

**CITY OF LAURINBURG  
CITY COUNCIL SPECIAL MEETING/RETREAT  
JANUARY 10, 2017  
SMALL BUSINESS INNOVATION CENTER  
16800 US HIGHWAY 401 NORTH  
5:00 p.m.**

**Minutes**

The City Council of the City of Laurinburg held a special meeting/retreat on Tuesday, January 10, 2017 at the Small Business Innovation Center at 5:00 p.m. with the Honorable Mary Jo Adams, Mayor Pro Tem, presiding. The following Councilmembers were present: Mary Jo Adams, Dolores A. Hammond, Curtis B. Leak, Andrew G. Williamson, Jr. and J.D. Willis. Mayor Matthew Block arrived at 5:12 pm.

Also present were Charles D. Nichols III, City Manager; Jennifer A. Tippet, City Clerk; and William P. Floyd, Jr., City Attorney.

Leadership Team members present included: Mr. Harold Haywood, General Service Director; Mrs. Carrie Neal, Finance Director; Mr. Stacey McQuage, Public Utilities Director; Mr. Robert Ellis, Treatment Plants Director; Police Chief Darwin Williams; Fire Chief Randy Gibson; Mr. Michael Mandeville, Community Development Director; Mr. Tim Pierce, GIS Administrator; Mrs. Betty Galloway, Human Resources/Risk Management Director; and Mr. Josh Coble, IT Administrator.

Mayor Pro Tem Adams called the meeting to order at 5:02 p.m. She then gave the Invocation. She thanked everyone for attending.

The City Manager introduced Ms. Jean Klein, Regional Planner with the Lumber River Council of Government (COG), the facilitator for the retreat.

Ms. Klein explained she viewed her role as moderator to help Council get through the agenda efficiently and quickly. She reviewed the Ground Rules for the retreat as follows:

1. Be respectful of each other – we have a lot to cover so be mindful of the time you are taking and how you say things so we can get through it all calmly and professionally.
2. Give this effort your complete attention – silence phones, no texting, tweeting, etc.
3. If you go over the allocated time, expect to be stopped by the Moderator.
4. If you get off task, expect to be stopped by the Moderator.
5. Leave any self-interest at the door: Remember that you are representing the citizens of Laurinburg in your positions and give them the best you've got in this effort.

Councilmember Hammond explained that she had requested that the Capital Improvement Plan (CIP) and Infrastructure Needs be on the agenda; however, since those items are scheduled for the March 21, 2017 Council meeting, she suggested that these items be removed from the agenda. It was consensus of Council to remove these items from the agenda.

## UPDATES AND DISCUSSIONS

### *City's Fiber Network Discussion – Kurt Frenzel, ECC Technologies*

The City Manager introduced Mr. Kurt Frenzel of ECC Technologies who would be presenting an update on the City's Fiber Network and the analysis conducted by ECC Technologies.

Mr. Frenzel presented a PowerPoint with highlights as follows:

- The City has built an 84 mile fiber network to meet its internal needs and make connections to others.
- Strands are available for others (6 to 96)
  - Additional Benefits:
  - Incremental Revenue - Lease, IRU, PLC and Revenue Sharing
  - Expand Broadband penetration to unserved areas
  - Level playing field – new providers
  - Live locally but compete globally
- Potential Fiber Users
  - Enterprise, Schools, Healthcare and Government
  - Near Net locations - Potential users that are within ½ mile of the existing City fiber.
  - Close-by Net locations - Potential users that are within 1 mile of the existing City fiber.
  - County Economic Development Sites – County promoted focus sites close by or in the general area of the City fiber.
  - Towers - Towers owned by others – cellular and water towers
  - Lateral Extensions - The potential opportunities that fiber built lateral extension could make to populated areas of the city and county.
- Marketing Strategy
  - More than 450 organizations have been identified within 1/2 mile of the fiber backbone
  - Use list of potential customers to attract service providers
  - Target private dark fiber users and service providers
    - Dark fiber users will work directly with the City
    - Lit services will work with service providers
  - Establish or increase Municipal, Healthcare, Education, Businesses and Carrier as Anchors
- Extension of Lateral Routes
  - Current backbone is not placed in all the populated areas
  - Extension Lateral builds could access a larger customer base
  - Laterals have been identified - optional routes within ½ mile of potential customers
  - Analysis – List of potential customers, types of potential customers, length of route and cost to build
  - BP Financial Documents to show sustainability

