (Year 1) | (\$85,975) | (\$0) |
| Less Cajahs Mtn Waterline Loan | (\$5,881) | (\$5,881) |
| Total Net Assets= 1% increase to PY | \$4,213,657 | \$4,162,733 |

B. Budget Comparison

| | <u>Budget</u> <u>19/20</u> | <u>Dec 2019</u> <u>YTD</u> | <u>Remaining</u> <u>Budget %</u> | <u>Budget</u> <u>18/19</u> | <u>Dec 2018</u> <u>YTD</u> | <u>Remaining</u> <u>Budget %</u> |
|-------------------|-------------------------------|-------------------------------|-------------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| Revenue | \$1,023,250 | \$421,373 | 59% | \$1,117,109 | \$450,546 | 60% |
| Expenditure | \$1,023,250 | \$291,002 | 72% | \$1,117,109 | \$336,202 | 70% |
| Over/Under | | \$130,371 | | | \$114,344 | |

Fund 4 – Capital Project Fund-AMI Water Meters

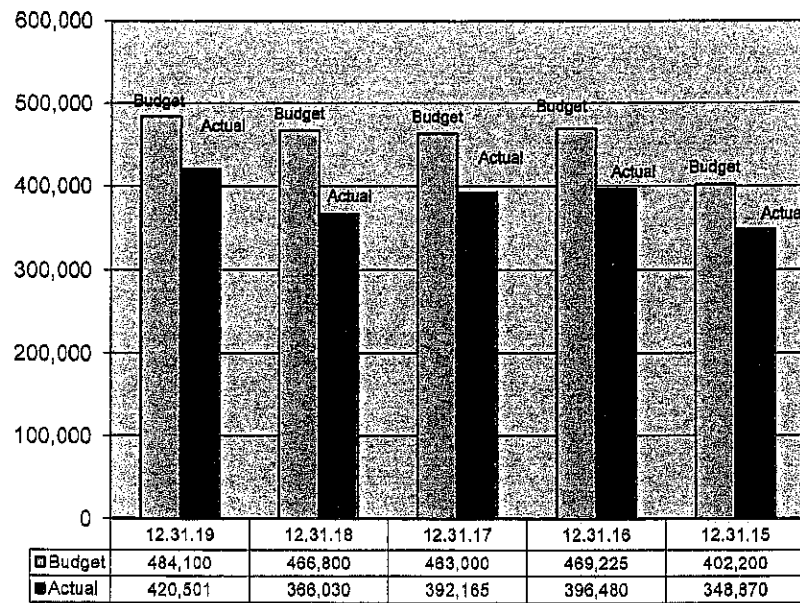
| <u>Cash</u> | <u>December 2019</u> | <u>December 2018</u> |
|----------------------------|----------------------|----------------------|
| Transfer from General Fund | \$480,000 | \$0 |
| Transfer from Utility Fund | \$320,000 | \$0 |
| First Citizens Loan | \$400,000 | \$0 |
| Total Cash | \$1,200,000 | |

Fund 7 – Capital Reserve – Future Projects

| <u>Cash</u> | <u>December 2019</u> | <u>December 2018</u> |
|---|----------------------|----------------------|
| Cash in Bank as of 12/31/19 | \$86,000 | \$86,000 |
| Plus, Transfer from General Fund 1/2020 | \$258,000 | \$0 |
| Cash in Bank as of 1/2020 | \$344,000 | |

Amount

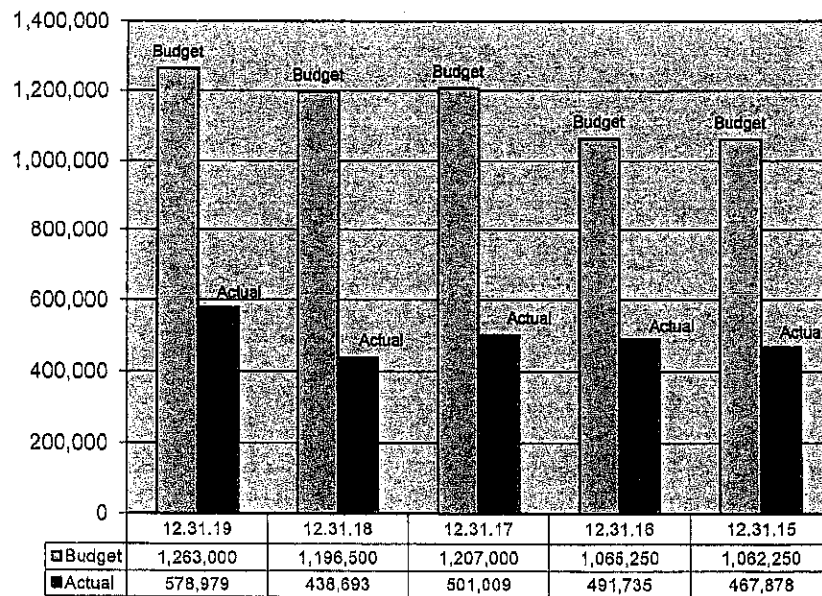
Revenue-Property/Vehicle Tax



Year to Date

Amount

Revenue - Articles/Franchise



Year to Date

Lenoir receives \$300K EPA grant, NC Opportunity Zones

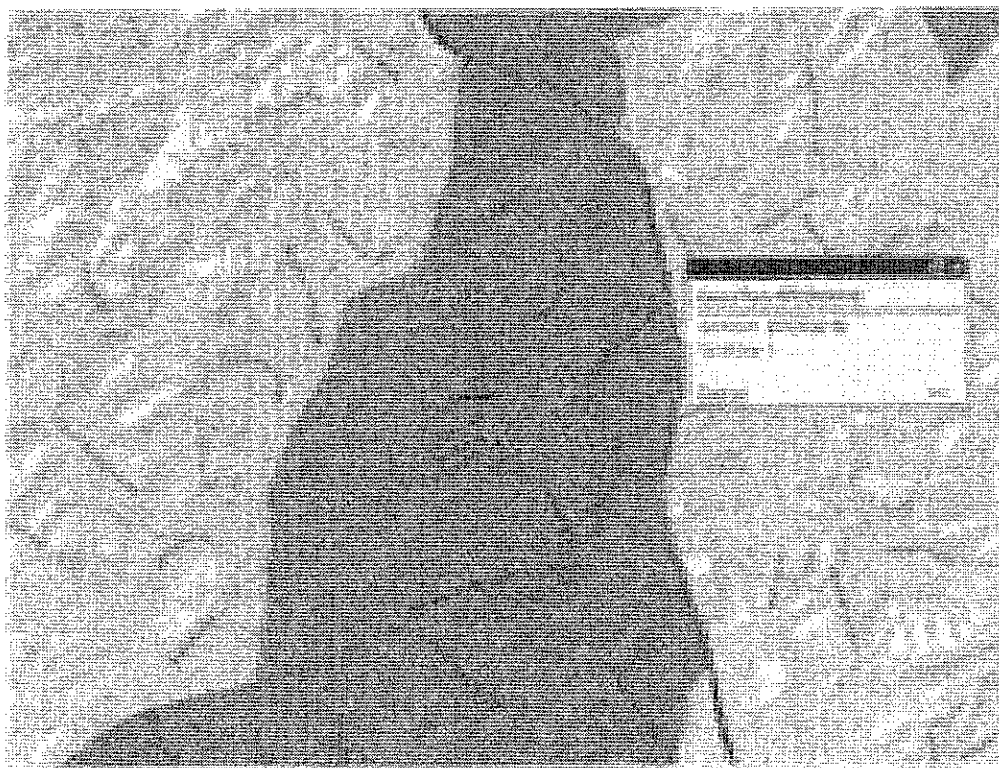
Tuesday, May 29, 2018

The City of Lenoir recently received a \$300,000 Brownfields grant and multiple NC Opportunity Zone designations, both of which could help promote redevelopment and economic growth in the city.

The U. S. Environmental Protection Agency (EPA) awarded a \$300,000 Brownfields grant to Lenoir in April. Brownfields grant funds will be used to conduct environmental site assessments, and possibly fund cleanup of abandoned industrial sites in the City.

Brownfields site assessments are required before developers can apply for Brownfields Agreements. Brownfields Agreements remove environmental liability from owners and developers who are trying to redevelop and re-purpose abandoned properties.

"EPA's Brownfields Program expands the ability of communities to recycle vacant and abandoned properties for new, productive reuses, using existing infrastructure" said EPA Administrator Scott Pruitt. "These grants leverage other public and private investments, and improve local economies through property cleanup and redevelopment."



Census Tract 301, which includes downtown Lenoir, was designated an NC Opportunity Zone. The Opportunity Zone concept was created in the Federal Tax Cuts and Jobs Act (H.R. 1) passed by Congress last year. The legislation creates a tax benefit for qualified investors.

The grants funds become available October 1 this year. The City and its consultant have tentatively identified a number of properties that could benefit and will engage property owners later this year. There will also be a community outreach session to present the program and solicit community involvement.

This is the third time the City has applied for Brownfields grants. Councilman Ben Willis said he appreciated the hard work of City staff and sees the grants as a positive step for economic development.

"I would like to thank the efforts of Radford Thomas, Greg Icenhour, and the

Brownfield Committee for all of the hard work it took to pull this off," Willis said. "The group has worked over the course of six years to get to this point, so it is great to see our persistence pay off. This is a big hurdle that the city has finally cleared. Completing these assessments will help transform industrial sites that were once a liability into assets."

The City also received the NC Opportunity Zone designation for three Census tracts in the City – Census Tract 301, which includes historic Downtown Lenoir; Census Tract 303, which includes the

southwestern part of the City; and Census Tract 311, which includes a small section in the northern area of town.

