

TOWN OF WENDELL
BOARD OF COMMISSIONER MEETING MINUTES
June 27, 2016

The Wendell Town Board of Commissioners held their regularly scheduled meeting on Monday, June 13, 2016, at the Wendell Community Center, 601 West Third Street, due to renovations at Town Hall.

PRESENT: Mayor Virginia Gray; Mayor Pro Tem Jon Lutz; Commissioners: John Boyette, Ben Carroll, Jason Joyner, and David Myrick.

STAFF PRESENT: Town Manger Teresa Piner, Special Assistant to the Manger-Town Clerk Sherry Scoggins, Finance Director Butch Kay, Parks and Recreation Director Jeff Polaski, Planning Director David Bergmark, Planner Patrick Reidy, IT Administrator Tamah Hughes, and Police Chief Bill Carter.

CALL TO ORDER:

Mayor Gray called the meeting to order at 7:00 p.m. and welcomed attendees.

PLEDGE OF ALLEGIANCE:

Police Chief Bill Carter led the Pledge of Allegiance.

INVOCATION:

Elder Mike Harrison of Wendell Christian Church provided the invocation.

ADJUSTMENT AND APPROVAL OF THE AGENDA:

ACTION

Mover: Mayor Pro Tem Lutz moved to adjust the agenda by adding as Item 8a: Resolution to appoint the Town Clerk and Deputy Town Clerk pursuant to Article V of the Town Charter.

Vote: Unanimous.

ACTION

Mover: Mayor Pro Tem Lutz moved to approve the agenda as adjusted.

Vote: Unanimous.

1. PUBLIC COMMENT PERIOD (one hour time limit):

No citizens spoke during the public comment period.

2. CONSENT AGENDA:

The Consent Agenda is acted upon by one motion and vote of the Board. Items may be removed from the Consent Agenda and placed on the Regular Agenda at the request of the Mayor or a Commissioner. The Consent Agenda contains the following item(s):

- a. Approval of the Minutes from the June 13, 2016, regular meeting.

ACTION

Mover: Mayor Pro Tem Lutz moved to approve the consent agenda as presented.

Vote: Unanimous.

3. CITIZEN BOARD UPDATE BY THE ECONOMIC DEVELOPMENT COMMITTEE.

Chair of the Economic Development Committee Paul White provided the following update:

- Established in 2013
- Eight voting members and a Wendell Chamber of Commerce ex-officio member [ex-officio member is non-voting]
- Will work with property owners to create certified sites for shovel ready projects
- Worked with staff to present an ordinance amendment to allow for indoor gun range
- Worked with staff to present an ordinance amendment include distillery and brewery to the Town's Unified Development Ordinance (UDO)
- Wayfinding signage
- Downtown Wi-Fi improvements
- Placement of historic pictures of Wendell in vacant store fronts
- Reviewed Town of Wendell website redesign and view
- Drafted a letter for parking in Downtown Wendell to share with the businesses; letters will be distributed when parking becomes an issue
- Mailed retail recruitment letters to services and businesses desired in the Town of Wendell
- Coordinated the Downtown Open House in conjunction with the Evening with Santa
- Worked with staff to present an ordinance amendment to allow for outdoor dining
- Planning a reception where the businesses may come and learn about the EDC; approached Wine 101 to be the host site with a meeting date of Thursday, September 22; event is a work in progress. Invited the Town Board.

**4. AMENDMENT TO THE FAÇADE GRANT PROGRAM.
ACTION: BOARD MAY TAKE ACTION.**

[Staff Report]

Item Summary:

At the July 22, 2013 Board of Commissioners meeting, the Board approved an updated downtown façade grant program to simplify the application and review process, clarify eligible improvements, and increase the number of application cycles per year. Since December 2012, the Board of Commissioners has approved 15 façade grant applications, with money disbursed for 12 of the approved grants.

Staff has reviewed the façade grant program and found that property owners are overall pleased with the program. The main critique of the grant is the amount of time it can take to get from an application being submitted to having the money disbursed once the project is complete. A second critique is that new business owners are not eligible for a grant if a previous business owner was awarded a grant for the same property.

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As the program currently stands, there are four application deadlines which fall on the last day of March, June, September, and December. In the current process, an applicant could potentially submit an application on January 1st (the first day of a new cycle), have to wait until the end of March for the application deadline to pass, have the application reviewed by the Appearance Commission on April 4th for their recommendation, and then have action taken on the application by the Board of Commissioners on April 11th. This creates up to a 14 week wait from application submittal to final approval.