- The need to develop the laterals would be derived by public/private partnerships
- Example of public/private partnership – the Riverstreet Opportunity (Wilkes Communications)
  - Initial discussions in summer of 2016 show interest on both sides, currently ongoing
  - Based in Wilkesboro and provides FTTH / FTTP
  - Expanding in other areas in the state
  - Would invest in the Laurinburg community
  - Would need many anchor customers to participate to make it possible
  - Providing new City phone system would start the relationship the relationship

Mr. Frenzel explained that Wilkes Communications had a lot of other things going on and it appeared that the Laurinburg opportunity was on the back burner. He then discussed other opportunities with regard to the City's fiber:

- Other opportunities that may be available:
  - Alternative Providers
    - CLECs – Level 3, Earthlink and FRC – business focused
    - Fiber Based Providers – Lumos (formerly Clarity), Broadplex, Conterra, Inteliport, Ting, and Zayo
  - Wireless Providers
    - WISPs – Cloudwyze, Comm Specialist, Approach, ESC, NC Wireless, Revo, and Skyrunner
  - Cellular Providers – AT&T, Sprint, T-Mobile, US Cellular and Verizon Wireless
  - Incumbent Providers – AT&T, CL, WS and TWC
- Next steps:
  - Continue discussions with Wilkes Communications / RiverStreet to firm up their timeframe because it is such a great opportunity if it comes to fruition
  - Re-engage meetings and discussions with other service providers
  - Create and distribute a Request for Proposal (RFP) for other potential partnerships to determine if other providers are interested in the City's assets
  - Consider Crowdfiber campaign, an internet based program that allows residents and small businesses to log into site, register for broadband access and what will be available in the future.
- Send out RFPs
  - Identify and show community assets – report information
  - Look for partners to use assets to provide services and make investments
- Organizations that have successfully implemented RFPs in the past 2 years
  - Roanoke EMC
  - City of Greensboro, Burlington, Guildford County
  - NGN – Raleigh, Durham, Chapel Hill, and Winston Salem

Upon question by Councilmember Williamson, Mr. Frenzel explained that the City of Raleigh put out an RFP for its fiber/broadband services. He added that two (2) advantages Raleigh has over the City are concentrated population and higher income.

Mr. Frenzel discussed the lack of movement from Wilkes Communication and that it might be time for the City to look at other options if Wilkes Communication does not have time to partner with the City right now.

Upon questions by Mayor Block, Mr. Frenzel explained that the benefits to citizens from the City's fiber are revenue and the ability to lease fiber or sell strands of fiber to service providers. He added that the infrastructure exists and there is no upfront investment required other than for operations which would need to be operated 24/7.

Following a brief discussion, it was consensus of Council for Mr. Frenzel to provide sample RFP's and for an update on this item at the March Council meeting.

### ***Leith Creek Greenway Update***

The City Manager explained that a proposal to develop a Greenway on property the City owns along Leith Creek between North Main Street and Caledonia Road had been discussed by the previous Community Development Director Teddy Warner. He added that staff had hoped to clear the property with the lumber paying for stump removal; however there was not enough mature timber to generate enough funds to pay for stump removal. He added that the idea was to open up the area to make it safer and to keep it clean.

Upon question by Councilmember Leak, the City Manager explained that staff cut some lumber off each side of Leith Creek and maintains that portion. He added that if further logging activity occurs, a logger would need to install a silt fence and provide erosion control.

Mayor Block explained that his conception of this space was more ambitious and to provide an outdoor passive recreation area and the City would obtain grants for an attractive walkway and build bridges over the creek.

The City Manager explained that since he has been City Manager, the idea was just to clean it up and have a greenspace. He added that he did recall years ago discussion of having fishing piers on the creek; however recent discussions have been to open the area and make it more visible and safer.

Following discussion, it was consensus of Council for staff to get budget numbers for clearing the property and removing stumps, and to include those figures in the budget and provide an update to Council during the budget process. It was also consensus for staff to begin researching grants for pedestrian and recreational activities.

### ***Litter Update and Discussion***

Mayor Block explained that he requested this item on the agenda because most people believe there is too much litter. He added that even with the Chamber Litter Sweep and what the City does currently as far as picking is litter is great, but he believed it would be nice to have less litter than is currently seen in the community. He suggested that a multi-faceted approach to

include education, more surveillance, more enforcement, more pick up of litter, and a community-wide campaign could be considered. He added that he had some ideas of what the City Could do.

Councilmember Leak suggested that the suggestions be shared with the Beautification Committee for consideration and presentation back to Council.

Councilmember Willis suggested that the Mayor's proposal could be shared with Council now and incorporate that as an addition to the Beautification Committee. He added that at some point in time this should be on the Council agenda.

Upon question by Councilmember Hammond, Mr. Mandeville explained that letters were sent to the list of Adopt-A-Spot groups and individuals to determine their interest in continuing with the program. He added that of the 43 letters sent, staff received only 10 responses. He further added that staff has been taking down the signs of the individuals or groups not fulfilling the duties of the Adopt-A-Spot program.

Mr. Mandeville explained that Jason Locklear filled the Litter Control position under Stacey McQuage, and then that position was absorbed into Beautification. He added that the City cannot rely on using inmates to pick up litter because several had to be sent back to the prison due to their breaking rules. He further added that the main problem is manpower and the amount of litter thrown onto our streets.

Mayor Block explained that he would like to see a litter position created and that one (1) individual is devoted to litter control. He added that this individual would drive a highly visible vehicle with his/her phone number visible, and this individual would spend all day taking care of litter. He further added that individuals assigned to Community Service could assist this individual.

Councilmember Hammond explained that this position sounds similar to the Litter Position with Scotland County. She suggested that the Mayor see how this is working within the County and determine if this would fit in with his proposal.

The City Manager explained that in 2016 Council added a litter position and also funded inmate labor to pick up litter and work in other departments. He discussed the different departments where inmates are used, and the difficulty in getting enough inmates for all departments that utilize inmate labor.

Following discussion, Mayor Block suggested that he, the City Manager and the employee hired in the Litter position get together, review what is happening and come back with a plan for Council in 60 days.

Councilmember Adams explained that when Brandi Deese was Community Development Director she presented a PowerPoint presentation on a very ambitious litter plan that would be implemented in phases. She added that perhaps a copy of the presentation was available to review.

### ***Code Enforcement Issues***

Councilmember Adams explained that she requested this item on the agenda because when Teddy Warner was Community Development Director he was to provide information on what the City of Fayetteville and other municipalities do with regard to abandoned and boarded up homes. She added that Mr. Warner was also going to look into rental management agreements.

Mr. Mandeville explained that code enforcement is complaint driven, and Mr. Mac McInnis takes care of code enforcement complaints. He added that Mr. McInnis also handles all zoning for the City. He further added that if Council wants a Code Enforcement Officer that rides around looking for issues, another position would be needed. He added that he had no information on the rental management agreements.

Councilmember Hammond explained that she reported a code enforcement issue today to Mr. McInnis, and he was already working on it.

Discussion ensued concerning the possibility of Mr. McInnis riding around an hour or two (2) per week covering portions of the City looking for code enforcement issues.

Discussion ensued concerning the Police Department reporting code enforcement issues to Mr. McInnis. Chief Williams explained that police officers report issues to Mr. McInnis and also go with him to abandoned houses. He added that potential junk or nuisance cars are reported to Mr. McInnis.

Councilmember Williamson explained that several years ago it seemed the City was more aggressive with code enforcement issues, and that he liked being aggressive.

Following discussion, it was consensus of Council for staff to research how other municipalities are handling code enforcement, manpower needed and report to Council in March or April.

### ***Update on Delinquent Accounts of Laurinburg Housing Authority Residents***

The City Manager explained that the City had received a tenant list from the Laurinburg Housing Authority (LHA) and that Customer Services mailed letters to the approximately 100 residents of LHA that had delinquent accounts. He added that currently there is a balance of approximately \$37,000.00 in delinquent LHA residents' accounts, which is down from \$47,000.00.

Following discussion, it was consensus of Council for the LHA Director to update Council on the utility conversion and to discuss plans to handle the delinquent accounts since any LHA resident that has a delinquent account with the City must have the delinquent account paid in full by the conversion date or they will not have electricity service from the City.