The Opportunity Zone concept was created in the federal Tax Cuts and Jobs Act (H.R.1) passed by Congress last year. The legislation creates a tax benefit for qualified investors who wish to re-invest realized capital gains into Opportunity Zones, avoiding standard capital gain tax obligations.

The Brownfields grant and NC Opportunity Zone designations are two more tools local officials and private investors can use to make possible project reality.

Related:

- Eleven Communities in North Carolina Receive Approximately \$3.4 Million in Brownfield Grants to Return Blighted Properties to Productive Reuse and Promote Economic Redevelopment
- S. Treasury Certifies North Carolina Opportunity Zones



Coates' Canons Blog: Nuisance Abatement and Local Governments: What a Mess – Part II

By Richard Ducker

Article: <https://canons.sog.unc.edu/nuisance-abatement-and-local-governments-what-a-mess-part-ii/>

This entry was posted on July 31, 2013 and is filed under Community & Economic Development, Community Development & Redevelopment, Land Use & Code Enforcement

Several years ago I prepared a blog entitled "Nuisance Abatement and Local Governments: What a Mess." At the end of that blog I promised a sequel to take up several other legal issues related to nuisance abatement and building condemnation. Here is that sequel. One issue concerns the nature of the process that must be used by a local government to abate a nuisance or condemn a building. In administrative proceedings particularly, what due process is due? The second issue involves the seizure or destruction of property that can occur when a local government takes direct action to abate a nuisance or demolish a dilapidated building after the owner fails to remedy the conditions that give rise to the problem. Can there be a violation of an individual's legal rights when a local government or its contractor goes onto private property to destroy the offending property condition? These are the subjects of "Nuisance Abatement and Local Governments: What a Mess – Part II."

Sources of Local Enabling Authority

The North Carolina Statutes provide a wide range of discrete sources of legal authority for municipalities to condemn buildings and structures and abate public nuisances. These include (1) unsafe building condemnation (G.S. 160A-426 et seq.); (2) minimum housing ordinance (G.S. 160A-441 et seq.); (3) commercial maintenance code (G.S. 160A-439); (4) abandoned structure ordinance (G.S. 160A-441, second paragraph); (5) criminal nuisance law (G.S. 19-1 et seq.); (6) nuisance abatement (G.S. 160A-193); (7) nuisance abatement (G.S. 160A-174(a)); (8) abandoned/junked vehicle ordinance (G.S. 160A-303.2); and (9) general police power (G.S. 160A-174(a)). Many of these lines of statutory authority are designed to provide due process to property owners affected by local government code enforcement. In addition, procedural due process as required by the U.S. Constitution provides safeguards to citizens prior to any governmental decision that deprives an individual of a liberty or property interest.

Required Procedures for Building Demolition

Many of the types of legal authority listed above include specific procedural requirements designed to protect the interests of property owners in code enforcement proceedings. For example, if a local government inspector's preliminary investigation reveals the basis for a violation, the code official may be directed to serve the owner with a complaint and a notice of a hearing. That enables the property owner to appear at a hearing in person to respond to the complaint, to contest the initial determination, and to appeal an adverse decision. Such hearings held pursuant to the unsafe building statutes or under the minimum housing statutes are quasi-judicial in nature. *Coffey v. Town of Waynesville*, 143 N.C.App. 624, 547 S.E.2d 132 (2001); *Patterson v. City of Gastonia*, __ N.C. App. __, 725 S.E.2d 82 (2012). The hearing ordinarily results in an order for the owner to correct property deficiencies by repairing, moving, or demolishing the building. North Carolina case law further extends an owner's rights by requiring that owners must always be given an adequate opportunity to make the necessary repairs or improvements themselves, regardless of the economic feasibility of doing so. *Horton v. Gullledge*, 277 N.C. 353, 177 S.E.2d 885 (1970); G.S. 160A-443(5); G.S. 160A-439(f)(2). This logic may well apply also to the abatement of public nuisances. Furthermore, if the condition of a building changes because of deterioration or vandalism so that the remedial steps called for in the code official's initial order are no longer feasible or appropriate, then the process of complaint, notice, hearing, and opportunity to cure must be repeated. *Newton v. City of Winston-Salem*, 92 N.C. App. 446, 374 S.E.2d 488 (1988). If the property owner eventually fails to comply with the code official's order, then the unsafe building laws, the minimum housing statutes, and the commercial maintenance legislation all permit a local governing board to authorize staff to arrange for the remedial work to be performed directly. G.S. 160A-443(5); G.S. 160A-432(b); G.S. 160A-439(f)(1). An owner need not be given further notice and an opportunity to be heard when the governing board considers whether to approve the use of this self-help remedy. *Patterson v. City of Gastonia*,



__ N.C.App. __, 725 S.E.2d 82 (2012).

If these due process principles are built into the building condemnation, housing code, and commercial maintenance laws, do these principles also apply to various forms of nuisance abatement? After all, building condemnation and nuisance abatement are both predicated on the removal of public health and safety hazards. Neither type of process requires the payment of compensation for property destroyed in the removal or curing of the hazard. Are the procedural rules that apply to the abatement of public nuisances any different?

Required Procedures for Nuisance Abatement

The two sources of legal authority enabling a municipality to abate a public nuisance are G.S. 160A-174(a) and G.S. 160A-193. The first provides that a "city may by ordinance . . . define and abate nuisances." G.S. 160A-193(a) does not require the adoption of an ordinance and provides that a city "shall have authority to summarily remove, abate, or remedy everything . . . that is dangerous or prejudicial to the public health or public safety." The first statute may be interpreted to provide authority to declare certain classes of situations (e.g., tall grass and overgrown vegetation on lots) to be nuisances per se. The second statute may be interpreted to allow a town to cause a nuisance to be removed in situations that are not routine and that resist ordinance definition. Neither of these statutes spells out the administrative procedures by which the respective authority may be used.

G.S. 160A-175(e) and G.S. 153A-123(e) do provide in some detail how a municipality may seek an injunction and order of abatement for nuisance ordinance violations, but those subsections apply to judicial enforcement of local nuisance authority, not administrative enforcement. What procedures, if any, are required to comport with due process if a nuisance is abated administratively without specific judicial authorization? Note that G.S. 160A-193 permits a city to "summarily remove, abate, or remedy" that which is dangerous or prejudicial to the public health or public safety. (*Italics added.*) Summary action is understood to mean that governments may dispense with certain procedural steps in appropriate circumstances. There is no mention of "summary" abatement in G.S. 160A-174 or G.S. 153A-121. Compare these with G.S. 153A-140, which declares that authority under that section "may only be exercised upon adequate notice, the right to a hearing, and the right to appeal to the General Court of Justice." How can these statutes be interpreted or reconciled?

Nuisance Statute Deficiencies

The deficiencies of G.S. 160A-174, G.S. 160A-193, and G.S. 153A-121 can be gleaned from the case of *Monroe v. City of New Bern*, 158 N.C. App. 275, 580 S.E.2d 372 (2003), *cert. denied*, 357 N.C. 461 (2003). In *Monroe* the city had demolished a residence without complying with the complaint, notice, hearing, and opportunity-to-cure requirements of its own minimum housing ordinance, apparently relying on the summary abatement authority offered by G.S. 160A-193. Rather than declare G.S. 160A-193 unconstitutional because of its patent due process inadequacies, the court ruled that G.S. 160A-193 allowed a city "to summarily demolish" a building only in circumstances where the building was so structurally unsafe that it posed such an imminent danger to public safety. In other words the owner could not be provided procedural safeguards without endangering the public. The court in *Monroe* held that the subject house in question was in deplorable condition but was not endangering the public. The owner's due process rights were violated by the city and the matter was remanded for a trial to determine the city's liability in damages.

The nuisance abatement authority of G.S. 160A-174 (which requires an ordinance) may be no less shaky. A different statute, G.S. 160A-200.1, is entitled "(a)nnual notice to chronic violators of public nuisance ordinance." G.S. 160A-200.1 may be read to bolster the procedural posture of G.S. 160A-174 by implying that some type of notice is a necessary adjunct of G.S. 160A-174. That is true even though this latter statute does not expressly mention notice at all. Either the nuisance abatement clause in G.S. 160A-174 is vulnerable to a restrictive interpretation (like G.S. 160A-193 was in *Monroe*), or the municipal ordinance that implements this nuisance abatement authority must require various procedural safeguards in order to fill these constitutional breaches.

Carrying Out Demolition or Abatement and the Fourth Amendment

One other set of practical and legal problems involves the actual abatement of a nuisance or the demolition of a condemned building. City officials or their contractors go onto private property to do their work, often without the express consent of property owners. Real and personal property may be destroyed, seized, or removed from a site. The Fourth Amendment to the U.S. Constitution requires that any seizure of property by the State be examined for its overall



reasonableness and must be based upon a careful balancing of governmental and private interests. *Soldal v. Cook County*, 506 U.S. 56 (1992).

Abatement or demolition actions may be taken pursuant to an injunction or other court order. If so, the order should reflect the *Soldal* balancing-of-interests analysis in authorizing the destruction of offending buildings and site conditions to the extent that the nuisance requires. There are relatively few Fourth Amendment problems involving this type of judicial authorization.

If the demolition of a building is instead administratively authorized, ordinarily there is no Fourth Amendment violation if the substantive and procedural safeguards inherent in due process have been fulfilled. *Freeman v. City of Dallas*, 242 F.3d 642 (5th Cir. 2001) (en banc); *Samuels v. Meriwether*, 94 F.3d 1163 (8th Cir. 1996); *Edmundson v. City of Tulsa*, 152 F. App'x 694 (10th Cir. 2005); see also *Taylor v. Town of Franklin*, 2007 WL 674577 (W.D.N.C.). Thus satisfying the requirements of the Due Process Clause is generally sufficient to satisfy the requirements of the Fourth Amendment.