Staff requests that the board consider keeping the four application cycles per year; but changing it to a “first come, first served” policy to help speed up the review process. Under the proposed process, applications could be submitted when a new cycle begins (1st day of January, April, July, and October). Once an application is submitted, the period would remain open until 5 days before the next Appearance Commission meeting. All who applied during that time would be considered for that cycle. Under the recommended amendment to the process, the wait time would be reduced from 14 weeks to less than 6 weeks to find out if a project has been approved for a grant.

The second consideration requested by staff is to allow for a new business owner to be eligible for a façade grant even if a prior business received a grant at the same location. Currently, the program requires a property to wait three years before being eligible for another grant. In the past, a business owner was awarded a grant, closed the business, and the new business owner was not allowed to apply for a grant under the current policy.

If a new business is willing to make an investment in the façade of a building, should the business owner be allowed to apply for a grant? Priority would still be given to properties that had not received a grant when competing with properties that would fall in to the new business category. Staff proposes that a 7th decision factor for grant approval be added for “grants previously awarded to the property” be considered by the Appearance Commission and Board of Commissioners.

Staff Recommendation:

Staff finds that the requested amendment would be more business friendly and encourage potential applicants to quickly apply for a grant when a cycle opens. The change would also allow for new businesses to make additional improvements to commercial buildings even if previous business owners were awarded a grant in the past three years. Based on these findings, staff requests that the board approve the recommended amendment to the Downtown Façade Grant Program.

Planner Patrick Reidy provided an overview of the façade grant request.

ACTION

Mover: Commissioner Myrick moved to approve the amendment to the façade grant guidelines as presented.

Vote: Unanimous.

**5. ORDINANCE FOR UNMANNED AIRCRAFT.
ACTION: BOARD MAY TAKE ACTION.**

[Staff Report]

Item Summary:

East Wake TV has purchased a UAS, phantom 4 for the purpose of filming activities with EWTV's partner communities. In order to do so, the Town of Wendell would need to provide permission for the launching and recovery of such a vehicle on Town property.

Because EWTV receives public funds and is considered a public entity, it must receive permission allowing the operation of such an aircraft. The use of a UAS by a public entity is more restrictive than it would be for a private hobbyist. The attached ordinance would allow for the manager to grant permission for EWTV (and other entities) the use of a UAS on Town property for filming activities such as but not limited to the Harvest Festival, Big Truck Day, promo videos, economic development, and July 4th. Without the manager's permission the use of a UAS on Town property would not be permitted.

If the ordinance is not adopted on Monday, July 27th, staff asks the Board to grant permission for EWTV to operate a UAS on Town Property for Monday July 4th, 2016.

Town Manager Teresa Piner stated the Board is asked to review and assess an ordinance that would allow launch and recovery of an unmanned aerial system on Town property. East Wake TV is not a hobbyist and needs permission from the Town to launch and re-cover. The Town Attorney is reviewing the ordinance at this time and staff is requesting the Board grant East Wake TV the authority to use an unmanned aircraft on Town property during the July 4 event.

Commissioner Myrick questioned if East Wake TV has flown this device. Town Manager Piner stated yes, inside the Wendell Community Center and the Clayton Center.

Commissioner Myrick questioned if a permit is needed. Town Manager Piner nodded yes.

Commissioner Myrick stated he would like the Town Attorney to verify who is liable in the event one crashes down.

Commissioner Joyner stated he would like to achieve what is requested. He is in favor of granting permission to East Wake TV, but an ordinance to grant permission may have unintended consequences with Town properties throughout Wendell.

Gary McConkey, East Wake TV, stated this ordinance was written by the Garner Town Attorney. The ordinance was shared with the seven partner towns. Town of Garner ordinance prohibits everyone else from flying drones on Town property without the permission of the Town Manager. East Wake TV has adopted rules in which East Wake TV would tell the Town Manager when they would be on Town property. He has a pilot going through the FAA license process. There are more restrictions on East Wake TV than a 14 year old with a drone. The FAA rules are: do not fly above 400 feet and do not fly over crowds. If East Wake TV does the Fourth of July event for the Town of Wendell, have to be offset in the event of a crash so that it

falls on the road or a building and not a person. Everyone operating an unmanned aircraft must have the permission of the property owner. Municipalities may adopt an ordinance if they so choose.

Commissioner Myrick questioned the amount of insurance. McConkey stated half a million dollars.

Commissioner Boyette questioned if the ordinance only prohibits the launching and recovering from Town property or would it prevent a citizen from launching and recovering on private but flying over Town property. Town Manager Piner stated the ordinance covers launching and recovering from Town property.

Commissioner Boyette stated a person could launch from across the street of a Town property and fly over Town property. Town Manager Piner stated yes.

