

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
BUDGET WORKSESSION
TUESDAY, JUNE 5, 2012
6:00 PM

Mayor Voller reconvened the meeting from May 29, 2012.

ATTENDANCE

Members present: Mayor Randolph Voller, Commissioners Pamela Baldwin, Jay Farrell, Michael Fiocco, Bett Wilson Foley and Beth Turner.

Staff present: Manager Bill Terry, Clerk Alice F. Lloyd, Assistant Planner Paul Horne, Water Treatment Superintendent Scott Jewell, Finance Officer Mandy Cartrette, Utilities Director John Poteat, Police Chief David Collins and Planning Director Stuart Bass.

CLOSED SESSION

Motion made by Commissioner Fiocco seconded by Commissioner Baldwin to go into closed session pursuant to GS 143-318.11(a)(6) to consider a personnel matter.

Vote Aye-5 Nay-0

Motion made by Commissioner Fiocco seconded by Commissioner Turner to go out of closed session.

Vote Aye-5 Nay-0

BUDGET WORKSESSION

Manager Terry said we need to work on the cut/add list. The following items were discussed.

Fiscal Year 2012-2013 Add List

Employee Compensation Options. None recommended at this time; however, the following table is provide for the Board's information:

Percentage COLA	Cost to General Fund	Cost to Enterprise Fund	Total Annual Cost
0.5%	\$5,980	\$4,035	\$10,015
1.0%	\$11,960	\$8,070	\$20,030
1.5%	\$17,940	\$12,105	\$30,045
2.0%	\$23,920	\$16,140	\$40,060

2.5%	\$29,900	\$20,175	\$50,075
3.0%	\$35,880	\$24,210	\$60,090

Resolved – Compensation to be revisited in January 2013.

Town Engineer Position. - \$190,048 (first year) and \$144,148 thereafter. This request provides for a new Town Engineer position at grade 30. It is envisioned that the position will require a BS degree in mechanical engineering, civil engineering or equivalent education and experience. This request also includes funds to support this position including, cellular phone, desktop computer, office furnishings, training and a dedicated vehicle (Compact SUV). It will be necessary to lease office space to accommodate this position. Preliminary estimates indicate that office space for collocating Planning and Engineering could be leased for about \$24,000 per year. (About \$16,000 of this amount would be added to the budget of the Planning Department.) See attached sheet for detailed cost breakdown. First year funding would be 65% from the General Fund (about \$.029 on the tax rate or \$123,531 from General Fund balance) and 35% would be funded by the Enterprise Fund. The Enterprise Fund portion (about \$66,500) would be funded from Fund Balance if the Manager’s recommended utility rate increases are approved. The cost of this position would be partially offset by reductions in professional services in Utilities Administration (\$20,000) and Planning (\$10,000). In summary, approval of this position would increase the proposed property tax increase from \$0.04 to \$0.069 and would reduce the Enterprise Fund balance by \$66,500.

Resolved – Town Engineer to be funded for six months only, with reductions in supplies, office space and capital equipment. See revised Change/Add form attached. Add \$100,974 to Engineering Department, cut \$10,000 from Utility Admin - Professional Services and cut \$5,000 from Planning Professional Services.

Planning Department Office Space Lease. - \$24,000 If the Town Engineer position remains unfunded in FY 2012-2013, we recommend that office space be leased outside of Town Hall to accommodate office for the Planning Department and a future office for the Town Engineer. (Note: An alternative would be to lease or purchase a suitable facility to move the Police Department out of Town Hall (See CIP Project #11.) (Newly added CIP Project #35 would build a stand-alone 5,000 square foot Police Department Building for about \$1,055,000.)

Chatham County Historical Society. - \$3,000. These funds would support the Chatham County Historical Society Museum to be located in the newly renovated historic Chatham County Courthouse.

To be added.

Water Treatment Plant Capital Facility Improvements. - \$72,000. This request is for replacing expired parts or implementing needed changes to various water treatment processes. This work would be funded from the Enterprise Fund balance and assumes approval of the proposed utility rate increases.

\$66,000 approved for addition. Move \$25,000 from WWTP budget, \$41,000 from fund balance.

Item Description	Estimated Cost
Raw Butterfly & System Control	\$14,000
Comprehensive Intake Cleaning	\$30,000
1 & 2 Filter Venturi Replacement	\$12,000
Radio Signal Transmitter- Million Gallon and Stand Pipe	\$ 6,000
Sludge/Waste Transfer Pump to Lagoon-Repair & Wire to Scada	\$10,000
Grand Total	\$72,000

- a. Raw Butterfly Valve & System Control device allows control of raw water flow from the Haw River into the Water Plant. (\$14,000) The valve is approximately 20 years old and is currently inconsistent and beginning to fail in regulating raw water flow. It is necessary for operators in selecting the proper flow.
- b. Comprehensive intake cleaning (\$30,000). This is an every other year requirement to maintain high water quality and prevent pump damage in the raw water pump station. (Photo A & B) Silt build up around intakes.



