



CAROLINA BEACH
TOWN COUNCIL MEETING
MINUTES • MARCH 24, 2015

Council Chambers

Workshop

9:00 AM

1121 N. LAKE PARK BLVD.
CAROLINA BEACH, NC 28428

I. CALL TO ORDER

Attendee Name	Title	Status	Arrived
Dan Wilcox	Mayor	Late	9:08 AM
LeAnn Pierce	Mayor Pro Tem	Present	
Steve Shuttleworth	Council Member	Present	
Sarah Friede	Council Member	Present	
Gary Doetsch	Council Member	Present	
Michael Cramer	Town Manager	Present	
Ed Parvin	Assistant Town Manager	Present	
Debbie Hall	Finance Director	Present	
Kim Ward	Town Clerk	Present	

II. DISCUSSION

a. Pay Study Summary

(Requested by Kim Ward, Town Clerk)

Human Resource Director, Holly Brooks presented the results of the pay study.

There were two parts to this study. The first part is the classification of positions. The second portion is the actual pay plan. This is where we compared ourselves to our peer groups that were similarly sized to Carolina Beach. The consultant company is going to recommend a pay plan structure. The graph that we put together shows that we have 50 employees with less than 5 years of service, 28 with 5-10 years of service, 16 with 10-15 years of service, 5 with 15-20 years of service, 1 with 20-25 years of service and 1 with 25+ years of service. This is not the typical bell curve that we should be seeing.

Council Member Doetsch - Why are we not retaining employees? Are we starting new employees out at a good salary and then not offering an appropriate amount of money to retain our employees?

Ms. Brooks showed a sample result showing that Carolina Beach is under what other communities are paying for certain positions. She used a Waste Water Treatment Plant Operator as an example. We are approximately \$3,500 below the average for a Waste Water Treatment Plant Operator.

Council Member Friede - Does this data take in account the number of years of service for each employee? For example we could have employees with 2-3 years of experience and comparing them with another town that has employees in that position with 15 years experience, their salary is going to be higher.

Ms. Brooks - Those factors were considered in the statistical data. I have numerous spreadsheets that breaks all of that out.

Mayor Wilcox- We need to see more information if we are going to make a decision on something.

Mr. Cramer - I will be happy to provide you with all the information we have. I just didn't want to overload you with information that you did not want.

Ms. Brooks - We are looking at 10 employees that we are recommending to bring up to the reasonable minimum salary. It would be a one time cost of \$5,000.

Mr. Cramer - There are some employees that are below the minimum and below the midpoint where they should be considering their years of service.

Mayor Wilcox - Does it show who is being over paid?

Mr. Cramer - Being that we have not adjusted our pay range over the years, we do not know for sure how many are actually over paid but the pay study did look at that.

Council Member Doetsch - I am all about paying for skill. Is there any flexibility for compensation for those employees that are skilled and can work in many different areas?

Ms. Brooks - We do have employees that work several different positions within the town. For example we have a police officer who is a fire fighter and the Ocean Rescue Director. His salary is going to be a little higher due to his skill level and we do not want to lose that type of employee.

Mr. Cramer - We are presenting this as a brief over view to let you know the possibilities that could affect the budget. There will be more information coming within the next couple of weeks from the consultants.

Council Member Doetsch - How often should towns have a pay study? That could be why we are not retaining employees because we haven't had a study in 11 years.

Mr. Cramer - This particular study cost us \$16,000. You don't want to pay that every year. 5 years is a fair amount of time.

Mayor Wilcox - Does this cover COLA?

Mr. Cramer - I checked with other local communities and most of them are doing the same thing, 2% COLA and up to a 3% merit. That would be an \$88,000 hit to our budget but if we don't do that, we will 1 year behind the pay study.

Council Member Shuttleworth - I just think we are on a dangerous path if we just automatically plug these numbers in every year.

Mr. Cramer - Council can certainly vote against the recommendation of COLA and/or merit, or you can reduce the recommended amount.

Mayor Wilcox - I agree with Steve, the private sector doesn't automatically receive pay increases each year.

Council Member Doetsch - I think COLA should be based on the market. If groceries go up, there should be a COLA.