*At 6:30 p.m. Mayor Block called for a short break.*

*The meeting resumed at 6:46 p.m.*

### ***Improve Experience of Citizens Attending/Watching Council Meetings***

Councilmember Williamson explained that during Council meetings he believed that is the time for the City to put its best foot forward. He added that he would like to see technology used more to enhance the meeting experience for everyone and to make presentations more official and more professional. He further added that citizens complain about the quality of broadcast on the cable channel. He added that he had just talked with Josh about live streaming Council meetings at little cost to the City.

The City Manager explained that when the projection system is used, some council members must move to the side out of the way of the projection which moves them away from the microphones and discussions cannot be heard.

Mr. Coble discussed installing 55-inch televisions to the left and right of the dais for citizens to view. He added that the capability to live stream the meetings exists. He also discussed having the camera positioned in the council room to improve audio and video quality.

Following discussion, it was consensus of Council for staff to research adding televisions to the council chambers, to make contact with St. Andrews concerning video quality and live streaming council meetings, and then report back to Council in 60 days.

#### ***Discussion of Medical Alert Program***

Mrs. Neal explained the process and procedures for the Medical Alert Program as follows:

- The program is for those citizens with a chronic condition and/or has medical equipment requiring electricity.
- The letter must be signed by a medical doctor.
- Individuals on the Medical Alert Program must pay their bills, but they are provided a 24-hour notice before cut-off for non-payment of account.

Councilmember Leak discussed the need to annually verify the accounts and eligibility for those on the Medical Alert Program.

Discussion ensued concerning writing off delinquent accounts for those under the Medical Alert Program and the City's cut-off policy.

It was consensus of Council that no further action was needed.

#### ***Appearance off Highway 74***

Mayor Block explained that he wanted this item discussed more as an economic development issue rather than beautification. He added that more business should be attracted to Laurinburg from US Highway 74 and US Highway 401, and the appearance is the first impression of Laurinburg for travelers. He further added that he believed that more could be done such as better signage on the highways, better signage in town, continued efforts to better lighting, and more beautification on the highways. He further explained that there are more elements to

making travelers want to stop in Laurinburg and he inquired if Council wanted to develop a comprehensive plan to make Laurinburg the best and most attractive place it can be from the highways.

Councilmember Leak explained that the Scotland County Tourism Development Authority (TDA) receives funding from the hospitality tax, and suggested that this organization be included in discussion of improving the appearance on US 74 and US 401.

Upon questions by Councilmember Williamson, the City Manager explained that the two (2) new welcome signs were installed before Christmas on US Highway 74, and landscaping around the signs will be done when appropriate. He added that the City received a grant from ElectriCities for wayfinding signs to be installed. He also discussed the landscaping project at the intersection of US 401 and South Main Street. He explained that once the DOT paving project is complete, the City will need to till up the area before landscaping.

Councilmember Willis suggested that the legislators be contacted to see if the State can help with improving the appearance off US Highways 74 and 401. He also suggested having Mr. Cory Hughes and that Chairperson of the TDA meet with City Council on this issue to see if the TDA can help with this.

Mayor Block explained that his vision is to give the commercial loop of Laurinburg from the 401 Bypass from Wallace Trucking all the way down to Mi Casitas restaurant and perhaps beyond that and on Main Street. He further explained that the area he mentioned needs a better overall appearance. He added that South Main Street is a mess with wires and sidewalks. He further added that one (1) idea was to turn the commercial loop into a special district in order to have a working budget to make improvements and improve appearance.

Following discussion, it was consensus of Council for staff to discuss the idea of creating a commercial district, to discuss with the TDA partnership for improvements within the proposed commercial district, and to provide an update to Council in August.

## **MATTERS AFFECTING ECONOMIC DEVELOPMENT/STRATEGIC DIRECTION FOR THE CITY**

### ***City Crime Plan***

Mayor Block explained that his concern about a City Crime Plan was not about deficiencies in the Police Department. He added that the crime statistics are not great and have not been great for a long time. He further added that different things are being done throughout the country. He further explained that there are consulting companies that come in and assess police departments with regard to staffing, processes, procedures and other matters to prepare a comprehensive study.

Upon question by Councilmember Adams, Police Chief Williams discussed the crime statistics between 2013 and 2016.

Upon question by Councilmember Williamson, Police Chief Williams explained that the City had 2.29 officers per 1,000 residents and the State average was 2.38 officers per 1,000 residents.

Upon question by Mayor Block, Police Chief Williams explained that he would be willing to listen to what a consultant said about the Police Department.

A discussion ensued concerning possible assistance from the North Carolina League of Municipalities.

Following further discussion, it was consensus of Council for the Mayor to arrange a meeting with the City Manager and Chief of Police to discuss a crime plan for the City.

### ***Laurinburg Industrial Park***

Mayor Block explained that the Laurinburg Industrial Park was exciting for the City. He further explained that he requested that this be on the agenda in order to determine if staff needs direction or funding for the Industrial Park.

The City Manager explained that the City had teamed up with ElectriCities SmartSite Program, and ElectriCities will help the City market the Industrial Park, will recommend to Council what the next steps should be with the Industrial Park, and how the property should be laid out to entice industries to the Industrial Park. He added that over the next six (6) months, the \$708,000.00 IDF Grant will be used to get sewer service to the property abutting US 74 Highway.

Following discussion, it was consensus of Council for ElectriCities to present its findings concerning the Industrial Park when ElectriCities has completed its review and preparation.

## **CITY POLICY MATTERS**

### ***Policy for Council Texting During Meetings***

The City Attorney discussed issues involving texting during meetings. He explained that there is no prohibition against texting during open meetings; however, there could be complications due to who is involved in the texting conversation (quorum of Council) and the topic or topics being discussed. He added that text messages could be public records dependent upon the topic or topics, and would have to be produced if a public records request was submitted and the text messages met the criteria for being a public record. He further added that the governing body could adopt a policy concerning texting during meetings; however, enforcement would be difficult and such policy could potentially interfere with free speech.

Upon questions by Councilmembers Adams and Hammond, the City Attorney explained that texting could occur during a closed session; however, nothing discussed in closed session could be the subject of a text. He added that texting during a quasi-judicial hearing could present a problem since the governing body is required to only consider evidence presented to all of the governing body during the hearing.

It was consensus of Council that no further action was needed on this item.

### ***Role of Elected Officials During Major Events***

Councilmember Hammond explained that she wanted this item on the agenda because of the declaration of emergency when Hurricane Matthew came through the area. She added that she watched the City Manager working at the Emergency Operations Center and trying to keep up with employees as they did their jobs. She further added that because the City Manager was so busy there was no one to keep in direct contact with the media and thought that perhaps the Mayor or Mayor Pro Tem could be the spokesperson for the City since there is no Public Information Officer.

The City Manager explained that he tried to keep Mr. Michael Mandeville updated so that he could post on Facebook.

Councilmember Hammond added that the Mayor is the spokesperson for the City. She added that the elected officials need to contact the City Manager to let them know where they are in the event an emergency occurs.

Mayor Block explained that he believed it more beneficial for citizens to hear from the City Manager because he is in charge and coordinating efforts and would be a better source of information.

Following further discussion, it was consensus of Council that the City Manager is the media contact for the City during major events.

### ***Ethics Policy Review***

Councilmember Hammond explained that the Ethics Policy had not been reviewed since it was written and adopted in 2010, and that she requested this item on the agenda to see if Council wanted to refresh, add or change anything in the Ethics Policy. She added that she would like to see a more simple version.

Mayor Block referenced his column in *The Laurinburg Exchange* and wanted to see how Council felt about developing a policy that Councilmembers not have private conversations about public matters between meetings.

Upon request from Councilmember Williamson, Mayor Block explained that when two (2) Councilmembers talk about a City matter outside of meetings, it opens the potential for decisions being made outside the public eye.

Councilmember Williamson explained that when councilmembers talk outside of meetings, they are not conducting City business and are not making decisions, and that there is no evidence that Council is conducting business outside of meetings.

Mayor Block explained that he pointed it out in his recent column by the fact that in 100 motions, Councilmember Leak had not made a motion and Councilmember Adams had not seconded the motion until the very unpopular vote on spending more money on the proposed New City Hall and Police Station. He added that those two (2) Councilmembers were designated because they were not running for re-election.

Councilmember Williamson explained that he recalled this topic, and that prior to the motion and second, he had spoken at length about the matter. He added that he was going to make a motion, but Councilmember Leak made the motion before he could. He added that there was nothing orchestrated as far as he was concerned.

Mayor Block stated that Councilmember Williamson might not have been in on the plan.

Upon question by Councilmember Willis, Mayor Block stated that he said there was a plan for voting on this issue.

At this point, Ms. Klein stopped the conversation as being unproductive. She explained that the item being discussed is Review of the Ethics Policy. She added that the City has a standing Ethics Policy, and the question was whether the policy needed to be revised. She further added that if the Ethics Policy was written within the last 10 years, there was no new ethics language. She further explained that she was calling a lack of respect, one of the ground rules of the meeting.

Councilmember Hammond explained that all she wanted from this discussion was whether the Ethics Policy needed to be reviewed and possibly revised.

Councilmember Leak suggested that the City Attorney review the Ethics Policy and report back to Council in 30-60 days.

Discussion ensued among Council that all members should read the Ethics Policy.

Councilmember Adams explained that elected officials need to participate in the required Ethics Training. She then asked if all elected officials had done so.

Mayor Block asked Councilmember Adams if that was an honest question. He then stated it was none of her business.

Ms. Klein stopped the conversation. She added that it was a requirement for elected officials to complete Ethics Training. She further added that the training is typically offered through Councils of Government.

Mayor Block asked why Ms. Klein was making a point of the Ethics Training and queried whether she was privy to some type of information.

Ms. Klein stated, "no".

Mayor Block stated, "I think you are." He interrupted Ms. Klein as she was responding, and asked "why are you going there?"

Councilmember Willis explained that the Mayor seemed to be defensive.

Mayor Block stated, "I am trying to figure out what the agenda here is Mr. Willis."

Councilmember Willis explained that there was no agenda.

Mayor Block then asked why Ms. Klein discussing whether he had attend required Ethics Training.

Ms. Klein explained that she was not aware of who on the governing board had or had not received Ethics Training.

Mayor Block explained that he had just asked Council to commit to not talking amongst themselves and that Ms. Klein ruled that out as not being not being the topic. He added that Ms. Klein was talking about Ethics Training and that was not what was on the agenda. He further added that Ms. Klein "was talking to Mary Jo, your buddy at the COG."

Ms. Klein explained that she called the discussion and asked if there was any further action needed on this item.

### ***Role of Mayor Defined by City Charter and General Statutes***

The City Attorney briefly reviewed the role of the Mayor as defined by the North Carolina General Statutes, the City Charter, and the City Code as follows:

- The government and general management of the City shall be vested in the Council.
- The powers and duties of the Mayor shall be as are conferred upon him by law together with such other powers and duties as may be conferred upon him by Council pursuant to law.
- The Mayor shall be recognized as the official head of the City for purposes of services of civil process and for all ceremonial purposes.
- The Mayor is to preside at all Council meetings, and shall have the right to vote only when there is a tie vote.
- The Mayor can call for special meetings.
- The Mayor can declare a state of emergency by ordinance.
- The Mayor shall be the official head of the City having the powers and performing the duties prescribed for his office by State law, the City Charter and the City Code and other ordinances or resolutions of the City Council.
- The Mayor can issue a proclamation declaring an area-wide quarantine when there is a threat to public health and safety due to rabies outbreak.
- The Mayor can declare a state of emergency and impose a curfew in the case of an emergency.

- The Mayor can request the State Police and military forces during a proclamation of martial law.
- The Mayor can create and appoint a City Tree Committee.

Councilmember Willis explained that according to the North Carolina General Statutes and the City Charter, the City operates under the council/manager form of government, commonly called the “weak Mayor” form of government, and does not operate like Atlanta or Chicago which operate under the mayor/council form of government where the Mayor has total control over everything.

The City Attorney explained that North Carolina has limited role for mayors in local government.

Mayor Block explained that the “weak Mayor” form of government does not mean that the Mayor is weak. He discussed the history of Mayoral power. He added that the Mayor is elected to give a vision to the City, that the people elected him to be the leader, to provide the vision for the City and how it goes forward. He further added that his vision for the City did not include a new City Hall and that the citizens elected him based on that vision.