However, a peculiar problem arises when the nuisance abatement or property demolition involves the disposition of various items of personal property. Federal courts have allowed local officials and contractors considerable latitude in determining the extent and type of abatement and demolition that a nuisance demands. *Hroch v. City of Omaha*, 4 F.3d 693 (8th Cir. 1993) (no Fourth Amendment violation where personal property salvaged from other demolitions by contractor-owner were destroyed with building itself); *Samuels v. Meriwether*, 94 F.3d 1163 (8th Cir. 1996) (no Fourth Amendment violation when debris and burnt furniture from fire-damaged building destroyed); *Edmundson v. City of Tulsa*, 152 F. App'x 694 (10th Cir. 2005) (no violation where owner allowed to remove some junked vehicles, other vehicles on site allowed to remain); *Taylor v. Town of Franklin*, 2007 WL 674577 (W.D.N.C.) (various personal items and trash contained within junked vehicles deemed to be part of public nuisance itself and could be destroyed); but see *Conner v. City of Santa Ana*, 897 F.2d 1487 (9th Cir. 1990) (Fourth Amendment violation where city apparently followed necessary due process steps but broke down fence surrounding back yard to remove old and inoperable junked cars).

North Carolina law in this regard is unsettled. G.S. 160A-443(6)(c.) (minimum housing) directs the code official to "sell the materials of the dwelling, and any personal property, fixtures or appurtenances found in or attached to the dwelling" and to credit the proceeds against the cost of removal or demolition. A similar provision in G.S. 160A-439(i)(3) (commercial maintenance codes) applies to "recoverable" materials. North Carolina state courts have emphasized that government cannot take, remove, or destroy private property unless such action is "in fact necessary to remove or abate a nuisance." *Rhyne v. Town of Mount Holly*, 251 N.C. 521, 528, 112 S.E.2d 40, 46 (1960) (claim for compensation upheld for destruction of oak trees in enforcing overgrown vegetation ordinance). See *Yates v. City of Raleigh*, 46 N.C. App. 221, 264 S.E.2d 798 (1980) (dismissal of damage claim reversed where concrete finishing equipment destroyed as part of public health nuisance). But see *Patterson v. City of Gastonia*, __ N.C. App. __, 725 S.E.2d 82 (2012) (sovereign immunity may bar claims for conversion of mobile home and other personal property, trespass to chattels, and trespass to real property); *Estate of Hewitt v. County of Brunswick*, 199 N.C. App. 564, 681 S.E.2d 531 (2009) (sovereign immunity bars claim for damages where county removed and kept antiques, tools, motor parts, and building supplies recovered from barn demolished by mistake).

What, then, are the lessons for local governments?

- First, our nuisance statutes are deceptively Spartan. Local ordinances can be used to flesh necessary procedural detail. But local officials need to be aware that the law often requires more than the nuisance statutes require. Some of the building condemnation legislation may furnish a useful guide.
- Failure to follow proper procedures may render a local government liable in damages.
- Nuisance abatement based upon a judicial order offers various advantages in determining the scope and nature of a nuisance and in defining the appropriate steps for local governments to take in abatement.

Keeping these ideas in mind may make nuisance abatement and building demolition a bit less of a mess than it might otherwise be.

Links

- canons.sog.unc.edu/?p=4747



- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-426
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-441
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-439
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=19-1
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-193
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-174
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-303.2
- appellate.nccourts.org/opinions/?c=2&pdf=MjAwMS8wMC01NDUtMS5wZGY=
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- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-432
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=160A-175
- www.ncga.state.nc.us/gascripts/statutes/statutelookup.pl?statute=153A-123
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- caselaw.findlaw.com/us-8th-circuit/1120827.html
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- appellate.nccourts.org/opinions/?c=2&pdf=MjAwOS8wOC0xMDcxLTEucGRm



Community and Economic Development in North Carolina and Beyond Blog: Maintenance of vacant or neglected commercial buildings: options for NC local governments

By Tyler Mulligan

Article: <https://ced.sog.unc.edu/maintenance-of-vacant-or-neglected-commercial-buildings-options-for-nc-local-governments/>

This entry was posted on March 20, 2018 and is filed under Built Assets & Housing, Community Development, Development Finance Initiative, Downtown & Main Street, Featured Articles



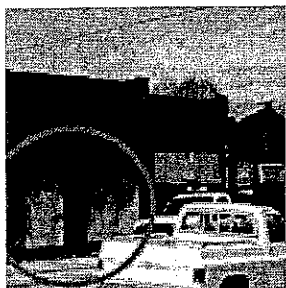
The downtown buildings in the Town of Old Well have "good bones." The structures lining the four downtown blocks of Main Street are solid brick and reflect their historic character, harkening back to a time when downtown was thriving with retail on the ground floor and residential units on the second floor. The very center of downtown is in fairly good shape, and some committed merchants have established a pocket of commercial activity there. However, even that central area is pocked with a handful of underutilized and neglected retail buildings. The downtown blocks immediately outside of the center, where vacant buildings outnumber those with active uses, are not inviting to pedestrians.

Residents and downtown merchants have complained to Town officials about the privately-owned vacant buildings within and surrounding the center of downtown. Some of the vacant structures are in fair condition but are used for storage; peering through the wide display windows reveals piles of boxes, dusty floors, litter, or worse. Some display windows are papered over to conceal the interior. While a handful of vacant buildings appear to be in good condition, others look visibly worse than those with active uses. Can Town officials enact any regulations to govern the appearance and general maintenance of these commercial buildings? Yes, they can.

In fact, there are a number of options available by statute to Town officials. The options provided below are organized according to the condition of the structure, ranging from "green" (good) condition to "yellow" or "red" (worse) condition. The "green-yellow-red" framework and corresponding statutory authority is summarized in a one page downloadable handout: Repair of Nonresidential Buildings. This framework is based on a parallel framework devised for *dwelling*s (not commercial buildings) in the book, *Housing Codes for Repair and Maintenance: Using the General Police Power and Minimum Housing Statutes to Prevent Dwelling Deterioration*. The one page downloadable handout should be read as a supplement to the material in the *Housing Codes* book.

A brief overview of building conditions (green-yellow-red) and legal authority for regulating the repair and maintenance of nonresidential buildings is provided below.

Green condition – vacant commercial buildings in good repair



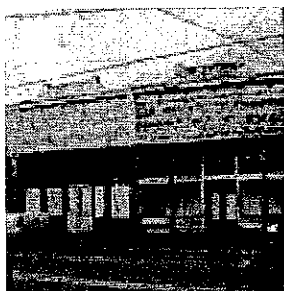
"Green" buildings are in good condition and not in any obvious need of repair. When such

buildings are vacant for long periods, however, it has been shown that their unmonitored state poses a risk of accidental fire or flooding, declining property values, and arson or other criminal activity.[1] In North Carolina, no statute grants specific authority to regulate "green" condition structures that are vacant. However, North Carolina local governments may employ their general ordinance making authority under the police power to design and enforce their own regulations of anything that is "detrimental to the health, safety, or welfare" of residents and the "peace and dignity" of the jurisdiction (G.S. 153A-121 & 160A-174). Vacant buildings are demonstrably detrimental to the community in the literature and therefore the exercise of the police power is appropriate.

Courts will uphold police power regulations so long as they are reasonable.[2] The Supreme Court of North Carolina, in *State v. Jones*, even upheld police power regulations for *aesthetic considerations alone*, provided the "gain to the public" outweighs the burden on the property owner.[3] The assessment of the "gain to the public" may include "corollary benefits to the general community" such as "protection of property values," "preservation of the character and integrity of the community," and "promotion of the comfort, happiness, and emotional stability of area residents." For detailed analysis of the general police power and local ordinances regulating vacant properties, see Chapter 2 of the [Housing Codes](#) book. The book's analysis of vacant *residential* buildings is equally applicable to vacant *nonresidential* buildings.

Reasonable regulations may include a requirement for vacant buildings to be registered with the local government so that periodic inspections may be performed. Inspections would verify that buildings remain secure and contain no hazardous conditions related to fire, flooding, or criminal activity. The General Assembly has imposed some restrictions on inspections of residential units, but no restrictions are imposed for periodic inspections of nonresidential structures.[4]

Yellow condition – obviously vacant or visible maintenance deficiencies



"Yellow" buildings are obviously vacant or, if not vacant, show signs of minor disrepair (not yet dangerous or hazardous). Whether vacant or not, buildings in "yellow" condition jeopardize "benefits to the general public" (to use the North Carolina Supreme Court's words) such as "property values" and the "character and integrity of the community." There is a clear basis for the exercise of the police power in order to encourage owners of "yellow" buildings to correct visible maintenance deficiencies and to remove evidence of vacancy.

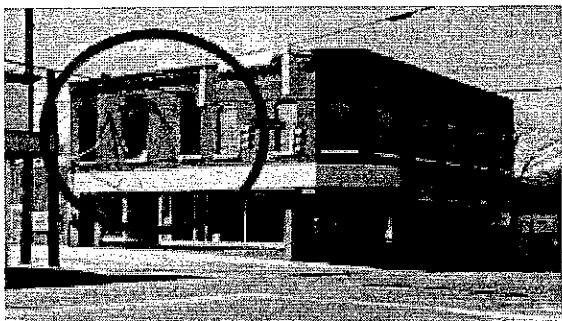
Although no North Carolina statutes grant specific authority for regulation of "yellow" buildings, a local government may employ its general police power and ordinance making authority to design and enforce reasonable regulations. This authority is the same as described above for "green" buildings. Some North Carolina towns have adopted ordinances requiring owners to eliminate any "evidence of vacancy" in commercial buildings, such as empty or papered window fronts, visibly vacant spaces, inattention to exterior building appearance, and other deficiencies that impair the downtown "character and integrity." An example of one such ordinance is available [here](#).