Council Member Friede - OK so the private market doesn't generally have caps on their salaries. You have the opportunity to make more money in the private sector. We are somewhat boxing our employees in because of the pay ranges.

Mayor Wilcox - I do not feel that we are boxing our employees in. The private sector has pay ranges also.

b. Medical Insurance Review

(Requested by Kim Ward, Town Clerk)

Ms. Brooks presented the group insurance summary. She reviewed insurance definitions and what affects our rates.

Mayor Wilcox - What are the reasons we would look for a different broker?

Ms. Brooks - Lack of responsiveness, not helpful, etc.

Mr. Cramer - There is no set time on how long you keep your broker. We have not gone out in the last three years to look for another broker.

Ms. Brooks - Every year the broker has to submit a Schedule A which shows their commission. Last time we paid \$39,000 for 18 months of service.

MPT Pierce - I bid my insurance out every year.

Mayor Wilcox - I don't want to get complacent just because we are getting good service.

MPT Pierce - I think the council has said that we want everything bid out. I am referring more to the product not so much the commission.

Ms. Brooks - I am able to find out what other communities are doing and what they are paying because we communicate with one another.

MPT Pierce - That is on the commission. It wouldn't be the same for the product.

Mr. Cramer - If council wants to make a recommendation on how often you want us to put this out for bid, we are certainly open to that. We do not have a particular policy on how to do that.

Mayor Wilcox - Maybe go back and look at what we have done in the past and staff can make a recommendation to council.

Mr. Cramer - You can only use one broker. You can not have several brokers bidding out the same insurance companies. The insurance commission regulates that.

Ms. Brooks - We are currently fully insured. The insurance company assumes all the risk. Each employee pays the same.

Council Member Friede - Have we looked at any wellness programs that may help reduce our premiums?

Ms. Brooks - They do look at that and they may offer 1% discount on things like doing an online survey and the fact that we offer a low cost gym.

Council Member Friede - I want us to look at that so this doesn't have to go on the backs of employees.

Ms. Brooks - The proposed cost is \$861,000 for FY 15/16. This is an 8.5% increase.

Council Member Shuttleworth - We are eventually going to see a burden from our retirees. What is our plan? What did we say we were going to do for future employees as far as retirement options?

Mayor Wilcox - I would think a good starting point would be to look at other municipalities.

Council Member Shuttleworth - I recall us mentioning that maybe we not offer those benefits to new hires. I would like to see what it is going to cost us for the next five years.

Mr. Cramer - We can definitely get that information back to you at the next budget retreat.

c. Island Greenway Park Process

(Requested by Kim Ward, Town Clerk)

Parks and Recreation Director Eric Jelinski - At the March 2015 Town Council meeting, it was decided to approve the Alternate B Route of the Island Greenway around the west side of the stormwater detention pond and refer the concept of a park in the area to the Parks and Recreation Advisory Committee.

The Town of Carolina Beach Parks, Recreation, and Open Space Master plan was last updated in 2008. The purpose of the Town of Carolina Beach Parks, Recreation, and Open Space Master Plan is to assess and determine the recreation and leisure needs, goals, objectives, and priorities of the citizens, elected officials, appointed officials, and staff of the Town of Carolina Beach.

With the addition of the Island Greenway expansion around the west side of the stormwater detention pond, the opportunity to utilize the area for park and open space is an option for the future. The first step in the process is to identify the desires of the community and incorporate the land acquisition into an updated Parks, Recreation, and Open Space Master Plan.

If the land west of the stormwater detention pond is included in an updated 2015-2020 Parks, Recreation, and Open Space Master Plan, the goals, objectives, and priorities of the citizens, elected officials, appointed committee members, and staff will be included. A significant amount of time and effort will be expended identifying the desires, needs, and interest of the citizens of the Town of Carolina Beach for parks and recreation programs, services, areas, and facilities in the updated plan.

With completion of the Island Greenway being about 4 to 5 months away, I believe it is necessary to have a plan in place for the area prior to the completion of the project. Before the Island Greenway expansion is open to the public, I am recommending the following:

- 1) Proper signage be placed to ensure users understand the rules regarding the use of the stormwater detention pond.
- 2) 3 to 4 picnic tables be placed in the area along with garbage and recycling

containers. This area will be added to the parks and recreation checklist to make sure the area is clean and safe.

If the updated 2015-2020 Parks, Recreation, and Open Space Master Plan is approved in the FY 15/16 budget, then the planning process will start in July with a targeted completion date of November 2015. After receiving input from the community on their desires, needs, and interest in additional park facilities, a better idea will be formed on building a new park near the stormwater detention pond. If the master plan shows this project to be high on the priority list, a park planning process can begin, which is outlined below.

Mayor Wilcox - You're going to hear different opinions on this. My concern is always parking. Are we going to have to maintain the lawn?

Mr. Cramer - We currently do provide lawn maintenance out there so yes we would.

Mr. Cramer - I think Eric has laid out a very good planning process and I think we should use that for the other projects we have coming up. I think we should go through this process before we get too far along.

MPT Pierce - I like finding out what the public wants. I think the picnic tables and the recycle bins are a great idea.

Mayor Wilcox - What are they doing at the Joseph Ryder Lewis Park?

Mr. Jelinski - That is a known historic site. They are trying to clear the brush and make sure it is preserved, then they are going to get a survey hopefully with a federal grant. The community does not have a lot of nature trails. We would like to have a raised walkway with a picnic area but nothing has been formalized. We cannot do anything until we receive the survey. There has been a lot of sweat equity.

Mr. Cramer - Our portion has been to help remove the brush that volunteers have cut away. We also pay the tipping fees.

Mr. Jelinski - There is no money going to this but there is a little bit of staff time.

Mayor Wilcox - The Island Greenway is a pretty easy mark right now.

Mr. Jelinski - There has got to be some grant money out there for Civil War preservation, speaking of the Ryder Lewis Park.

Council Member Shuttleworth - Is there any way we can squeeze in a couple of parking spaces at the end of Augusta for the Greenway Park?

Mr. Cramer - SEPI is going to look at that.

- d. Authorize a grant application for Harper Ave. multi-use path

(Requested by Jerry Haire, Grant Administration)

Mr. Jerry Haire - Funding for bike-ped facilities is currently available through the Wilmington MPO TAP-DA grant program. The proposed project is for construction of approximately 2104 linear feet (.4 miles) of 10' wide paved off-road MUP along the south side of Harper Avenue from Dow Road east to 6th Street. The grant request is for \$222,151.50 with a required 20% Town cash match of \$58,648.50 for a total project cost of \$280,800. Applications are due on April 3.

The MUP route begins at the southeast intersection of Dow Road and Harper Avenue and continues east within the existing 90' street right-of-way. The MUP provides an important extension of the existing greenway that currently terminates on the west side of Dow Road across from Harper Avenue. The grant request is for the full amount of TAP funds available for this cycle. At this time there are no other applicants for the funding. With Council approval, staff will seek future grant funds to continue the MUP and/or other bike-ped facilities along Harper to Lake Park Boulevard.

The proposed MUP provides another link and extension for the Town's pedestrian and bicycle system connecting the busy Central Business District and Boardwalk area, Carolina Beach Public Library, surrounding neighborhoods, and the heavily traveled Dow Road corridor. The project is in close proximity to Carolina Beach Elementary School, Lake Park, and the 1.2 mile Greenway section under development beginning at Mike Chappell Park.

The project is identified as a top priority in the Carolina Beach Bicycle Multi-Use Transportation Plan adopted in 2011. It is also noted as priority in the Wilmington/New Hanover County Comprehensive Greenway Plan.

MPT Pierce - How wide is the path?

Mr. Haire - 10 feet wide same as the Greenway.

Council Member Friede - What was the budget for Clarendon from the lake to Mike Chapel?

Mr. Haire - Around \$250,000.

Mayor Wilcox - I don't think any of us has ruled out Clarendon. I think switching sides was not a good idea and the south side of Clarendon makes more sense to have a continuous multi use path all the way down there from the park which would mean if we could join that project with the burying of the power lines which is our main obstacle on that south side, that would be a nice resolution to both of those situations.