Town Manager Piner stated because of the funding source, the rules for East Wake TV are more restrictive in what it must go through than if being a hobbyist.

It was the consensus of the Board to continue reviewing the proposed ordinance.

ACTION

Mover: Commissioner Joyner moved to grant the Town Manager permission to grant East Wake TV permission to operate the unmanned aircraft at the July 4 celebration on Town property.

Vote: Unanimous.

**6. ORDINANCE FOR VEHICLE DECAL TAX.
ACTION: BOARD MAY TAKE ACTION.**

[Staff Report]

Item Summary:

In 2013, the Town of Wendell voted to increase the Vehicle Decal Tax from \$5 to \$10. As a result of the revaluation and the decline in home property values since 2008, the increased demands on services due to growth, and the desire to maintain a tax rate of .49 per \$100 of property valuation, it has been recommended to increase the Vehicle Decal Tax from \$10 to \$20 dollars. Additional revenues from the increase are estimated at approximately \$30,000.

Town Manager Teresa Piner stated the ordinance is an amendment from the 2013 ordinance on the vehicle decal tax. The amendment would provide an estimated \$30,000 in revenue to the Town. This is in conjunction with the Town's FY 2017 budget.

ACTION

Mover: Mayor Pro Tem Lutz moved to approve the ordinance amendment for the vehicle tax decal from \$10 to \$20.

Vote: Carried 4 to 1 with Commissioner Boyette voting opposed.

**7. TOWN OF WENDELL FISCAL YEAR 2017 BUDGET.
PUBLIC HEARING HELD: MAY 23, 2016
ACTION: BOARD MAY TAKE ACTION.**

[Staff Report]

Item Summary:

The proposed FY 2016-2017 Budget for the Town of Wendell has been prepared in accordance with the Local Government Budget and Fiscal Control Act. The budget presents financial information summarized by major categories of expense for each department and outlines the operations of the Town. As mandated by State law, the budget is balanced and identifies methods of raising and spending funds for specific programs during the coming fiscal year.

The budget development process focused on providing high quality services and moving toward meeting the goals of the Town Board and community in a fiscally responsible manner. The development of the budget was guided by the priorities established at the 2016 retreat and Capital Improvement Projects currently underway. Priorities were influenced by the positive economic changes in the area resulting in an increased workload; desire to improve customer service, and efficiency and effectiveness through technology.

The revaluation conducted in 2016 found the majority of homes in Wendell had dropped in value since the 2008 valuation. Projected property tax revenues make up approximately 32 percent of the Town's budget. Property tax revenue is based upon the values of existing homes and non-residential buildings as well as new construction. Revenues for 2017 have been more difficult to predict due to the General Assembly's elimination of the municipal privilege license tax, passing of Tax Deferral Bill and the change in the sales tax distribution formula.

FY 2017 will also see an increase in the debt service owed by the Town from \$130,000 in 2016 to \$175,500 in 2017. As a result of street improvements, one public works salary was moved from Powell Bill to the public works department. Reallocating Powell Bill funds to pay for street and drainage improvements will allow for the paving or resurfacing of 5.05 miles of streets within the corporate limits and repairs to the drainage system on Todd Street. Other Capital improvements include enhancements to Wendell Community Park, improvements to Town Hall, equipment, public works storage facility, and vehicle replacement purchases.

The proposed budget was presented Monday, May 9, 2016, the public hearing was held at the Wendell Community Center on May 23, 2016. The board scheduled the budget for action on Monday, June 13, 2016.

At the June 13, 2016 meeting, the Board chose to move action on the budget to Monday, June 27, 2016. Due to concerns with the proposed tax rate of .51 (4 cents over revenue neutral) special called budget meetings were held on Wednesday, June 22, 2016 and Thursday, June 23, 2016. At the Thursday, June 23, 2016 special called meeting, staff presented a balanced budget with a reduction of \$4,000 (facade grant), \$18,000 appropriated from Fund Balance, vehicle tax increase of \$10 and an increase in estimated revenues of \$40,177.44. The budget being presented for adoption is \$5,051,335.