Local governments should be aware that enforcement of police power ordinances (G.S. 153A-121 & 160A-174) requires



staff time and resources. An owner that refuses to comply with an order to address maintenance deficiencies can be fined and the local government may seek a court order to abate the condition without the owner's consent (G.S. 153A-123(e) & 160A-175(e)). The costs of abatement or repair incurred by the local government become a low priority lien on the property. The low priority of the lien means the local government may not be able to recover those costs (compare to repair actions described below for "red" buildings which result in high priority liens collected like taxes). My faculty colleague Trey Allen discusses the enforcement options in more detail in a blog post on ordinance enforcement basics.

Red condition – building is dangerous or hazardous but can be repaired at reasonable cost



A building in "red" condition is one that is dangerous or hazardous

but still can be repaired at a reasonable cost. There are several statutes specifically addressing "red" buildings, and these statutes represent a significant enhancement of authority as compared to the general ordinance making power described above.

- Nonresidential Building Maintenance Codes (G.S. 160A-439 & 153A-372.1). Local governments may use G.S. 160A-439 for mandatory repair of commercial buildings, but only for a building that has "not been properly maintained so that the safety or health of its occupants or members of the general public is jeopardized." Enforcement involves relatively simpler administrative procedures, as opposed to a court order, and the cost of local government effectuation becomes a high priority lien on the property collected like property taxes. One municipality's non-residential building code, which authorizes mandatory repair orders, is available here.
- Compulsory repair in Urban Redevelopment Areas (G.S. 160A-503(19)). Local governments may enact programs of compulsory repair *within designated urban redevelopment areas*. The process for identifying blight and designating a redevelopment area is described in my blog post, [Using a Redevelopment Area to Attract Private Investment](#). One municipality's program is available here.
- Repair of abandoned structures (G.S. 160A-441, second paragraph). Local governments may follow *minimum housing code procedures* to order repair of any structure—including nonresidential structures—deemed to be abandoned and a health or safety hazard. See the [Housing Codes](#) book, Chapter 3, for more detail on minimum housing code procedures.
- Prevent demolition by neglect of historic landmarks (G.S. 160A-400.14). Maintenance requirements can be imposed for buildings designated as historic landmarks through a demolition by neglect ordinance, as discussed in a blog post on demolition by neglect written by my faculty colleague Adam Lovelady.

In order to exercise a particular statutory power described above, a local government must first adopt a local ordinance containing the necessary procedures for exercise of the statutory authority. The statutory powers described above are not mutually exclusive. A local government may adopt and employ one or more of the statutory powers to any particular "red" building, provided the statute is appropriate for the specific circumstances and the relevant statutory procedures are followed. *

Black and blue condition – building is in need of demolition or removal



Buildings in “black and blue” condition are in need of demolition or removal—they are, in most

cases, beyond repair. For these buildings, local governments often employ unsafe building condemnation (G.S. 160A-426 to -432 and 153A-366 to -371). The effective provisions of these statutes are generally available to local governments without requiring a local ordinance to be enacted in advance. Retired faculty member Rich Ducker discusses building condemnation and demolition procedures in a blog post on nuisance abatement. Trey Allen discusses summary abatement or demolition of buildings posing an imminent danger to the public in his blog post on ordinance enforcement basics.

Take a strategic approach to code enforcement and revitalization

Strategic code enforcement is the first step in revitalization. To see detailed recommendations regarding strategic code enforcement for housing, provided to a North Carolina city by a team from the Center for Community Progress and the School of Government, see the report, *Strategic Code Enforcement for Vacancy & Abandonment in High Point NC* (CCP Report 2016).

Code enforcement alone may not be sufficient to revitalize a distressed area. To accomplish revitalization, it may be necessary to employ a land banking approach. Land banking involves acquiring key properties, holding and improving properties, and conveying properties to private developers with conditions in pursuit of a revitalization strategy. The land banking approach is described in my blog post, *How a North Carolina Local Government Can Operate a Land Bank for Redevelopment*. Some local governments have established redevelopment areas to aid in the revitalization process. Urban redevelopment areas are described in my blog post, *Using a Redevelopment Area to Attract Private Investment*.

A program at the School of Government, the Development Finance Initiative (DFI), was created to assist local governments with attracting private investment to accomplish their community and economic development goals. Many DFI projects are undertaken with the goal of revitalizing a distressed area with vacant or underutilized structures. Examples of DFI projects can be reviewed [here](#).


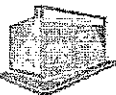


[1] HUD – Evidence Matters, *Vacant and Abandoned Properties: Turning Liabilities Into Assets* (Winter 2014); Accordino & Johnson, *Addressing the Vacant and Abandoned Property Problem*, *Journal of Urban Affairs* 22:3, 302–3 (2002)).

[2] *A-S-P Associates v. City of Raleigh*, 298 N.C. 207 (1979).

[3] 305 N.C. 520 (1982). The reasonableness of aesthetic regulations is determined on a case-by-case basis by examining “whether the aesthetic purpose to which the regulation is reasonably related outweighs the burdens imposed on the private property owner by the regulation.” *Id.* at 530–01.

[4] Mulligan, *Residential Rental Property Inspections, Permits, and Registration: Changes for 2017*, *Community and Economic Development Bulletin* #9, available for download [here](#). Question 18 in the bulletin explains that recent changes to periodic inspections statutes apply only to residential units, not nonresidential structures.

Repair of Nonresidential Buildings: NC Local Government Authority

| Regulation / Order | NCGS Authority | Statutory standards | Recoup costs |
|--|--|---|---|
| Green Condition: Good condition but vacant | | | |
|  <p>Ordinance could require:</p> <ul style="list-style-type: none"> Vacant property registration | <p>160A-174 & 153A-121 (General ordinance-making power) 160A-194 & 153A-134 (Regulating businesses)</p> | <p>"<u>detrimental</u> to the health, safety, or welfare of its citizens and the peace and dignity" of the city/county</p> | <ul style="list-style-type: none"> - Admin fee - Decriminalized civil penalty (GS 160A-175) |
| Yellow Condition: Obviously vacant or visible maintenance deficiencies (not dangerous or hazardous) | | | |
|  <p>Ordinance could require:</p> <ul style="list-style-type: none"> Keep bldg. appearance in good repair Exhibit no evidence of vacancy <p>Failure to comply, obtain:</p> <ul style="list-style-type: none"> Injunction or Court order of abatement <p>Gov't may effectuate if owner cited for contempt for failing to comply with court order</p> | <p>160A-174 & 153A-121 (General ordinance-making power) 160A-194 & 153A-134 (Regulating businesses)</p> <p>In urban redevelopment area: "program of compulsory repair" and "loans therefor"</p> <p>160A-503 & 160A-512 via 160A-456 & 153A-376</p> | <ul style="list-style-type: none"> "<u>detrimental</u> to the health, safety, or welfare of its citizens and the peace and dignity" of the city/county <i>State v. Jones</i> (1982): "<u>aesthetic</u> considerations may constitute a valid basis for the exercise of the police power" if public benefit outweighs private harm: <ul style="list-style-type: none"> "protection of property values" "preservation of the character and integrity of the community" "promotion of the comfort, happiness, and emotional stability of area residents" | <ul style="list-style-type: none"> - Admin fee - Decriminalized civil penalty (GS 160A-175) - Costs of executing court order are mechanic's lien on property (GS 160A-175) |
| Red Condition: Building is dangerous or hazardous but can be repaired at reasonable cost | | | |
|  <p>May order repair only if:</p> <ul style="list-style-type: none"> 160A-439: "dangerous and injurious" bldg. with repair cost <50% bldg. "value" (EXCEPT manuf. & warehousing) 160A-441: "abandoned structure" that is a "hazard" with repair cost that is "reasonable" as determined by local government | <p>160A-439 (Nonresidential Buildings) - Counties: 153A-372.1</p> <p>160A-441 (Minimum Housing for any "abandoned" structure that is a "hazard") - Counties: 160A-442(1)</p> <p>In urban redevelopment area: "program of compulsory repair" and "loans therefor"</p> <p>160A-503 & 160A-512 via 160A-456 & 153A-376</p> | <p>160A-439: Repair cost LESS than 50% building value & "standards shall address only conditions that are dangerous and injurious to public health, safety, and welfare and identify circumstances under which a public necessity exists for the repair, closing, or demolition of such buildings or structures."</p> <p>OR</p> <p>160A-441: Repair cost is "reasonable" (% defined by local govt per GS 160A-443) for "...any abandoned structure which [is] a health or safety hazard [for enumerated reasons]."</p> | <ul style="list-style-type: none"> - Admin fee - Civil penalty authorized under GS 160A-439 but NOT 160A-441 - Costs become lien collected as special assessment - Costs also lien on owner's other property within city (but not home) |
| Black & Blue Condition: Building in need of demolition or removal | | | |
|  <p>Ordinance can be enacted "to prevent the demolition by neglect of any designated landmark or any [structure] within an established historic district."</p> | <p>160A-400.14 (Delay in demolition of landmarks and buildings in historic district) - Counties: 160A-400.2</p> <p>40A-3(b)(8) (Eminent domain)</p> | <p>Governing board may establish standards and requirements but ordinance shall "provide appropriate safeguards to protect property owners from undue economic hardship."</p> | <p>General authority to enforce & effectuate ordinances (same as yellow condition) (GS 160A-175)</p> |

