

Town of Spring Lake
Regular Meeting of the Board of Aldermen
Municipal Building
300 Ruth Street
Spring Lake, NC 28390

July 25, 2016

MINUTES

7 p.m.

The Spring Lake Board of Aldermen held a regular scheduled meeting in the Grady Howard Conference Room of the Spring Lake Municipal Building with Mayor Chris V. Rey presiding.

Board Members Present: Mayor Pro Tem Larry Dobbins
Alderman James O'Garra
Alderwoman Densie Lucas
Alderwoman Fredricka Sutherland (participated via telephone)

Others Present:

Tad Davis, Town Manager
Rosa Henegan, Human Resources Director
Paul Hoover, Public Works Director
John Kleinert, Director of Streets, Ground and Sanitation
Byron Blumenfeld, Director of Water Resources
Tony Buzzard, Town Attorney
Troy McDuffie, Police Chief
Claiburn Watson, Finance Director
Janet Smith, Administrative Assistant,

2. Invocation

Alderman O'Garra gave a non-sectarian invocation.

3. Pledge of Allegiance

Mayor Rey led the meeting in the pledge of allegiance.

4. Additions or Deletions to Agenda

- a. The board agreed to move item 9b to 10g.
- b. The board agreed to add item 10f.

5. Approval of Agenda

The Board approved the agenda as amended.

Action: The Board approved a motion to approve the agenda.

Motion by: Alderwoman Lucas

Second by: Mayor Pro Tem Dobbins

Vote: Unanimous

(A copy of the agendas is hereby incorporated by reference and made a part of these minutes – see attachment one.)

6. Approval of Consent Items

The Board approved the consent items:

- a. Minutes of the July 5, 2016 Special Meeting

- b. Minutes of the July 11, 2016 Regular Meeting
- c. Minutes of the July 18, 2016 Special Meeting

Action: The Board approved a motion to approve the consent items for July 5, 2016 Special Meeting; also they approved the July 11, 2016 Regular Meeting, and July 18, Special Meeting.

Motion by: Alderwoman Sutherland

Second by: Alderman O'Garra

Vote: Unanimous

7. Public Forum

Ms. Betty Sanford from 104 Wapita Drive in Spring Lake, NC addressed the Board with her concerns. She said she'd like to have a speed bump installed closer to her address. She said the one they have now is too far away and people are still speeding on her street. She said she would like to also have a sign showing children at play in her neighborhood as well. She said the next thing she wants to discuss is the traffic light on Deerfield because she says that lights take too long to change. She would like for the Town to fix that for the citizens. She said it causes that area to become very congested with traffic when that light does not change in time. Ms. Sanford says that people need to learn to pray when things happen in our community and not gossip about the bad things.

8. Public Hearing

- a. Case P16-33 removal 0.29+/-acs MSOD & rezoning .29+/-acs R6 & C3 to C3 or more restrictive zoning 800 N Main St owner Donald Moss --- Mayor Rey

Mayor Rey asked if there is anyone present to speak for or against this zoning. Mr. Donald Moss asked if the Board will allow for his property to be rezoned so he could use it for an automotive repair business. He wants the property to be removed from the y main street overlay district (MSOD). Mayor asked if anyone else had any questions about this area. He explained that this property is located on the end of Main Street. He said that the reason the joint planning committee has denied his request is because of location of this business within the MSOD. Mayor Rey said that the Town has a vision as to what they want this area to look like and this business would not fit well with that vision. The area where the business will be located will cause a challenge for the Town to do the things we need the most.

Action: The Board approves a motion to close this public hearing.

Motion by: Alderman O' Garra

Second by: Mayor Pro Tem Dobbins

Vote: Unanimous

A (copy of the report is hereby incorporated by reference and made a part of these minutes – see attachment two.)

9. Presentations

- a. **Community Appearance Commission, Giving Together Community Grant --- Ms. Hash**

Ms. Laura Hash addressed the Board stating that Mr. Davis spoke to her about getting a grant for some projects here in Spring Lake. She said Cumberland Community Foundation has created a grant program that made available to each of nine municipalities for a project of their choice. The amount she wants to raise is \$10,000. She said that the Community Foundation will match \$1 for every \$1 raised up to \$10,000 for the project in each town. She said all of the donations are tax deductible. She said they have set up a website to

receive the donations. She said what The Appearance Commission wants to do with money is install some outdoor exercise equipment along the walking trail in Mendoza Park. She says if we could get a walking trail like the one we have here at Recreation Center that would be great. She says the parents could use this while they are waiting on their kids to finish their outdoor practices. This workout equipment can be used by everyone kids adults and all alike. The exercise equipment can be located at different stations on walking trail. She says there is this company she has been looking at and you can get the all this equipment for about for about \$15,000. She says the equipment is really easy to put in ground. Ms. Hash says there is lot of different equipment to choose from. She said she would like to set up something where people can donate here at Town hall and give whatever they can. She says you can also set up the frequency and the amount you want to donate online if you like at this website cumberlandcf.org.

Ms. Hash says if you choose to donate on the website please make sure to designate it to Friends of Spring Lake Special Project Fund. She said you can also mail it in to this address here P.O. Box 2345 Fayetteville, NC 28302 or drop it off at 308 Green St. in Fayetteville NC. She said that whatever amount we raise they will match.

Mayor Rey asked does any board member have question about the presentation. Alderman O'Garra asks if would be better to do donations online and she says that would be easier that way.

A (copy of this presentation is hereby incorporated by reference and made a part of these minutes – see attachment three.)

b. Quarterly Finance Update ----- Mr. Watson

Mr. Watson said he will do summary on this report. He said this is 2015-16 year budget and in general fund it show revenues are good because when ended after all of our expenditures we profited 4.22% which is about \$317,000 in gained in profits. In the fund for water and sewer revenues we slightly did better than we budgeted for. He says we were 100.21% better than we expected. He says compare that to expenditures which are at 95.12% of what we spent compared to the amount we budgeted. We ended having over 4.45 % difference in cost. He says under storm water brought in 95.36% percent on revenue side compared to the amount they budgeted. He says as far as the expenditures we only spent 91.91%. He says we had more revenue coming in than we spent and that ends up being about \$12,000 gain for the Town. The next fund is sanitation fund that profited 99.31% and for year to date and we spent only 86.03% and we ended up of profiting about \$120,000 brought in from that fund. The fleet fund he says is one of the funds that is being paid by the other funds and that is why you do not see any revenue being generated in this fund. But if you look at bottom total for all the funds and compare the revenues to expenditures the difference would be about \$346,000 in gains.

Alderswoman Sutherland asked if was the amount Mr. Watson stated was \$346,000 and he answered yes that is correct.

The next chart he showed had balances for the end of June and what we have in the bank at BB&T. Also we have North Carolina Capital Money Trust cash portfolio and the term portfolio.

He said if you look at total the balance comes out being for the year 2015-16 is \$5,544,637.43. He said the yield of those percentages and the rates have gone up. He said the monthly earnings have gone up since last year. So last June 2015 we earned \$272.69 in that month. He said for June 2016 it the amount is \$1,693.76 and it has gone up about 7 time's so far.

Mr. Watson said the other thing that is not on chart is how many days cashew have on hand. He said if we had an emergency and we had no other funds coming in we would have approximately 5.68 months of cash on hand compared to our total expenditures. He said we could basically operate that long without any

additional funds coming in and that is very good position to be in for the Town. Alderwoman Sutherland asked if he said we had 5.68 months if need and what was the cash amount. Mr. Watson said the cash amount is \$5,544,637.43 for June 30, 2016. He said the last sheet is new sheet summary of purchasing cards for the last three months. He says he did this way to show how they put all the transaction together for the month. On the left side of paper it shows that we have twelve people that have p- cards. He says this sheet shows the dollar amount being spent by each person or department on p- cards.