Photo A

Photo B

c.

- d. Filters 1&2 (of 4) Filter Venturi (Photo D) replacement (\$12,000) of the 1974 equipment. They are inaccurately measuring filtered flow to the clear well due to the sentiment build-up on the internal walls. This delivers unreliable chemical quantities to our post treatment process and incorrect filtered totals for our Plant. Imprecise measuring will create a void in our water usage and water loss program.



Photo D

- e. Radio Signal Transmitter for Million Gallon and Stand Pipe (\$6,000) replacement of unreliable modem (Photo E). The antiquated technology is subjected to lightening approximately 2 times per year (\$600 per replacement). Recovery of upgraded equipment and signal cost could occur in less than 5 years.



Photo E

- f. Sludge Transfer Pump Rebuild and Repair (Photo F) (\$10,000) transfers sludge and backwash from the Plant lagoon for settling. The pump is failing to perform and currently allows leakage to the clarifier. Delayed repair cause a back-up of sludge removal process.



Photo F

to the
could

Small Town Main Street Façade Improvement Program - \$20,000. These funds would allow for the creation of a locally funded grant program to assist property owners in the historic downtown area with building facade improvements. The program would allow \$2,000 per project and require a 100% match by the property owner or business owner. The Town would approve façade grants in advance and reimburse the grantee upon completion of the work. The proposed \$20,000 would fund ten projects. It could be funded by a \$0.005 (half cent) property tax increase or by taking \$20,000 from the General Fund balance.

Poll of the board – Yes: Fiocco/Baldwin/Turner/Foley No: Farrell

Approved \$20,000 for Facade Improvement Program and \$15,000 for streetscape furniture for a total add of \$35,000.

Updated Police Department Policies and Procedures Manual. - \$15,000. These funds would be used to do a complete revision and update to the Pittsboro Police Department Polices and Procedures Manual. The funds would pay for legal and administrative consulting services for preparing an updated manual. The existing manual is a compilation of various policy documents, some dating back to 1992. The manual includes general administrative polices, operational procedures and occupational health and safety standards. This 20-year old document is long overdue for a thorough upgrade to meet current standards for police operations and occupational health & safety.

Approved for addition.

NRPA Citizen Memberships for PARAB - \$420. These funds would cover the cost of providing seven (7) citizen board memberships to the National Recreation and Park Association (NRPA) for the members of the Parks and Recreation Advisory Board (PARAB). The \$60 per annum dues would provide our advisory board members with a monthly magazine and other resources to keep them apprised of best practices and trends in the parks and recreation field. Professional development for our volunteer board members rewards their civic engagement and provides them with better tools to, in turn; contribute more productively to the Town. PARAB members receive no stipends currently and have consistently rejected them. They are, however, in favor of this proposal.

Approved for addition.

Police Car Replacement. - \$30,000. This funding is to replace a 2007 Crown Victoria patrol car with over 100,000 miles of usage. The new car would be Ford Police Interceptor on a Ford Taurus frame. (The Crown Victoria is no longer offered in a police model.) If the Board elects to take this addition, we recommend increasing the Police "Capital Equipment" line by \$30,000 and decreasing the Police "Automotive M&R" line by \$4,000 for a net budget increase of \$26,000.

Not approved for addition.

Administrative Support Vehicle. - \$25,000. This funding is to replace a 1999 Crown Victoria patrol car with over 115,000 miles of usage. The replacement car would be a used Ford Escape or Ford Edge). The vehicle would be used by the Town Manager, Planning Department (Zoning Enforcement Officers), and Administrative staff for mail and banks runs and by the Town Engineer. If the Board elects to take this addition, we recommend increasing the Administration Department "Capital Equipment" line by \$25,000 and decreasing the Police "Automotive M&R" line by \$2,000 for a net budget increase of \$23,000. Additional funds for fuel and maintenance would be shifted from the Police Department to the Administration Department.

Not approved for addition.

Debt Service on Hillsboro Street Transmission Line Project. - \$52,200. Approved by the Board of Commissioners on May 29, 2012. No further discussion required.

Approved for addition.

Participation in the Certified Retirement Community Program. - \$10,200. This funding would support the Town's application for participation in the "Certified Retirement Community Program."

Approved for addition; however, must include an offsetting revenue of contributions from local retirement communities/facilities.

Approved for addition; however, must include an offsetting revenue of contributions from local retirement communities/facilities.

