

**CITY OF LAURINBURG  
RECONVENED MEETING  
JUNE 5, 2012  
MUNICIPAL BUILDING  
303 WEST CHURCH ST.  
LAURINBURG, NC  
5:30 P.M.**

**MINUTES**

The City Council of the City of Laurinburg reconvened its May 22, 2012 regular meeting which had been recessed until May 29, 2012, which had been recessed until May 31, 2012, and on that date recessed until this date and time (June 5, 2012 at 5:30 p.m.) in the council room of the Municipal Building with the Honorable Thomas W. Parker III, Mayor, presiding. The following Councilmembers were present: Mary Jo Adams, Curtis B. Leak, Herbert M. Rainer Jr., Kenton T. Spencer and Andrew G. Williamson, Jr. (arrived at 6:20 p.m.).

Also present were: Edward F. Burchins, City Manager; Jennifer A. Tippet, City Clerk; William P. Floyd, Jr., Assistant City Attorney; Cindy Carpenter, Finance Director; Bob Bell, Human Resources/Risk Management Director and Robert Ellis, Water/Wastewater Plant Director.

Mayor Parker reconvened the meeting at 5:40 p.m. Councilmember Spencer gave the invocation.

**CLOSED SESSION**

Motion was made by Councilmember Adams, seconded by Councilmember Rainer, and unanimously carried to go into closed session pursuant to North Carolina General Statute 143-318.11(a)(6) for the purpose of considering the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee.

At 5:59 p.m. motion was made by Councilmember Adams, seconded by Councilmember Rainer, and unanimously carried to adjourn the closed session and resume the regular meeting.

**HUMAN RESOURCES/RISK MANAGEMENT BUDGET**

Mr. Bell explained that the proposed budget for Human Resources/Risk Management was not very different from the prior year. He added that the only capital item is to purchase a computer program for performance evaluation from NEOGOV. He further added that he plans to accomplish the following:

- Training and implementation of the NEOGOV performance evaluation system
- Implementation of the Management Training Program
- Open lines of communication with employees through utilization of an employee committee that will meet with the City Manager on a monthly basis
- Continue succession planning for critical positions

A discussion ensued concerning succession planning. Mr. Bell explained that the department heads held a desktop exercise to determine impact to the City and the department in the short and long-term if something happened to the department head to include a plan for covering the responsibilities of the department head. He added that each year he talks to department heads regarding employees that are eligible to retire.

A discussion ensued concerning the Travel and Schools and attendance at national conferences.

Councilmember Rainer motioned that Council and staff not attend any national conferences in FY 2012-2013. The motion died for lack of a second.

Mayor Parker stated that all travel and schools be added to the park list for Council to discuss further during the budget process.

The City Manager suggested that a list be prepared showing all travel and schools budgeted by department in the proposed budget compared to travel and schools in the current budget.

A discussion ensued concerning the proposed \$1,000.00 increase in the Advertising line item. Mrs. Carpenter explained that there are more potential retirements in the coming year than in previous years.

Further discussion ensued concerning Advertising.

Councilmember Leak expressed concern regarding lack of hiring from within and lack of cross-training.

A lengthy discussion ensued concerning cross-training and succession planning.

The City Manager explained that one (1) employee in the Electric Department will be retiring and funds are included in the proposed budget to hire someone six (6) months in advance for training and to allow the individual to become familiar with the electric system.

Mrs. Carpenter explained that two (2) employees will retire in Consumer Billing in the coming year, including the Manager of Consumer Billing. She added that for the last one and a half years the Administrative Assistant has been training to take this position, while three (3) of the clerks have been training for the Administrative Assistant position. She further added that an entry-level customer service clerk would need to be hired.

Further discussion ensued concerning cross-training, succession planning and promoting from within the organization.

The City Manager discussed the NEOGOV performance evaluation system. He explained that prior to purchasing the system, he will provide Council with copies of the screens in the system and discuss the system's capabilities to ensure that Council is satisfied with the components.

A discussion ensued concerning training for the performance evaluation system. The City Manager explained that it will take approximately one (1) year to get the system operating and employees trained to use the system.

Councilmember Leak expressed concern that the City is not hiring recent college graduates.

Upon question by councilmember Rainer, Mr. Bell explained that he contacts the area colleges to recruit interns and management trainees.

A lengthy discussion ensued concerning a Management Trainee Program, recruitment processes and advertising.

Councilmember Adams suggested that instead of bringing all three management trainees in at one time it would be better to phase them in.

A discussion ensued concerning salary level for a management trainee. Mayor Parker suggested that details would be settled once the budget had been worked out. He added that the details should be left to the City Manager and the Human Resources Director.

A discussion ensued concerning travel, schools and training. Following discussion, Mayor Parker suggested that Travel and Schools be placed on the park list for the next meeting.

## **PERSONNEL POLICY**

Mr. Bell discussed how probationary employees are moved from Step 1 to Step 3 upon completion of the probationary period. He explained that at the six month time period (probationary period for all employees except law enforcement which is a one year probationary period) an employee is required to begin contributing 6% to the Local Government Retirement System. He added that the 5% increase in pay moving from Step 1 to Step 3 compensated somewhat for that mandatory contribution.

A discussion ensued concerning this policy and how probationary periods are handled in the private sector.

Mr. Bell explained that when the economy begins recovering, the City will probably find it difficult to attract and keep police officers because new officers will be hired at the same rate that officers hired 3 years prior are earning since the City does not have a merit system in place nor had any Cost of Living Increases over the last several years.

The City Manager explained that because the City has not been providing raises for employees, the compression issues which Mr. Bell described with the police officers is seen throughout the City departments.

Further discussion ensued concerning probationary employees and compression. Mr. Bell explained that at the end of the probationary period, all employees receive a review. He added that the probationary period can be extended.

Upon question by Mayor Parker, Mr. Bell explained that approximately 95% of new hires complete the probationary period and their salary is increased from Step 1 to Step 3.

Further discussion ensued concerning this issue.

Councilmember Spencer explained that he suggested changing the policy so that an employee begins his probationary period at Step 1 but there is a 6% decrease in Step 1 automatically and upon completion of the probationary period, the employee receives a 6% increase in pay to offset the mandatory 6% retirement contribution; thus the employee will be receiving virtually the same amount of pay as when hired.

Further discussion ensued concerning this issue. Mayor Parker suggested allowing the City Manager and Mr. Bell the opportunity to find an equitable solution rather than manipulating the system.

At 7:14 p.m., Mayor Parker declared a recess for dinner.

The meeting resumed at 7:33 p.m.

## **OVERTIME COMPARISONS**

The City Manager explained that overtime in the proposed budget represented a slight decrease in overtime pay. He added that the Police Department and the utility departments use the largest amount of overtime. He further added that the overtime is budgeted, but not scheduled. He explained that all departments monitor overtime and try to keep expenditures as low as possible.

## **ELECTRIC RATE STUDY**

The City Manager discussed the proposed Electric Rate Study and the desire to review patterns of usage by electric rate class and the need to include more demand usage management in relation to the City's electric rates. He explained that the rate analysis is an attempt to minimize the impact of wholesale electric rate increases expected in 2015

as well as to attempt to minimize line losses. He added that new Automated Meter Reading (AMR) System, will provide for more accurate billing and allow the City to verify billing to ensure that customers are billed properly, and the system will allow the City and its customers understand the patterns of usage. He further added that the City currently has a time of use rate but customers do not follow the time of use rate exactly so that if they use energy during a peak time, they are charged a penalty for that. He explained that with the new AMR System, the customer will be afforded the ability to look at a screen and see current data to the minute as well as historical data on their usage so that the customer can better understand their power usage patterns. He concluded by explaining that the cost of the Electric Rate Study would be \$20,000.00.

Upon question by Councilmember Leak, the City Manager stated that McGavran Engineering Firm would be conducting the study. He also stated that the City will get a very good return on this investment.

A brief discussion ensued concerning growth of the City's electric system. The City Manager explained that the new incubator site would be served by the City's utilities and Mr. Icard has discussed voluntary annexation for the site.

Further discussion ensued concerning the Electric Rate Study and ElectriCities. The City Manager discussed the need to prepare for the expected wholesale electric rate increases expected from ElectriCities and to encourage customers to use electricity during the off-peak hours.

Councilmember Spencer expressed concern that the study does not appear to be a part of a business marketing strategy and he would prefer a more comprehensive approach than just an engineering study.

The City Manager explained that the City first needs to conduct a rate study which would be conducted by an engineer who would not necessarily be able to develop a marketing strategy and that he did not know of a marketing firm that could conduct the rate study because it is so highly specialized.

Following further discussion, it was consensus of Council to include \$20,000.00 in the budget for the electric rate study.