Mr. Dobbins asked are there any items being purchased by p- cards that could be paid using a purchase order instead. Mr. Watson says some items require both p-card and purchase order it just depends on what is needed. He says if the item is over \$100 then you would have to get approval from town manager to purchase it. If the purchase cost more than \$999 then you have to use a purchase order anyway.. Mr. Dobbins asked about the charges being made by each individual. He wanted to know if he could get a copy of those purchase being made. Mr. Watson said he does not have that at the moment but could get it for him. Mr. Dobbins also asked why the fire chief and the assistant fire chief have the p-cards. He also says that he has citizens asking why the fire departments out in town vehicles eating at restaurants are. He says why can't they cook at home or cook at firehouse instead. Mr. Davis says that they do cook at fire station and when they are out they are on duty and spending their own money to purchase food. Alderwoman Lucas asks are the spending their own money and Mr. Davis said yes. Mr. Dobbins thanks Mr. Watson for offering the opportunity for him to come and view any documents in his office.

Mayor Rey clarified to the board that when the fire department goes out on any missions they use their own money to pay for their food. Alderwoman Sutherland asked according to sheet on purchasing cards she wants to know who spent \$10,000 on purchases over the three month period. She says she need something showing what is being purchased by these individuals because this form does not tell them that. Alderwoman Sutherland said according to this spreadsheet looks like 25 transactions have been done by Fire department in the amount of \$10,000 and the one from recreation department in the amount of \$7,296.79. She wants something showing what was purchased and by whom. Mayor Rey answers her first question by stating that the \$10,406.56 amount is not for just one person but the whole department over three month period. Mayor Rey says go back and look at the total in each month. For example in March \$2500, in April \$4,000 and in \$2900 in May and it total's up to \$10,000 for those months.

Alderwoman Sutherland asked if the Town using other cards such as BB&T for purchases as well. She asked if it was being used by a person who does not have p-card for travel and training purposes. Mr. Watson says it has been used but only on few times for person who don't have p- card. The Board asked who has access to that card. He says it would be used say for instance by police officers who does not have access to p- card and need it for travel and training purposes for like once a year.

Alderwoman Sutherland requested that Mr. Watson provide the board with a spreadsheet showing those transactions being made on BB&T card. Mayor Rey says because there are total of 305 transactions that he believes we can provide to her as well as to the other board members something that show every transaction is being made by every card member so if a citizen comes in asking we will have it available for them as well. Mr. Watson says he has access to Bank of America systems so any statement they provide him he can go in and print it out for anyone wanting to see it. Alderwoman Sutherland asks Mr. Watson when the Town started using this other credit card for purchases. She wants to know when this card was issued to the Town. Mr. Davis said he cannot give an exact date when it was issued but the BB&T credit card has been around for a number of years. He says during that time all they had was this card. He said he sent a note out to Board members last evening talking about a number of financial activities ongoing and one of them included the BB&T card. The total transaction for this BB&T card this past year was only a little over \$6,000.

He said the second thing he mentions in his note is if we have purchasing card policy for the p- cards then we should have a similar policy for all other cards such as BB&T credit card. He said we also need to make sure we have maximum visibility in all purchases involved for the Board. He tells Alderwoman Sutherland and the Board in future they will include separate slides that show all transactions in the town. Alderwoman Sutherland says we need spreadsheet of the BB&T transactions as well. Mr. Davis says yes ma'am and they will get it to the Board.

Mayor Rey asked Mr. Watson if he could provide for the Board in the next meeting a spreadsheet that shows the breakdown of transaction being made on the BB&T card.

Mayor Rey says he remembers when he was first elected that the Town was using BB&T cards for most of their transaction and then they changed over to the Bank of America p- cards.