| Proposed Longevity Scale 2020 | | | |
|-------------------------------|------------------|---------|--|
| Year Employed | Years of Service | Amount | |
| 2020 | 7 Mo - 11 Mo | \$50 | |
| 2019 | 1 | \$100 | |
| 2018 | 2 | \$200 | |
| 2017 | 3 | \$300 | |
| 2016 | 4 | \$350 | |
| 2015 | 5 | \$400 | |
| 2014 | 6 | \$450 | |
| 2013 | 7 | \$500 | |
| 2012 | 8 | \$550 | |
| 2011 | 9 | \$600 | |
| 2010 | 10 | \$750 | |
| 2009 | 11 | \$800 | |
| 2008 | 12 | \$850 | |
| 2007 | 13 | \$900 | |
| 2006 | 14 | \$950 | |
| 2005 | 15 | \$1,100 | |
| 2004 | 16 | \$1,150 | |
| 2003 | 17 | \$1,200 | |
| 2002 | 18 | \$1,250 | |
| 2001 | 19 | \$1,300 | |
| 2000 | 20 | \$1,450 | |
| 1999 | 21 | \$1,500 | |
| 1998 | 22 | \$1,550 | |
| 1997 | 23 | \$1,600 | |
| 1996 | 24 | \$1,650 | |
| 1995 | 25 | \$1,700 | |
| 1994 | 26 | \$1,750 | |
| 1993 | 27 | \$1,800 | |
| 1992 | 28 | \$1,850 | |
| 1991 | 29 | \$1,900 | |
| 1990 | 30 | \$1,950 | |
| 1989 | 31+ | \$2,000 | |

| Personnel Policy | Longevity Pay | Employees in Range | Current | Double | Proposed |
|-------------------|---------------|--------------------|---------|----------|----------|
| 0 months-6 months | \$0.00 | | | | |
| 7 months-1 Year | \$50.00 | 1 | 50 | 100 | 50 |
| 2-5 Years | \$150.00 | 4 | 600 | 1200 | 1300 |
| 6-9 Years | \$300.00 | 0 | 0 | 0 | |
| 10-15 Years | \$450.00 | 5 | 2250 | 4500 | 4250 |
| 16-20 Years | \$600.00 | 0 | 0 | 0 | |
| 21-25 Years | \$750.00 | 0 | 0 | 0 | |
| 26 + Years | \$900.00 | 1 | 900 | 1800 | 2000 |
| | | 11 | \$3,800 | \$7,600 | \$7,600 |
| | | 2025 (5 Years) | \$5,400 | \$10,800 | \$11,150 |
| | | 2030 (10 Years) | \$6,750 | \$13,500 | \$14,750 |

Town of Sawmills Vacation Accrual Rate Chart

| Years of Service | Hours Per Month | Hours Per Year | Days Per Year |
|------------------|-----------------|----------------|---------------|
| 0 - 4 Years | 6.67 | 80.04 | 10 |
| 5 - 9 Years | 8 | 96 | 12 |
| 10 - 14 Years | 10 | 120 | 15 |
| 15 - 19 Years | 12 | 144 | 18 |
| 20+ Years | 13.34 | 160.08 | 20 |

State of NC Vacation Accrual Rate Chart

| Years of Service | Hours Per Month | Hours Per Year | Days Per Year |
|-------------------|-----------------|----------------|---------------|
| < 5 Years | 9 hrs 20 mins | 112 | 14 |
| 5 But < 10 Years | 11 hrs 20 mins | 136 | 17 |
| 10 But < 15 Years | 13 hrs 20 mins | 160 | 20 |
| 15 But < 20 Years | 15 hrs 20 mins | 184 | 23 |
| 20+ Years | 17 hrs 20 mins | 208 | 26 |

Proposed Change in Accrual Rate (Increase)

| Years of Service | Hours Per Month | Hours Per Year | Days Per Year |
|------------------|-----------------|----------------|---------------|
| 0 - 4 Years | 2.66 | 31.96 | 4 |
| 5 - 9 Years | 3.33 | 40 | 5 |
| 10 - 14 Years | 3.33 | 40 | 5 |
| 15 - 19 Years | 3.33 | 40 | 5 |
| 20+ Years | 3.99 | 47.92 | 6 |

Budget Notes

- I believe, historically, what you are use to is an engineering reports or presentations from Bengie or Todd outlining paving or water projects slated for the next FY. I've seen some previous presentations that had current housing trends and industry analysis in them. After taking that into considerations along with growing up here and thinking about what I would want if I were on Council, I opted out of a long Powerpoint presentation and chose the honest conversation instead.
- I don't intend to waste your time today. I've put everything in my notes I feel is important for us to cover and if we make it though early then we are done early. I figure you all have things to do just like I do.
- I don't read minds so if you don't like the format of today or you would like to see something differently, let me know. I promise I can work powerpoint and make presentations. I just felt like discussion was more important and needed that me talking at you about stuff you probably didn't care about.
- I was anxious to see if my "Growing up here" thoughts" and ideas matches my "Managing here" thoughts and ideas. So far, some have run hand in hand and some have been different.
- Some of the things we discuss today will be absolutely 20/21 FY Budget items.
- Some things come from our Coffee session and issues that were discusses in it
- Some were things I've noticed since I've been here.
- Some are things that are important and we will need to address them in the future.
- Others will be, hey this is vital we need to make a plan now.
- And NOT, hey lets make a plan just so we can play kick the can and push something off in hopes of never getting to it.
- I promise you, I'll do my very best to never mention something to you that will be a waste of Town time or resources.
 - I'm so excited I'm giddy! I've had more people ask, "So what are yall going to do, or so what do you all have planned." They see the potential.
 - That's not what this is all about but if someone is looking for 100 acres to put house on would you like it to go in Sawmills or somewhere else?
- I want to say two things before we start:
 - 1st At any point you have a question, comment, or concern.....speak up.
 - 2nd I never dreamed I would tell a Council this because I'm just that conservative
 - You have a Fund Balance (Savings Account) if you hear a project that is a GOOD and I stress GOOD idea lets talk about it.
 - Spending Fund Balance on Good Projects is Good
 - Spending Fund Balance on Bad Projects is Bad
 - Operating out of Fund Balance is stupid and I won't do it.
 - NOT spending money is NOT a fiscal plan. Its not a plan at all.
 - Citizens DO NOT pay taxes for us to act as a savings account
 - They pay taxes to receive benefits, programs, services, and for us to use their money wisely.
 - We can do a lot of projects, even big projects, and taxes WILL NOT go up

- Local government employees are tough to find and getting tougher. Some you can pull from other fields and retrain but it takes time and is costly.
 - Its easier to be attractive to the ones that want to work in local government
 - Either way being attractive catches both crowds
 - **See Chart**
- **Salary Increases**
 - 3% COLA
 - 2% Merit
- **Phase II Stormwater (Explain)**
 - Total Cost for Mapping = \$51,504.17
 - EDA Grant Coverage = \$25,752.09
 - Town's Responsibility = \$25,752.09
 - Monthly Rate for 2 years = \$1,073.00
- **200 AMP Drop in Grass Lot for events and Christmas** (Express to electrician that Boxes must be tamper proof)
 - < \$2,000.00 Depending on permit costs
- **New Server**
 - Device that houses all of our utility billing information
 - Put off for quite a while
 - Will add security and stability to the system
 - Kicked off regularly (Sometimes a couple times a week) then forced to reboot
 - Imagine if that were your personal computer
 - Now reminder yourself that it handles all of our payments
 - Convert to "Rack" style rather than "Computer Tower" style
 - \$40,000
- **Server Room**
 - Beyond a necessity
 - Operating out of a coat closet with bifold doors is unthinkable with the liabilities and security threats that face local governments especially with the utilities we offer.
- **Karen & Julie Office**
 - Needs Room for additional secure filing cabinet(s)
- **Cameras**
 - There are a few here and there but they are not great quality nor do they offer the recording loop you would want (2 Weeks+)
 - We don't want to be like the gas station that was robbed by a fuzzy object.
 - **Outside**
 - 360 Coverage
 - Clear coverage of parking areas
 - Focused coverage of entry doors & front of building (Ronnie's Gas Incident)

Part II: Eminent Issues

- **Optimist & Recreation in Sawmills**

- Optimist has 3 members that are not getting younger or less burnt out
- I can see it as an end user
- If you have 5 years left I'd be surprised, 10 I'd be astonished
- We are already carrying the brunt of the cost
 - Salary
 - Mowing
 - Maintenance
 - Lights
- The only things we are not covering are the pass through or break-even costs such as the registration fees washing out with:
 - Insurance Fees
 - Umpire Fees
 - Equipment Fees
 - Sectioning Fees
- We will pick up some headache with complaints but it will be minimal as they will continue to flow through Benny but could potentially land on my desk and I'm fine with that.
- We will experience added strain of accepting registration payments but a tremendous amount of that can be alleviated by moving registrations online rather than the current two day per week sitting at Baird Park waiting for people to show up.
- It will also be seasonal and during specific registration times
- We will have additional part-time staff (Umpires) but unless Karen objects because it would be more difficult, I would say to not include them in the weekly payroll batch.
- I would say bi-weekly at best but I'll differ to her on that call.
- I spoke with Gene and Benny because sometimes Optimist Clubs can be touchy subjects but I believe they both have just been holding on because they knew no one else would.
- Ultimately, I know we are going to get it either way and if we want it or not. It just makes more sense to do it NOW while everyone is healthy and able.
- Also, we can do it better.
- Its hard to tell a volunteer they need to do something better
- Our parks and recreation is one area we have to capitalize on and it makes sense to do it before Benny retires and while Gene is healthy.

- 1+ Mile Rd 18' Width with 60' Easement
- Combination DOT/Town street
- Consider widening road to make it more useable for events
- Bang for your buck???
- Widening is needed but when comparing cost/benefit in regards to other needed projects is it worth it NOW?
- You're essentially widening for 1-2 events per year.
- Consider adding to CIP in the near future.

Part IV: Future Concerns

- **New Logo/Branding/Marketing**
 - Its time....
- **Paving in Doe Run**
 - We need a plan specifically for it.
 - Neighborhoods built THEN taken in COMMONLY have road issues
 - They look like an alligator, I just left one in Catawba and if you wait too long, they will cripple you.
 - Its tougher to judge them by appearance because you have to remind yourself of the underlying instability and poor condition you can't see.
- **ADA Assessment/Plan/Implementation**
 - 5-10 Plan Much like CIP
 - State and Fed put these requirements in place some time ago
 - Recently started cracking down on it by tying compliance to certain grant monies
 - WPCOG offering the service and some municipalities already getting ahead of the curve
 - In many cases, after a plan is in place compliance is as simple as taking steps in the right direction
 - For example, could be as simple as moving the height of a sink or paper towel holder or as difficult as widening hallways or sidewalks and/or making an area accessible
 - Why is it important? You have heard me say before that I believe in many ways Sawmills is a Bedroom Community, in that, the majority of the population lives here but works elsewhere.
 - Most residents of these communities want amenities and recreational opportunities.
 - Congratulations, you have the nicest parks and recreational opportunities in the county.
 - Bad News, if you're going to have an ADA issue, guess where it will more than likely come from.
 - Recreation area, common area such as sidewalk or a meeting/gathering place like Town Hall
 - On a positive note, since most of the recreation areas were built with grant monies, I don't foresee any substantial issues because of the engineering requirements placed on them

- **Break Room**

- Might seem like a luxury request but as a supervisor, nothing, bothers you more than seeing employees bust their hind ends all morning taking payments, setting up accounts, and dealing with the public. Then later when I walk by, they are having to sit in one of the audience chairs to eat their lunch and try to rest a minute.
- Some of you are probably thinking, "I've ate worse places," and I have too., but that was a different job and we were different employees. I've ate lunch in cars, on cars, in the woods, against, buildings, about anywhere you could think, and I've had a lot of days I didn't get to eat lunch at all.
- Those were different career and jobs and these are different employees.
- This is after they gotten their food and heated it up in the room that was built to hold the water heater. Seriously.
- I don't tell you this to complain or whine, again, I dealt with much worse. I tell you this to tell you how the employees have sacrificed and to prove that the request of some type of break room isn't a lavish request.
- Ultimately the building is a Capital Asset and needs to be treated as one
 - One of the things I like to do is relate everything back to by personal finance or personal assets. It makes it easier for me to understand. So with that in mind....

Part VI: Events

- I'm well aware this is a budget session but it seemed the most contentious issue at the Coffee session was events, their dates, times, schedules, locations, and logistics.
 - And, well, they cost money
 - I don't intend to place on the agenda and take up meeting time with event details so lets get this worked out now.
 - I do want to point out I think we should pick out 2 or 3 events we feel we can really succeed at and focus on them.
 - **Egg Hunt**
 - April ??????
 - Sign Ups 3:00-3:30
 - 1st Race @ 3:30
 - Veterans Park
 - Age Groups: Walking – 3 YOA
 - 4 YOA – 6 YOA
 - 7 YOA – 9 YOA
 - **Farmers Market (Opening Day Tuesday May 5th)**
 - Tuesdays
 - 3:00-6:30p
 - Farmers Market
 - **Memorial Day (Town Closed 25th)**
 -
 -
 - **Sawmills Fire & Rescue Appreciation Week**
 - (9/6-9/12)
 - Ceremony 12th 3:30p
 - Farmers Market
 - **Fall Festival / Tractor & Treat (10/30)**
 - Friday 10/30/2020
 - 12:00p-7:00p
 - Farmers Market
 - **Veteran's Memorial Ceremony**
 - Saturday 11/14/2020
 - 10:30a
 - Veteran's Park
 - **Christmas Tree Lighting**
 - Thursday 12/03/2020
 - 6:30p
 - Farmers Market
 - **Christmas Parade**
 - Saturday 12/05/2020
 - 10:00a (Line-up @ 9:30a)
 - Helena St

**TUESDAY, FEBRUARY 18, 2020
TOWN OF SAWMILLS REGULAR COUNCIL MEETING
6:00 PM**

COUNCIL PRESENT

Mayor Johnnie Greene
Keith Warren
Clay Wilson
Joe Wesson
Melissa Curtis

STAFF PRESENT

Julie Good
Terry Taylor

COUNCIL ABSENT

Rebecca Johnson

CALL TO ORDER: Mayor Johnnie Greene called the meeting to order at approximately 6:00pm.

INVOCATION: Harold Curtis gave the invocation.

PLEDGE OF ALLEGIANCE: Bryant Keller from Sawmills Elementary School led the Pledge of Allegiance.

ADOPT AGENDA: Mayor Johnnie Greene asked for a motion to adopt the February 18, 2020 agenda.

Joe Wesson made a motion, and Keith Warren seconded, to adopt the February 18, 2020 agenda. All were in favor.

APPROVE JANUARY 21, 2020 REGULAR MEETING MINUTES: Mayor Johnnie Greene asked for a motion to approve the January 21, 2020 regular meeting minutes.

Joe Wesson made a motion, and Clay Wilson seconded, to approve the January 21, 2020 regular meeting minutes. All were in favor.

APPROVE JANUARY 21, 2020 CLOSED SESSION MEETING MINUTES: Mayor Johnnie Greene asked for a motion to approve the January 21, 2020 closed session meeting minutes.

Clay Wilson made a motion, and Keith Warren seconded, to approve the January 21, 2020 closed session meeting minutes. All were in favor.

PUBLIC COMMENT: Mayor Johnnie Greene asked if anyone had any questions or comments at this time.

No one wished to speak

RECOGNITIONS:

RECYCLE REWARDS WINNER: Mayor Johnnie Greene announced Debra Smith, as the February Recycle Rewards winner. A credit of thirty-two dollars (\$32.00) will be added to the current sanitation bill.

No Council action was required.

SAWMILLS VOLUNTEER FIRE AND RESCUE DEPARTMENT PROCLAMATIONS: Mayor Johnnie Greene presented proclamations to the following Sawmills Volunteer Fire and Rescue Department members:

| | |
|-----------------------------|--------------------|
| Member of the Year: | Mike Jacobs |
| Officer of the Year: | Josh Lakey |

No Council action was required.

FINANCIAL:

BUDGET AMENDMENT: Mayor Johnnie Greene stated that with the contract being signed for the AMI Water Meter Project, eight hundred thousand dollars (\$800,000.00) would need to be moved into a CIP Fund, four hundred twenty thousand dollars (\$420,000.00) from the General Fund and three hundred eight thousand dollars (\$380,000.00) from the utility fund.

Melissa Curtis made a motion, and Keith Warren seconded, to approve a budget amendment in the amount of eight hundred thousand dollars (\$800,000.00), four hundred twenty thousand dollars (\$420,000.00) from the General Fund and three hundred eight thousand dollars (\$380,000.00) from the utility fund, into the CIP Fund for the AMI Water Meter Project. The budget amendment passed three (3) to one (1) with Joe Wesson being the only opposed.

PUBLIC COMMENT: Mayor Johnnie Greene asked if anyone had any questions or comments at this time.

No one wished to speak

UPDATES:

FEBRUARY CODE ENFORCEMENT REPORT: Town Planner Hunter Nestor stated that there are seven (7) code enforcement cases open:

- Carolyn Bray/Robyn Brittan, owner 2570 Baker Circle. Abandoned Mobile Home/Garbage and Rubbish. Town Planner Hunter Nestor stated that he is working with Town Attorney Terry Taylor to abate the property. Town Planner Hunter Nestor also stated that he will treat this as a Junk and Debris and not minimum housing. If so, the Town can proceed to abate after thirty (30) days of notice. Town Planner Hunter Nestor stated that he got a quote that will demo entire trailer and haul off all debris including our equipment, labor and fees. Town Planner Hunter Nestor stated that the quote is four thousand one hundred dollars (\$4,100.00). Town Planner Hunter Nestor stated that staff plans to abate this in the current budget year, in the spring of 2020;
- Timberline Lumber Company, 4221 US Highway 321A. Overgrown Vegetation/Property Maintenance. Town Planner Hunter Nestor stated that he received a complaint on July 2, 2019, and original NOV letter was sent July 16, 2019 and no response or no progress as of August 8, 2019. Second NOV letter was sent on August 8, 2019. Town Planner Hunter Nestor stated that he never received any response from owner, but some progress had been made. Town Planner Hunter Nestor stated that he received a telephone call complaint about the property and the individual was informed that a written complaint would need to be submitted to investigate the property. Town Planner Hunter Nestor stated that he received the written complaint on February 18, 2020, and will send a NOV letter out on February 20, 2020;
- Debra Rose, 4284 Trojan Ln. Dangerous Dog/Animal Creating a Nuisance. Town Planner Hunter Nestor stated that he received a complaint on November 26, 2019 about multiple dogs running around with no leash in a neighborhood. Town Planner Hunter Nestor stated that the complaint stated that the dogs were digging holes, habitual barking, howling and whining through the night and creating a physical threat to neighbors and other animals. NOV letter was sent on December 3, 2019, with a deadline of December 19, 2019. Town Planner Hunter Nestor stated that there was no response from the owner. Town Planner Hunter Nestor stated that he received another complaint and a second NOV letter was sent out on January 16, 2020 with a deadline of January 28, 2020. Town Planner Hunter Nestor stated that Caldwell County Animal Control has been notified. Town Planner Hunter Nestor stated that the property is a rental and he has spoken to Mrs. Rose and she informed Town Planner Hunter Nestor that she has spoken with her tenants. Town Planner Hunter Nestor stated that the original complainant had submitted videos to town staff of the habitual barking. Town Planner Hunter Nestor stated that he will work with Caldwell County and Town Attorney for further action;
- Teresa Annas Compton, 4486 Sawmills School Road. Abandoned Mobile Home/Garbage and Rubbish. Town Planner Hunter Nestor stated he received a complaint on January 13, 2020. Town Planner Hunter Nestor stated that a NOV letter

would be sent out on January 23, 2020 with a deadline of February 10, 2020. Town Planner Hunter Nestor stated that the trailer is not finished and located on the same property as the Compton house that the Town abated in 2018. Town Planner Hunter Nestor stated that staff will investigate and work with attorney for possible courses of abatement. Town Planner Hunter Nestor stated that one (1) of Ms. Compton's sons is scheduled to meet with staff in late February to work towards getting the property in his name and get the property cleaned up;

- Dwayne K and Bridget E Mann, owners 4353 Eli Ln/Fancy Pl. Garbage and Rubbish/Property Maintenance. Town Planner Hunter Nestor stated that he received a complaint on January 2, 2020, and a regular NOV letter and a certified NOV letter was sent on January 2, 2020, with a deadline of January 20, 2020. Town Planner Hunter Nestor stated that the certified NOV letter was returned for being unclaimed, but the regular letter was not returned. Town Planner Hunter Nestor stated that a second NOV letter was sent on February 13, 2020. Town Planner Hunter Nestor stated that the property has junk/garbage all over the property. Town Planner Hunter Nestor stated that if there is no response after the second NOV letter, staff can enforce fines and possible abatement;
- Jerry Michael and Camille Hawn, 4491 Loyal Ln. Garbage and Rubbish/Property Maintenance. Town Planner Hunter Nestor stated that a complaint was received on January 28, 2020. Town Planner Hunter Nestor stated that the complaint addressed two (2) separate properties and possible violations. A NOV letter was sent on February 13, 2020, with a deadline of March 4, 2020 for the Miller property. Town Planner Hunter Nestor stated that the Miller property is in violation for having high grass/vegetation and junk and garbage located around the property. Town Planner Hunter Nestor stated that the Hawn property is not in violation as brush pile was picked up on January 31, 2020. Town Planner Hunter Nestor stated that complainant states that Mr. Hawn has more brush scattered throughout the property, but staff did not find any evidence;
- Dale E and Debra Miller, 4434 Jess Dr. Garbage and Rubbish/Property Maintenance. Town Planner Hunter Nestor stated that a complaint was received on January 28, 2020. Town Planner Hunter Nestor stated that the complaint addressed two (2) separate properties and possible violations. A NOV letter was sent on February 13, 2020, with a deadline of March 4, 2020 for the Miller property. Town Planner Hunter Nestor stated that the Miller property is in violation for having high grass/vegetation and junk and garbage located around the property. Town Planner Hunter Nestor stated that the Hawn property is not in violation as brush pile was picked up on January 31, 2020. Town Planner Hunter Nestor stated that complainant states that Mr. Hawn has more brush scattered throughout the property, but staff did not find any evidence.

No Council action was required.

COUNCIL COMMENT: Mayor Johnnie Greene asked if anyone on the Council had any questions or comments at this time.

Keith Warren wanted to thank everyone for coming out to the meeting.

Joe Wesson wanted to thank everyone for coming out. Joe Wesson stated that the Council might not always agree, but will leave shaking hands.

COUNCIL ADJOURN: Mayor Johnnie Greene asked for a motion to adjourn.

Clay Wilson made a motion, and Joe Wesson seconded, to adjourn the meeting. All were in favor.

The meeting was adjourned at approximately 6:12pm.

Johnnie Greene, Mayor

Julie A. Good, Town Clerk

**THURSDAY, MARCH 5, 2020
TOWN OF SAWMILLS SPECIAL COUNCIL MEETING
5:00 PM**

COUNCIL PRESENT

Mayor Johnnie Greene
Clay Wilson
Keith Warren
Rebecca Johnson
Joe Wesson
Melissa Curtis

STAFF PRESENT

Chase Winebarger
Karen Clontz
Julie A Good

CALL TO ORDER: Mayor Johnnie Greene called the meeting to order at approximately 5:09pm.

INVOCATION: Mayor Johnnie Greene gave the invocation.

PLEDGE OF ALLEGIANCE: Mayor Johnnie Greene led the Pledge of Allegiance.

ADOPT AGENDA: Mayor Johnnie Greene asked for a motion to adopt the agenda.

Rebecca Johnson made a motion, and Joe Wesson seconded, to adopt the agenda. All were in favor.

CLOSED SESSION: NCGS §143-318.11(a)(4)(5): Mayor Johnnie Greene asked for a motion to go into closed session.

Clay Wilson made a motion, and Joe Wesson seconded, to go into closed session pursuant to NCGS §143-318.11(a)(4)(5) at approximately 5:20pm. All were in favor.

Clay Wilson made a motion, and Joe Wesson seconded, to come out of closed session at approximately 5:30pm. All were in favor.

RUSSELL DRIVE EASEMENTS: Town Manager Chase Winebarger stated that in order to finish up all the easement acquisitions for the Russell Drive waterline replacement and paving project, SKD Properties has asked for compensation.

Rebecca Johnson made a motion, and Clay Wilson seconded, to pay compensation to SKD Properties as adequate funds are already in the project budget. All were in favor.

WOODLAND DRIVE WATERLINE REPLACEMENT: Town Manager Chase Winebarger stated that when the Town took over and paved Woodland Drive, the Town did not take over the waterline. It has come to the attention of staff that the customer maintained waterlines are under the asphalt road. Town Manager Chase Winebarger stated that the easiest solution to this problem is to install a new Town maintained waterline down Woodland Drive

and move the two (2) existing customer meters from the top of Woodland Drive to the respective properties.

Town Manager Chase Winebarger stated that he spoke with Todd Poteet, with West Consultants, and a quote was received from Piedmont Utility Group, Inc., for twenty-seven thousand two hundred ninety-three dollars and ten cents (\$27,293.10), to be completed at the same time as the Mission Road and Russell Drive waterline projects.

Clay Wilson made a motion, and Joe Wesson seconded, to install a Town maintained waterline on Woodland Drive and move the two (2) existing meters from the top of Woodland Drive to the respective properties, by Piedmont Utility Group, Inc. for the amount of twenty-seven thousand two hundred ninety-three dollars and ten cents (\$27,293.10). All were in favor.

ADJOURN: Mayor Johnnie Greene stated no Council action was required and asked for a motion to adjourn the meeting.

Clay Wilson made a motion, and Rebecca Johnson seconded, to adjourn the meeting. All were in favor.

The meeting ended at approximately 5:35pm.

Johnnie Greene, Mayor

Julie A Good, Town Clerk

**MARCH 5, 2020
MINUTES OF TOWN COUNCIL
BUDGET WORKSHOP
5:00 P.M.**

COUNCIL PRESENT

Mayor Johnnie Greene
Keith Warren
Clay Wilson
Rebecca Johnson
Joe Wesson
Melissa Curtis

STAFF PRESENT

Christopher Todd
Karen Clontz
Julie A Good

CALL TO ORDER: Mayor Johnnie Greene called the meeting to order at approximately 5:35pm.

ADOPT AGENDA: Mayor Johnnie Greene asked for a motion to adopt the agenda.

Joe Wesson made a motion, and Clay Wilson seconded, to adopt the agenda. All were in favor.

ITEMS FOR DISCUSSION:

Town Manager Chase Winebarger discussed the budget needs for the Fiscal Year 2020/2021.

COUNCIL ADJOURN: Mayor Johnnie Greene asked for a motion to adjourn.

Clay Wilson made a motion, and Keith Warren seconded, to adjourn the meeting at approximately 6:07pm. All were in favor.

Johnnie Greene, Mayor

Julie A Good, Town Clerk

AGENDA ITEM 7A

MEMO

DATE:

March 17, 2020

SUBJECT:

Recognition:
Recycle Rewards
Program

Discussion:

The Town of Sawmills would like to congratulate Tiffany Rayle on winning the Recycle Rewards Program for the month of March. Mayor Johnnie Greene will present her with a Certificate of Appreciation. A thirty-two dollar (\$32.00) credit will be added to the current sanitation bill.

Recommendation:

No Council action is required.

AGENDA ITEM 8A

MEMO

DATE:

March 17, 2020

SUBJECT:

Financial Matters:
Request for a Donation
To American Legion
Post 392

Discussion:

The Town has received a request from Hudson American Legion Post 392 for a donation in the amount of \$200.00 (two hundred dollars).

There are sufficient funds in the budget for this request.

Recommendation:

Staff recommends Council discuss this matter and decide how they wish to proceed.