Mr. Haire - That would be a good idea for Harper as well. The median is 20 feet wide. You could narrow that median down and pick up some pavement. There is a 20 foot grassy strip and then utility poles, and then a four foot sidewalk all the way at the edge of the right of way which I think could be reconfigured.

Mayor Wilcox - When we go back into the community and look at burying power lines, I think Clarendon should be high on the list because you are already clearing and scraping it which could help with the expense.

Mr. Cramer - The main reason we looked at this application being a good fit for Harper was just the extent, the complexity of the project is low and the dollar value associated to it happened to fit very well with this portion of the plan.

Council Member Shuttleworth - What are we going to do as far as public input? Are we going to apply for a grant and then go through the process or are we going to see what the neighbors want.

Mr. Cramer - Typically the way that you handle grants is when the grants come up you put in a conceptual plan to receive the grant funding. Basically they approve

you to get the grant funding at that point. Then you go out and start doing to public process which is we have a concept plan which is based off of our bike and pedestrian plan, we have funding associated to it, now what do you want in that place. At that point, the answer could always come back that we don't want anything and we just don't take the grant. You would have to get the money before you start that process. I would hate to get everyone's hopes and say here is this idea but we have no money and it's going to sit on the shelf. The next piece of this would be to go out to the public and getting their comment.

Council Member Friede - Is this something that we could get down the road and switch the project?

Mr. Cramer - The state has changed the process that makes it difficult to do that because they rank the projects.

Mayor Wilcox - I think we should look at the potential for the highest use.

Council Member Doetsch - If Leland applies for this grant as well, it will be much less money. That's why we need to go ahead and get this resolution in.

Mr. Haire - The MPO is not interested in splitting this money up.

Council Member Friede made a motion to approve Resolution #15-2085 approving the Town of Carolina Beach to apply for the Wilmington MPO-TAP-DA grant program in the amount of \$222,151.50. Motion carried unanimously.

MPT Pierce - Are we going to bring up the sales tax issue? I think that is something we need to move on if we are going to do it.

Mayor Wilcox - Michael I appreciate you sending out that information on the sales tax. We need to have some dialogue with the county and other municipalities.

Mr. Cramer - The first thing we got was this press release. I have asked the Senator's office for something in writing and they have said no comment. This is the first thing I have received in writing.

Council Member Shuttleworth - I would like for us to deal with New Hanover County directly to say if we come in under revenue neutral and we don't affect the county's tax money, that they should not penalize us for sales tax. Otherwise, we are stuck at never being able to do a fiscally responsible thing, if we are at 68% reserves and we keep adding to the reserves every year, at some point do we not owe our citizens a discussion of reducing our property tax. We can't have that if the county is going to penalize us.

Mayor Wilcox - I agree. It's not an equitable situation.

Council Member Shuttleworth - Coming in revenue neutral is a viable option for us to look at. I know that manager does not want to hear that in the middle of budget cycle. While we are having this sales tax discussion, I would like to ask that you say to our county commissioners, how can we do the fiscally conservative thing and come in under revenue neutral and you guys penalize us? That's not fair.

Council Member Friede - I agree with Steve that we should push for a more equitable distribution of the sales tax but we need to be prepared for a big fight.

MPT Pierce - There are only 7 or 8 counties that are actually affected so the other towns are going to jump on it because they will get more money.

Mr. Cramer - So what you are asking from staff is to pull together some information on the impact of this bill to our bottom line and how can we address this issue with the county going forward on trying to get away from being penalized because of the revenue neutral. We can do that and I can have conversations with the county manager but quite often these things are better received if they come from you all to the county commissioners.

Mayor Wilcox - I will add that to my list of discussions with the County Commissioners but if you would look into if there is a formal process. Is there a formal process where the Town has a certain process of review? If there is anything out there, I would like to know what the formal process might be.

Mr. Cramer - I don't believe there is a formal process but I am always willing to look and make sure there is or isn't.

Council Member Shuttleworth - If the state changes the state law, theoretically our loss would be the same as the county's to our sales tax revenue.

III. ADJOURN

Mayor Wilcox made a motion to adjourn at 11:45 a.m. Motion passed unanimously.

Kimberlee Ward
Kimberlee Ward, Town Clerk

4-14-15
Date Approved