## **BUSINESS PLAN FOR FIBER STUDY**

The City Manager explained that in order for the City to partner with MCNC a technical assessment of the City's broadband system will need to be conducted before MCNC will conduct business with the City. He added that he estimated the cost of a comprehensive and detailed technical analysis of the fiber system is \$50,000.00. He further added that the City built the fiber system but no as-built drawings were developed of the system which MCNC requires. He explained that the City might be able to apply for funds to offset the cost of this assessment so the total cost may not be \$50,000.00. He explained that the inner loop of fiber is 36 strands and the outer loop is 96 strands; therefore, the

City would have to make the inner loop 96 strands to handle the quantity of broadband that will be sent through the City's lines.

A discussion ensued concerning the agreement providing fiber to internet provider for the school system. The City Manager explained that MCNC would not be completed with its fiber lines for another year and then the City could partner with MCNC to send internet through its lines to the schools. He added that he did not anticipate the City losing any money on leasing the fibers to MCNC.

Upon question by Mayor Parker, the City Manager explained that until the City's system meets MCNC's standards, they will use AT&T and Time Warner to deliver internet service in the area.

Upon question by Mayor Parker, the City Manager explained that the potential for revenue will be revealed in the Business Plan.

Upon question by Councilmember Leak, the City Manager clarified that the Business Plan would cost \$40,000.00 instead of \$50,000.00 he had stated previously.

Upon question by Councilmember Spencer, the City Manager explained that the benefit of partnering with MCNC is that cell phone providers are having trouble with insufficient bandwidth, and with this partnership, more bandwidth could be provided. He added that the City has been talking with Lumber River EMC about leasing some of our fiber to provide schools in the Wagram area.

Upon question by Councilmember Leak, the City Manager explained that MCNC would be leasing fibers from the City and the City would still have control of its system. He added that the City is one of six (6) cities in the state that can provide fiber.

Mayor Parker requested that the City Manager check with MCNC to determine potential revenue and determine return on investment from the study and upgrades to the City's fiber system.

Upon question by Councilmember Adams, the City Manager explained that McGavran Engineering Firm would conduct this study also.

It was consensus of Council to include \$40,000.00 in the budget for the Business Plan for the Fiber System.

## **UPGRADE TO RADIO SYSTEM**

The City Manager explained that the proposed new radio system would include a one-year warranty on the equipment and the system has a life expectancy of 10 years. He added that he had requested Harold Haywood check to see if the City could use cell phones as opposed to the two-way radio system.

Mayor Parker suggested that this item be placed on the Park List until further information is supplied.

Upon question by Councilmember Leak, the City Manager explained that the total cost for the upgraded radio system would be \$40,000.00.

### **RENDERINGS OF BRICK COLUMNS FOR WELCOME TO LAURINBURG SIGNS**

The City Manager explained that sample renderings of brick columns for the “Welcome to Laurinburg” signs had been submitted to Council in the agenda packet. He added that the Beautification Committee recommended using brick columns for the signs.

A discussion ensued concerning obtaining permission and easements from NC Department of Transportation to erect brick columns.

Upon question by Mayor Parker, the City Manager stated that cost for both columns would be about \$5,500.00. He added that staff is trying to obtain costs for the bricks because it is possible that the bricklaying can be done in-house.

Further discussion ensued concerning the brick columns and the “Welcome to Laurinburg” signs including the locations of the signs and whether the signs would be lit.

It was consensus of Council to include \$5,500.00 in the 2012-2013 Budget for brick columns for three (3) “Welcome to Laurinburg” signs.

### **BEAUTIFICATION PROJECTS**

The City Manager explained that there were several possible projects downtown including repaving the City’s side of the parking lot at the A.B. Gibson Building, additional trees and repairing or removing the fountain. He added that he had contacted the School Superintendent to coordinate paving of the School System’s side of the parking lot.

A brief discussion ensued concerning the fountain.

Mayor Parker discussed replacing bad sections of sidewalks.

Following discussion, it was consensus of Council to include \$15,000.00 in the 2012-2013 Budget for Beautification Projects in the downtown area.

### **MONITOR PUMP STATIONS/POSSIBLE EQUIPMENT SWAP AGREEMENT WITH AIRPORT**

Mr. Ellis explained that without further study it would be difficult to say whether parts

could be swapped between the City and LMAC. He added that this issue would be determined when the Water Consolidation Study was conducted.

There was no action needed or taken on this matter.

### **INFORMATION FROM HUMANE SOCIETY**

The City Manager explained that the information Council requested concerning salaries and the 2011-2012 budget were included in Council's agenda packet.

A discussion ensued concerning the amount the City and County have given in the past to the Humane Society. Mrs. Carpenter explained that last year the City and County both gave \$80,000.00, and the County is proposing to give the Humane Society \$80,000.00 in the 2012-2013 budget.

A discussion ensued concerning staffing at the Humane Society and that there is renewed emphasis at the Shelter to have the animals adopted or rescued rather than euthanizing them.

Following a brief discussions, it was consensus of Council to provide \$80,000.00 to the Scotland County Humane Society in the 2012-2013 Budget and that if additional funds were available at the end of budget preparation, Council would consider increasing the amount.

### **STREETS AND HIGHWAYS**

The City Manager discussed lighting improvements on Lauchwood Drive and major thoroughfares and the 215 additional poles discovered during the pole inventory would increase the cost of providing electricity for street lights by \$135,366.00 for the 2012-2013 Budget.

Upon questions by Councilmember Adams, the City Manager explained that the roundabout on Johns Road was lit and that he would check with Greg Wood to see if the hospital's landscapers could make improvements to the roundabout.

### **ENERGY EFFICIENT CARS**

A lengthy discussion ensued concerning police cars and the possibility of purchasing more energy efficient vehicles. The City Manager explained that the Dodge Avenger was available under state contract; however, the Police Chief did not believe that the computers, mobile data set ups and radios could not be fitted into the Avenger, and the Chief also expressed concern that an individual would have great difficulty getting in and out of the back seat.

Councilmember Leak suggested that instead of buying four (4) police cars, the City should consider buying five (5) or six (6) to modernize the police fleet. He added that four (4) of the cars should be for patrols but to make sure the lieutenants receive new cars in the next four (4) years.

Councilmember Rainer left at 8:32 p.m.

Upon question by Councilmember Spencer, the City Manager explained that the vehicles would be surplus and sold or could possibly be used by other departments. He added that each year the Fixed Asset List is reviewed.

Following further discussion, it was consensus of Council to include the purchase of five (5) police cars in the 2012-2013 Budget and to also consider additional cars if there was money available at the end of the budget process.

Upon question by Councilmember Adams, the City Manager stated that there were no local dealers that provided the state contract pricing.

#### **POLICE DEPARTMENT NOT INCLUDED IN PAY INCREASE INFORMATION PREVIOUSLY PROVIDED TO COUNCIL**

Mr. Bell presented this information to Council that was omitted from previous information requested by Council.

#### **NEED COPY OF FORMS UTILIZED IN EMPLOYEE EVALUATION SYSTEM**

The City Manager explained that he needed to get better copies of these forms to provide to Council.

#### **CLARIFICATION OF BRANDI DEESE'S POSITION**

Mr. Burchins explained that the agenda packed included the job position Bill Riemer filled and the job description developed by Springsted. He added that he assisted in developing the responsibilities, skills and functions of the job description developed by Springsted. He added that her title is Planning and Community Development Director with the idea of community development encompassing CDBG grants, housing improvements and infrastructure improvements.

Councilmember Spencer explained that he wanted to know the strategic plan for this position.

Further discussion ensued concerning where this position fits in the big picture of the community and economic development.

The City Manager explained that there was no strategic plan for Community Development.

A discussion then ensued concerning the Economic Development Summit on June 14, 2012 and the responsibility for economic development in the County.

Councilmember Spencer expressed concern that money was being spent with no transparency involved to tell the taxpayers how their money is being invested. He added that planning and visioning begin the process of developing this community.

**CURRENT AND PROPOSED SPRINGSTED PAY AND CLASSIFICATION PLAN**

A discussion ensued concerning the City's policy of providing a five percent (5%), or two (2) step increase for employees at the completion of the probationary period to accommodate the mandatory six percent (6%) employee contribution to the State Retirement System.

Councilmember Spencer suggested that a new employee would be given a probationary pay six percent (6%) below the normal starting salary for the pay step and when the probationary period is completed, the employee would receive the six percent (6%) increase so there would be no difference on the employee's paycheck.

A discussion then ensued concerning certification increases available for employees. Mr. Bell explained that certification increases are a two and one-half percent (2.5%) increase and only for certain certifications on a list determined by the Management Team.

Following discussion, it was consensus of Council to look further at the Springsted Pay and Classification Study.

**RECESS**

Motion was made by Councilmember Williamson, seconded by Councilmember Spencer, and unanimously carried to recess the meeting until 6:00 p.m. on Tuesday, June 12, 2012 in the conference room of the Charles W. Barrett Building located at 305 West Church Street.

The meeting recessed at 9:05 p.m.

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Thomas W. Parker, III, Mayor

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Jennifer A. Tippett, City Clerk