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Town Manager Teresa Piner provided an overview of the FY 2017 budget ordinance:

- Proposed 51 cent tax rate amended to 49 cent tax rate
- Special called budget meetings were held on June 22 & 23, 2016
- Proposed budget includes:
 - \$4,000 reduction of the façade grant
 - \$18,000 appropriated from the fund balance
 - Vehicle decal tax amended from \$10 to \$20
 - 49 cent tax rate

Commissioner Boyette stated the budget process began in February. Staff presented a proposed budget with a 51 cent tax rate to the Town Board in April. If the budget was kept the same as last year, would create a \$92,000 short fall due to the Wake County revaluation of property values. The 51 cent tax rate would put the Town back to where it was. The first indication the 51 cent tax rate was a concern was June 2 when Commissioner Myrick stopped by to speak with him. The work that has been done to reduce the tax rate has been within the last week, maybe two weeks. Very few stakeholders that were at the public hearing know of the change. This may be the same tax rate, but it is a loss of revenue for the Town. He does not see this budget investing in the Town. The surrounding towns of Garner, Wake Forest, and Clayton all know that economic development and the downtown is what brings businesses. Does not think this budget shows the Town of Wendell is serious about economic development. Concerned with how fast this budget was pushed through and the concerns should have been raised in April or May. This budget as presented does not include funds for a winter storm, hurricane, if the economy drops or capital expenditures. The presented budget is a tax cut with raised fees. The proposed budget is cutting \$4,000 and using \$18,000 from the fund balance, which is the Town's savings account. Does not believe the budget can be balanced by using the fund balance. Sees \$18,000 as the smallest amount used from the fund balance for the entire year. He stated he is opposed to the budget because of how fast it was put together and how little it gives to economic development for the Town.

Commissioner Joyner asked Finance Director Kay if he is confident in the revenue projections after reevaluating the numbers initially presented in February. Finance Director Kay stated yes.

Commissioner Joyner asked Town Manager Piner to explain what the Board is voting on tonight that is different from the initial budget, with the exception of the tax rate. With the exception of the tax rate, the only cut is the façade grant. Town Manager Piner stated yes.

Commissioner Joyner questioned the police office position is fully funded. Town Manager Piner stated yes and clarified the position is for half a year.

Commissioner Joyner stated the Wake County (public safety) center would need funding consideration the following fiscal year. Town Manager Piner stated yes.

Commissioner Joyner stated the total deficit was \$92,000, requiring a 51 cent tax rate. Town Manager Piner stated yes.

Commissioner Joyner said he requested to delay the vote so Commissioner Boyette could vote.

The product of that was the continuation of work to the budget. The budget is a 51 cent tax rate at a 49 cent tax rate plus \$18,000 from fund balance. His initial proposal was to go to the fund balance completely. The money in the fund balance is tax payer money.

Mayor Gray stated to characterize the work on the budget was done within the last week is inaccurate. We would be remiss to not continue taking information and to learn from it. Town is investing in itself. In Wendell the tax rate is 49 cents and we also add the fire tax which is 9.6 cents, putting Wendell at 57.6 cents which is one-tenth of a point more than Zebulon. She asked Town Manager Piner if the Town is adequately prepared should we have a hurricane or snow. Town Manager Piner stated those items have not been budgeted. The Town does have some salt.

Mayor Gray stated the fire station would be at least 2018 before Wake County would start. Town Manager Piner stated in summer 2016, Wake County is looking to purchase the land; in FY 17-18 Wake County will go into design; and in FY 18-19 Wake County looking at construction.

Mayor Gray stated the mayor of Wendell now has an office at Town Hall. She spent her own money to furnish the office. She has had several meetings in the space.

Commissioner Myrick stated the \$18,000 from fund balance is for two items that are one time purchases.

ACTION

Mover: Commissioner Joyner moved to approve the proposed FY 16-17 budget as presented.
Vote: Carried 4 to 1 with Commissioner Boyette voting opposed.

**8. TOWN OF WENDELL FY 2015-2016 BUDGET ORDINANCE AMENDMENT FOR YEAR-END RECONCILIATION.
ACTION: BOARD MAY TAKE ACTION.**

[Staff Report]

Item Summary:

For audit purposes, the town is required to adopt the proposed budget ordinance amendment for FY 2015-2016 to “true-up” the various line items within each department (see attachment). The amendment is used to eliminate the negative line items within each department. This is the normal end of the year process to help prepare for the annual audit.

Budget Summary:

<i>Adopted 2015-2016 Budget Ordinance for Revenues</i>	<i>\$7,035,133</i>
<i>Adjusted Revenue Increases</i>	<i><u>\$ 353,500</u></i>
<i>Amended 2015-2016 Budget Ordinance for Revenues</i>	<i><u>\$7,388,633</u></i>
<i>Adopted 2015-2016 Budget Ordinance for Expenditures</i>	<i>\$7,035,133</i>

<i>Adjusted Expenditure Increases</i>	\$ 413,050
<i>Adjusted Expenditure (Decreases)</i>	<u>\$ (59,550)</u>

Amended 2015-2016 Budget Ordinance for Expenditures **\$7,388,633**

Due to reclassifications and need to create or amend job descriptions for the Special Assistant to the Manager and Human Resource Specialist, descriptions have been included for approval to accurately reflect the duties of those positions.