A copy of the quarterly report is hereby incorporated by reference and made a part of these minutes – see attachment four.)

c. Manager's Update --- Mr. Davis

Mr. Davis tells the Board first of all the response to the audit the Town continues their efforts in recommendation with audit engaging with different organizations such as D.A. and SBI. He says he reached out to the State Treasures Office as well. He says the finance officer of the state treasurer office will be visiting us in month of August to take a look at policies we have in place such as purchasing cards and other financial transaction we have with the Town. He says once he gets the exact date he will pass that information on the board. He says we continue our dialog with the Over hills Water Company that represent the subdivision was under billed by the Town. He says the only details he have right now is the he and the lawyer continues to move forward in recovering he money owed for that bill. He says he will continue to keep up dialog with auditors about the report and he will keep the Board updated on those conversations. Mr. Davis said on department update due to the extreme hot weather we have had to and will continue to have over the next few weeks he recommended to water department to refrain from shutting off resident's water because of extreme heat conditions. He say will have about 120 residents who would normally have their water turned off tomorrow so we have suspended turning their water off for now. The will still have to pay the appropriate amount of past billing and charges. He say that Doris Snyder wanted him to pass on to the Board is that we are encouraging our senior citizens who have limited access air conditioning to come by the senior center anytime to cool off. He says he has exchanging dialog with Cumberland County Board of Elections and it seems we will be hosting early voting here in Spring Lake and he will keep the Board updated. He said we will set it up the early voting event at Recreation Center and we are really happy about that.

(A copy of the agenda memo is hereby incorporated by reference and made a part of these minutes – see attachment five.)

10. New Business

a. Action on Case P-16-33 removal 0.29+/-acs MSOD & rezoning .29+/- acs R6 & C3 to C3 or more restrictive zoning 800 N Main St. ---- Mr. Davis and Ms. Melton

Mr. Davis said that Ms. Melton will provide the Board the information needed to decide on request/recommendation from Cumberland County Joint Planning Board to not remove this property from Main Street overlay district (MSOD). He said the Cumberland County Joint Planning Board refused thier request and recommends the Spring Lake Board of Alderman to deny the request for this property at 800 N Main Street from the Overlay District. The current restrictions does not allow automotive repair to be done at that location. He says at this time he will turn this over to Ms. Melton to present her presentation.

She said it shows here on the slide the main street overlay boundaries that were approved by the Board of Alderman's on September 22, 2014. The subject property shows the surrounding zoning on it. The planning board met on June 21, 2015 to and voted unanimously to deny this request. She says if the Board does decide to remove the property from the MSOD the planning board strongly encourages rezoning the property CP Plan Commercial instead of C3 Heavy Commercial which would allow the Board to have oversight of the proposed plan. The owner will be required to bring that new zoning plan before Board for approval.

Mayor Rey says we have heard the information from County. He says he would like to get a motion to approve or deny.

Action: The Board approved a motion to remove property located at 800 N. Main Street from the Main Street Overlay District and change the zoning to CP Plan Commercial.

Motion by: Alderman Sutherland

Second by: Alderman Lucas

Vote: Unanimous

(A copy of the amended contract is hereby incorporated by reference and made a part of these minutes – see attachment six.)

b. Appointment, Senior Enrichment Program Advisory Committee --- Mr. Davis

Mr. Davis said he wants to bring forth an application from a citizen who wanted to serve on the Senior Enrichment Program Advisory Committee for three years. Her name is Ms. Torrie Charles and her appointment will expire on July 31, 2019. The recommendation is to accept her application to serve on this committee.

Action: The board approved a motion to accept this application to serve on Senior Enrichment Program Advisory Committee.

Motion by: Alderman O'Garra

Second by: Alderwoman Lucas

Vote: Unanimous

(A copy of this application is hereby incorporated by reference and made a part of these minutes – see attachment seven.)

c. Appointment, Community Appearance Commission --- Mr. Davis

Mr. Davis said he wanted to bring forth another application of Ms. Torre Charles who would like to serve on the Community Appearance Commission as well. This will be a three year term as well and her appointment will expire on July 31, 2019. The recommendation is to accept her application to serve on this committee.

Action: The board approved a motion to accept this application to serve on the Community Appearance Commission.

Motion by: Alderman O'Garra

Second by: Alderwoman Lucas

Vote: Unanimous

(A copy of this application is hereby incorporated by reference and made a part of these minutes – see

attachment eight.)

d. Contract, Inspections Services ----- Mr. Davis

Mr. Davis said the purpose of this contract is for Inspections, Plan Review, and Technical Support is to employ, on an as needed basis, Mr. Paul Hoover as an Inspector for the Town. He says he will provide on call plan reviews; electrical mechanical; and plumbing inspections for construction of new structures, repairs and renovation projects; as well as technical support for a variety of construction projects throughout the Town of Spring Lake. His recommendation to the Board is approve the contract for Inspection Services, building plan review, and technical support. Ms. Sutherland asked why we do not have someone in place already for this position and Mr. Davis said they have announced the position for four and half months and have done some interview and the candidates took other positions that offered higher pay. He said this is an on call as need basis contract. Alderwoman Sutherland says if Mr. Hoover is retiring then she does not think we need to pay him for additional services. She does not agree with the contract especially the amount in Article 3 where it says he will be paid \$40 an hour and minimum of \$120 a day for work. Mr. Davis informed her that this is the going rate for inspectors in this area.

Action: The board made a motion to approve the contract for Inspection Services, Building Plan Review, and Technical Support.

Motion by: Alderman O'Garra

Second by: Alderwoman Lucas

Vote: 3-1

Yes

Mayor Pro Tem Dobbins

Alderwoman Lucas

Alderman O' Garra

No

Alderwoman Sutherland

A (copy of the contract is hereby incorporated by reference and made a part of these minutes – see attachment nine.)

e. Charter, Audit Review Committee—Mayor Rey

Mayor Rey says on July 11, 2016 the Board approved the establishment of an Audit Review Committee in order to review the “questionable” transactions identified by the State Auditor’s Office as outlined in their recently completed “Investigative Report, June 2016 regarding the use of purchasing cards by the Town of Spring Lake. The Charter will provide the necessary guidance for the overall purpose, organization, and functions of the Audit Review Committee.

Action: The board makes a motion to modify or reject Resolution (2016) approving the Audit Review Committee Charter.

Motion by: Alderman O'Garra

Second by: Mayor Pro Tem Dobbins

Vote: 3-1

Yes

Mayor Pro Tem Dobbins

Alderwoman Lucas

Alderman O' Garra

No

Alderwoman Sutherland

f. Appointment, Audit Review Committee ---- Mayor Rey

Mayor Rey says they have four candidates already to serve on the committee. Mr. Davis said he has reached out to League and School of Government for help in getting local government to help serve and no one has gotten back with him as of yet. So Mayor Rey says he recommends we choose Andy Wilkinson since him from the League of municipalities and he thinks he would be great choice for us and he would be the fifth person on this committee.

Action: The Board makes a motion to make Andy Wilkinson as the fifth member on the Audit Review Committee.

Motion by: Alderman O'Garra

Second by: Mayor Pro Tem Dobbins

Vote: 3-1

Yes

Mayor Pro Tem Dobbins

Alderman Lucas

Alderman O' Garra

No

Alderman Sutherland

g. Retirement Ceremony, Paul Hoover ----- Mayor Rey and Mr. Davis

Mr. Davis and Mayor Rey presented a plaque and coin to Mr. Hoover and thanked him for his 17 years of exemplary service to Town of Spring Lake, and recognized his wife Nancy for her support as well.

11. Adjournment.

Action: There being no further business to come before the Board, the meeting was adjourned at 8:21 p.m.

Motion: Alderman O'Garra

Second by: Mayor Pro Tem Dobbins

Vote: Unanimous



Janet Smith
Administrative Assistant

ATTEST:

Chris W. Rey
Mayor