Town of Sawmills

Johnnie Greene, Mayor

Funding Request:

| | | | | |
|-----------------------|----------------------------------|--------|---------------|------------------------|
| Name of Organization: | <u>American Legion Post 392</u> | | Phone | <u>828-493-7048</u> |
| Permanent Address: | <u>243 Legion Rd</u> | | | |
| City: | <u>Hudson</u> | State: | <u>NC</u> | Zip Code: <u>28638</u> |
| Contact Name: | <u>Lorenzo Kelly - Commander</u> | | Fed Tax ID #: | <u>56-1530149</u> |

| | | | |
|--|-------------------|--------------------------------|-------------------|
| Amount Requested: | <u>\$200.00</u> | Amount needed for the Project: | _____ |
| Date Funds Needed: | <u>04-18-2020</u> | Project Begin/End Dates: | <u>04-18-2020</u> |
| Complete description of project: <u>Rock Creek COON Club will be having</u> <u>The fundraiser for American Legion Post 392</u> <u>ALL funds collected will go to American Legion</u> <u>Post 392</u> | | | |
| How will the funds be used? <u>Funds are used to help Veterans with heating, electricity</u> <u>also give kids Easter egg hunt, Thanksgiving meals + Christmas</u> <u>meals + toys</u> | | | |
| How will this project benefit the community? <u>The fundraiser will help any Veterans that need</u> <u>help in this community</u> | | | |

| | | | |
|---|----------------|---|--|
| Date application received: <u>3/9/20</u> | | Official Town Use Only | |
| Date approved/denied (circle one): _____ | | Date presented to Council: <u>3/17/2020</u> | |
| Available balance in Governing Body Expense Acct: <u>\$1,000.00</u> | | Amount approved: _____ | |
| Date check written: _____ | Check #: _____ | Amount: _____ | |

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act. Karen Clark

AGENDA ITEM 9A

MEMO

DATE:

March 17, 2020

SUBJECT:

Discussion:
Proposed Longevity Pay

Discussion:

During the February 13, 2020, Town Manager Chase Winebarger spoke with Council regarding the current longevity pay policy (see attached proposed Longevity Scale). Town Manager Chase Winebarger also spoke to Council about allowing current local government and state employees that become employed by the Town of Sawmills to be able to include the employees' years of service, that the employee had prior to employment at the Town of Sawmills, into the proposed longevity scale.

Recommendation:

Staff recommends Council approve the attached proposed longevity scale and allow current local government and state employees that become employed by the Town of Sawmills to be able to include the employees' years of service, that the employee had prior to employment at the Town of Sawmills, into the proposed longevity scale, effective July 1, 2020.

| Proposed Longevity Scale 2020 | | | |
|-------------------------------|------------------|---------|--|
| Year Employed | Years of Service | Amount | |
| 2020 | 7 Mo - 11 Mo | \$50 | |
| 2019 | 1 | \$100 | |
| 2018 | 2 | \$200 | |
| 2017 | 3 | \$300 | |
| 2016 | 4 | \$350 | |
| 2015 | 5 | \$400 | |
| 2014 | 6 | \$450 | |
| 2013 | 7 | \$500 | |
| 2012 | 8 | \$550 | |
| 2011 | 9 | \$600 | |
| 2010 | 10 | \$750 | |
| 2009 | 11 | \$800 | |
| 2008 | 12 | \$850 | |
| 2007 | 13 | \$900 | |
| 2006 | 14 | \$950 | |
| 2005 | 15 | \$1,100 | |
| 2004 | 16 | \$1,150 | |
| 2003 | 17 | \$1,200 | |
| 2002 | 18 | \$1,250 | |
| 2001 | 19 | \$1,300 | |
| 2000 | 20 | \$1,450 | |
| 1999 | 21 | \$1,500 | |
| 1998 | 22 | \$1,550 | |
| 1997 | 23 | \$1,600 | |
| 1996 | 24 | \$1,650 | |
| 1995 | 25 | \$1,700 | |
| 1994 | 26 | \$1,750 | |
| 1993 | 27 | \$1,800 | |
| 1992 | 28 | \$1,850 | |
| 1991 | 29 | \$1,900 | |
| 1990 | 30 | \$1,950 | |
| 1989 | 31+ | \$2,000 | |

| Personnel Policy | Longevity Pay | Employees in Range | Current | Double | Proposed |
|-------------------|---------------|--------------------|---------|----------|----------|
| 0 months-6 months | \$0.00 | | | | |
| 7 months-1 Year | \$50.00 | 1 | 50 | 100 | 50 |
| 2-5 Years | \$150.00 | 4 | 600 | 1200 | 1300 |
| 6-9 Years | \$300.00 | 0 | 0 | 0 | |
| 10-15 Years | \$450.00 | 5 | 2250 | 4500 | 4250 |
| 16-20 Years | \$600.00 | 0 | 0 | 0 | |
| 21-25 Years | \$750.00 | 0 | 0 | 0 | |
| 26 + Years | \$900.00 | 1 | 900 | 1800 | 2000 |
| | | 11 | \$3,800 | \$7,600 | \$7,600 |
| | | 2025 (5 Years) | \$5,400 | \$10,800 | \$11,150 |
| | | 2030 (10 Years) | \$6,750 | \$13,500 | \$14,750 |

AGENDA ITEM 9B

MEMO

DATE:

March 17, 2020

SUBJECT:

Discussion:
Proposed Vacation Accruals

Discussion:

During the February 13, 2020, Town Manager Chase Winebarger spoke with Council regarding the current vacation accruals. Town Manager Chase Winebarger suggested that the Town match the state accrual rate for vacation time (see attached vacation accrual rate chart).

Recommendation:

Staff recommends Council approve the attached vacation accrual rate chart effective July 1, 2020.

Town of Sawmills Vacation Accrual Rate Chart

| Years of Service | Hours Per Month | Hours Per Year | Days Per Year |
|------------------|-----------------|----------------|---------------|
| 0 - 4 Years | 6.67 | 80.04 | 10 |
| 5 - 9 Years | 8 | 96 | 12 |
| 10 - 14 Years | 10 | 120 | 15 |
| 15 - 19 Years | 12 | 144 | 18 |
| 20+ Years | 13.34 | 160.08 | 20 |

State of NC Vacation Accrual Rate Chart

| Years of Service | Hours Per Month | Hours Per Year | Days Per Year |
|-------------------|-----------------|----------------|---------------|
| < 5 Years | 9 hrs 20 mins | 112 | 14 |
| 5 But < 10 Years | 11 hrs 20 mins | 136 | 17 |
| 10 But < 15 Years | 13 hrs 20 mins | 160 | 20 |
| 15 But < 20 Years | 15 hrs 20 mins | 184 | 23 |
| 20+ Years | 17 hrs 20 mins | 208 | 26 |

Proposed Change in Accrual Rate (Increase)

| Years of Service | Hours Per Month | Hours Per Year | Days Per Year |
|------------------|-----------------|----------------|---------------|
| 0 - 4 Years | 2.66 | 31.96 | 4 |
| 5 - 9 Years | 3.33 | 40 | 5 |
| 10 - 14 Years | 3.33 | 40 | 5 |
| 15 - 19 Years | 3.33 | 40 | 5 |
| 20+ Years | 3.99 | 47.92 | 6 |

AGENDA ITEM 11A

MEMO

DATE:

March 17, 2020

SUBJECT:

Updates:
Code Enforcement
Monthly Report

Discussion:

The attached report shows the progress that Planner Hunter Nestor continues to make throughout the town.

Recommendation:

No Council action required.

| Code Enforcement Report | | | | |
|-------------------------|----------------------------------|--|---|--|
| Property Address | Property Owner | Issue | Notes | |
| 4221 US HWY 321A | Timberline Lumber CO INC | Overgrown Vegetation/ Property Maintenance | Original Complaint Received 7/2. Original letter was sent 7/16 and no response or no progress as of 8/8. Second warning letter was sent on 8/8. Staff never received any response from owner. Some progress has been made. Property taxes were paid by owner. Staff received a phone call complaint about the property and staff asked the individual to submit a written complaint to investigate further. Staff has been in communication with representatives of the property. A letter was delivered to them on 3/12. | |
| 4486 SAWMILLS SCHOOL RD | TERESA ANNAS COMPTON | Abandoned Mobile Home/Garbage and Rubbish | Complaint Received 1/13. Letter was sent on 1/16. Deadline of 1/28. Trailer is not finished and located on the same property of the Compton house that was abated in 2018. Staff will investigate and work with attorney for possible courses of abatement. One of the sons of Ms. Compton is scheduled to meet with staff in February to work towards getting the property in his name and get the property cleaned up. | |
| 4491 LOYE LANE | JERRY MICHAEL and CAMILLE HAWIN | Garbage and Rubbish/Property Maintenance | Complaint Received 1/28. Staff investigated the complaint that addressed two properties and possible violations. A letter was sent on 2/13. Deadline of 3/4 for the Miller property. The Miller property is in violation for having high grass/vegetation and junk and garbage located around the property. The Hawn property is not in violation as brush pile was picked up on 1/31. The complaint states Mr. Hawn still has more brush scattered throughout the property but staff did not find any evidence. | |
| 4434 JESS DR | DALE E and DEBRA MILLER | Garbage and Rubbish/Property Maintenance | Complaint Received 3/5. A regular letter and a certified letter was sent on 3/5. Deadline of 3/23/2020. Trailer has been spray painted and has an apparent tenant. However, Water meter was pulled from property. Staff will investigate and work with attorney for possible courses of abatement. | |
| 4095 GATEWOOD DR | DENISE DOTSON/WILLIAM S ANNAS II | Abandoned Mobile Home/Minimum Housing | Complaint Received 3/5. A regular letter and a certified letter was sent on 3/5. Deadline of 3/23/2020. Livestock may be potbelly pigs which are not included in the livestock definition. Will investigate further. | |
| 2478 ANNAS DR | 2478 ANNAS DR | Livestock | | |