Town Manager Teresa Piner stated the job descriptions for the Special Assistant to the Manager and Human Resources Specialist as well as the FY 2015-2016 budget amendment for the year-end reconciliation are for the Board's review and action.

ACTION

Mover: Mayor Pro Tem Lutz moved to approve the FY 15-16 budget ordinance amendment.
Vote: Unanimous.

Town Manager Piner stated the job descriptions are before the Board as the changes to the descriptions were major since the adoption of last year's budget.

ACTION

Mover: Mayor Pro Tem Lutz moved to approve the job descriptions for the Special Assistant to the Manager and the Human Resources Specialist as presented.
Vote: Unanimous.

8a. RESOLUTION TO APPOINT THE TOWN CLERK AND DEPUTY TOWN CLERK PURSUANT TO ARTICLE V OF THE TOWN CHARTER.

Town Manager Piner stated the Town charter and general ordinances differ in the appointment of the Town Clerk. The Town Board is requested to affirm the appointments of Sherry Scoggins as Town Clerk and Teresa Piner as Deputy Town Clerk.

ACTION

Mover: Mayor Pro Tem Lutz moved to resolution to appoint the Town Clerk and Deputy Town Clerk pursuant to Article V of the Town Charter.
Vote: Unanimous.

**9. UPDATE ON BOARD COMMITTEE(S) BY TOWN BOARD MEMBERS:
 Capital Area Metropolitan Planning Organization (CAMPO) [Mayor Gray]:**

Mayor Gray provided the following update of the June 15, 2016, CAMPO meeting:

- 2016 LAPP funding update
- 2018 LAPP funding program changes
- Update on Safe Routes to School
- Update on North Carolina non-motorized data program [bicycles and pedestrians]

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- Wake County Transit Plan update
- Update on budget figures

10. COMMISSIONERS' REPORTS.

Commissioner Carroll thanked everyone for coming to the meeting and their interest in the budget. Good discussion during the special called budget work sessions. Considers the use of the fund balance a calculated risk and he believes it will pay off.

Mayor Pro Tem Lutz stated in the spirit of transparency, when the process began, he was ready to vote on the 51 cent tax rate. He attended the special called budget work sessions. The proposal that was received at the Thursday evening budget work session was a good move. Expressed thanks to the staff.

Commissioner Myrick stated as a citizen, thank you to the Town staff and Board for working so hard to maintain the current tax rate. This is a positive for citizens and businesses. Business development and new homes need to drive our tax base, not increase in taxes. He expressed a safe and happy July 4th to everyone.

Commissioner Boyette stated he hopes this budget works for the Town of Wendell. Since he was sworn in to the Board, the regularly scheduled Board meeting on June 13, 2016, was the first meeting he did not attend. He made it clear to those on the Board that he could come back to the meeting and he will do his best to not let that happen again. As for the second budget work session, it was a work day. By his last count, he has found someone to cover for him 17 times. He is on duty tonight and found someone to cover for him. Twenty-four hour notice is difficult for him to find someone to cover his position. Wished everyone a Happy Fourth of July and reminded folks that anything which does more than pop or sparkle is illegal in North Carolina.

Commissioner Joyner expressed his thanks to the staff for this budget and the Board. He is probably the only one who enjoys working on the budget. As a lobbyist, he does not do politics he does policy. He stated if the Town had more than \$1.7 million in needs for the fiscal year, than there is a lot more to address. This staff and the leadership of the Town put together a budget that will work for the citizens. On a different note, he recognized his grandma who is in attendance.

11. MAYOR'S REPORT.

Mayor Gray provided the following report:

- Proud of the work the Board has put in for the budget
- Proud of the fact that Wendell did not adjust its tax rate
- Hope that growth will allow the Town to lower the tax rate more
- Would like a mid-year retreat discussion on the revenue stream and how the Town conducts business and if out-sourcing is an option
- July 4th Celebration is next Monday and registration starts at 10 AM at Main Street and Wendell Boulevard with the parade beginning at 10:30 AM and a program at 11 AM at the Ashley Wall Town Square. Will have special guests at the celebration.

12. ADJOURN:

ACTION

Mover: Mayor Pro Tem Lutz moved to adjourn at 8:06 p.m.

Vote: Unanimous.

Duly adopted this 11th day of July 2016, while in regular session.

ATTEST:

Virginia Gray,
Mayor

Sherry L. Scoggins, MMC
Town Clerk