It was consensus of Council that no further action on this matter was necessary.

### ***Employee Pay Plan***

Mayor Block explained that he wanted to discuss whether it was time for the City to conduct a pay plan analysis as he believed that salaries were low.

Mrs. Betty Galloway, Human Resources/Risk Management Director, explained that a Pay and Classification Plan was discussed in budget discussions the previous year; however Council decided to not move forward so it is not in the budget. She added that the Pay and Classification Plans are typically conducted every five (5) to seven (7) years, and the last one (1) conducted for the City was in 2012.

Discussion ensued concerning the possible completion of a Pay and Classification Plan being conducted in order to include in the FY 2017-2018 budget. The City Manager explained that a study takes at least six (6) months and money for a Pay and Classification Plan was not included in this year’s budget.

Upon question by Councilmember Leak, Mrs. Galloway explained that since 2012, employees received a \$1,000.00 bonus, a two percent (2%) Cost of Living Adjustment (COLA) and a two and one-half percent (2.5%) COLA. She added that there had been no merit pay and the pay increases were less than in the past when merit pay had been awarded to employees.

Councilmember Hammond explained that many duties and jobs have changed since the last Pay and Classification Plan in 2012, and that she was in favor of including a Pay and Classification Plan in the next budget.

Councilmember Adams explained that the City could not afford to implement the total recommendations from the Springstead Pay and Classification Plan in 2012; however, Council did adopt recommendations for employees whose jobs had changed and were out of line by a certain percentage.

The City Manager explained that it may be beneficial for Mrs. Galloway to give a summary of the Springstead Pay and Classification Plan during budget discussions. He added that he believed that Council needs to have buy-in and adopt the recommendations if a plan is conducted.

### ***Future City Hiring***

Mayor Block explained that he believed it was important for public entities making more of an effort to require employees reside within the County so that the money spent on taxpayer supported positions stays within the County. He added that the City Manager is the only City employee is the only employee required to live in the City limits. He further added that he did not believe that if such a policy is adopted, that it would not affect current employees, only future hires. He also discussed being more proactive in looking at positions where employees are nearing retirement to develop current City or County employees to move into the positions when open.

The City Attorney explained that it is permissible to have a residency requirement as long as the goal is a legitimate governmental purpose, such as for employees to vote in the City, contribute to the tax base and pay money into the local economy. He discussed a court case involving the City of Kinston whereby Kinston required employees to live in the county in order for employees to vote in the city and pay city taxes. The Court ruled that there was no rational relationship between living in the county and the legitimate government goals listed by Kinston. He added that if Council wanted to adopt a residency requirement, Council could do so but for a City employee, the requirement would have to be to live in the City limits, not just in the County. He further added that residency requirements are a big issue across the country, particularly with unions and suburbs.

Councilmember Williamson explained that he would prefer that City employees live in the City; however he would prefer that the most talented employees are hired regardless of where they live.

Councilmember Willis expressed concern about the potential costs of requiring employees to live in the City, particularly with regard to hiring certified law enforcement officers.

Councilmember Leak explained that he wanted to make sure that the City Manager lives in the City limits. He added that he agreed with Councilmember Williamson that he wanted to ensure that the most talented staff is hired.

Following further discussion it was consensus of Council that no further action was necessary.

### **WRAP UP**

Ms. Klein explained that each item on the agenda discussed had an action piece to it. She thanked Council.

The City Manager reminded Council that the first Citizens' Academy was being held at 5:30 p.m. on Thursday, January 12, 2017 and this was one (1) of the two (2) that staff was requesting Council attend.

### **CLOSED SESSION**

At 8:48 p.m., Councilmember Adams moved to go into closed session pursuant to NC 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. The motion was seconded by Councilmember Hammond, and unanimously carried.

At 8:58 p.m., Councilmember Willis moved to adjourn the closed session and resume the open meeting. The motion was seconded by Councilmember Adams, and carried unanimously.

### **ADJOURNMENT**

Motion was made by Councilmember Hammond, seconded by Councilmember Adams, and unanimously carried to adjourn the meeting.

The meeting adjourned at 8:59 p.m.

---

Matthew Block, MD, Mayor

---

Jennifer A. Tippet, City Clerk