Increase in Elected Board Stipend. - \$12,000. This funding would increase the compensation of the elected Board by 100%. Annual compensation for the Mayor would increase from \$2,100 to \$4,200 and annual compensation for Commissioners would increase from \$1,800 to \$3,600.

Poll of the board: Yes: Farrell/Turner/Foley/Fiocco No: Baldwin

Approved for addition.

Fiscal Year 2012-2013 Cut List

Police Car Replacement. - \$30,000. This funding is to replace a 2003 Crown Victoria patrol car with over 100,000 miles of usage. The new car would be Ford Police Interceptor on a Ford Taurus frame. (The Crown Victoria is no longer offered in a police model.) If the Board elects to take this reduction, we recommend reducing the Police "Capital Equipment" line by \$30,000 and increasing the Police "Automotive M&R" line by \$4,000 for a net budget reduction of \$26,000.

Commissioner Fiocco asked about the take home policy. Manager Terry had provided the information listed below:

The purpose of this paper is to respond to Commissioners' questions regarding the estimated cost of the policy allowing police officers to take their patrol cars home.

The first table on page 2 shows the estimated annual fuel costs for officers commuting to and from work to be about \$20,000. The average cost per officer per year is about \$1,500 and the average cost per officer per month is about \$125.

Elimination of this privilege would save the Town about \$20,000 per year in fuel costs and about \$8,000 per year in reduced automotive maintenance costs for a total estimated cost avoidance of about \$28,000.

If the Town Board wishes to eliminate the police vehicle take home policy, I would recommend a special one-time 3.5% pay increase for the affected police officers to keep them whole with respect to annual compensation. This would cost about \$20,300 in total personnel expenses

and would exclude the Police Chief and reserve officers. I would recommend that the Police Chief retain the privilege of a take home vehicle because this is a common perquisite to the position throughout the country. If the Board elects to take this option, the net cost avoidance for the Town would be about \$8,000 in the first year. This amount could increase if we were able to dispose of some of the older general purpose unassigned vehicles on the second table on page 2.

The subject of a broader fleet replacement program is beyond the scope of this paper; however, the vehicles highlighted in yellow on the charts are all beyond their useful service live and should be replaced or eliminated from the fleet as soon as possible. I would recommend replacing the three Crown Victoria's with smaller vehicles suitable to their mission and eliminating the 1990 Ford Bronco without a replacement.

Approved for cut from budget.

Pittsboro Express Bus Service. - \$12,000. Chatham County has eliminated any support for the Chapel Hill to Pittsboro express bus service; however, Chapel Hill Transit, UNC Chapel Hill and the Chatham Transit Authority are working together to keep this route in service. They have asked that Pittsboro consider keeping our support at the same level and fiscal year 2012-2013. Accordingly, I have included \$12,000 in the base budget for this service in fiscal year 2012-2013. If the Board of Commissioners decides that we cannot afford to continue to support this effort, we can cut \$12,000 from Contract Services in the Administration Department.

Do not cut from budget but check to see if routes can be cut back.

Wastewater Treatment Plant Capital Facility Improvements. – \$25,000. This reduction would come from Capital Outlay- Buildings and remove funds budgeted for improvements to the aging emergency power generator at the plant. Impact would be minimal if we are successful in getting an extension on our Rural Center grant to accomplish this work. We recommend that the Board take this reduction. If the requested extension of the Rural Center grant is not successful, the Board may consider returning the funds by budget amendment later next year.

Approved for cut from budget, move to WTP.

Water Treatment Plant Capital Facility Improvements. – \$7,000. This reduction would defer improvements to our powdered activated carbon delivery system by removing funding for a prefabricated metal building to shelter the apparatus from the weather.

Approved for cut from budget. They will try to accomplish with year-end surplus from WTP.

Recreation Buildings and Grounds Maintenance. - \$10,000. This reduction would take \$10,000 of the \$16,000 reallocated from Recreation-Contract Services to Recreation-Buildings and Grounds Maintenance. It would negatively impact our ability to perform a wide range of routine maintenance tasks at our parks.

It was decided not to cut from budget.

Vacant Police Officer Position. - \$40,300. We had a recent resignation that gave us one patrol officer vacancy in the Police Department. If the Board would like to keep that position vacant next year and replace one half of that officers' time with a reserve officer, we could realize a net cost avoidance of \$40,300. The full cost of the full-time officer's salary was \$59,200 and the cost of 1,040 hours of reserve officer salaries (one half FTE) would be \$18,900.

Do not freeze position.

Mayor Voller asked what was going on with 50 Salisbury Street. Manager Terry stated they have not signed a lease yet and they are in negotiations with someone else for space.

Motion made by Commissioner Baldwin seconded by Commissioner Farrell to adjourn at 11:08 p.m.

Vote Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk