

Town of HOLLY RIDGE

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HOLLY RIDGE TOWN COUNCIL REGULAR MONTHLY MEETING July 12th, 2011

Mayor Padgett called the Regular monthly Meeting of the Holly Ridge Town Council to order at 7:05 pm. at the Town Hall. Council members present were Mayor Pro-Tem Hines, Councilwoman Bragg, Councilman Edwards, Councilman Wright, and Councilwoman Stanley. Manager Maiorano, Town Clerk; Heather Reynolds and Attorney Stroud were also in attendance

Invocation and Pledge

Mayor Pro-Tem Hines gave the Invocation and Mayor Padgett led the Pledge of Allegiance.

Adoption of Minutes

A motion was made by **Councilman Edwards** and seconded by **Councilwoman Bragg** to adopt the minutes of the Regular Town Council Meeting held on June 14th, 2011. **All Agreed.**

Adoption of Agenda

A motion was made by **Councilwoman Stanley** and seconded by **Councilman Wright** to adopt the Agenda. **All Agreed.**

Persons Wishing to Address the Council

Friends of the Park Report

Manager Maiorano stated we had a really good turnout for the July 4th and we had really good participation at the concession stand. Also everyone really enjoyed the fireworks. Manager Maiorano said the income for this event was \$4698.00 and the expenses were \$2494.00 with a profit of \$2204.00. He said next year we hope to raise that income up and without the expense of the snow cone machine we could be over \$3000.00 next year. Manager Maiorano reminded everyone of the post event meeting scheduled to be held on Thursday, July 14th, 2011 at the Town Hall beginning at 5:30 p.m.

ONWASA Report

Mayor Pro-Tem Hines gave the following report:

- The Highway 17 South waterline extension pipe laying is completed and by the end of the month it should be on line.
- There has been a lot of work and planning for the Summerhouse Plant and we should be able to handle more flow over the next few years. There were a lot of upgrades that were not anticipated and there are some additions that will need to be done to bring the plant up to standards.
- The flow at the present plant has right much capacity and we are in good shape in South Onslow County.

Public Hearing

Old Business

Procedural Guidelines of Meetings Presentation by Attorney Stroud

Attorney Stroud said the Manager had requested him to provide the Council with a refresher on meeting procedures. Attorney Stroud went over the information he provided for the agenda packets. Main highlights in the presentation were:

- A Councilmember should vote on every matter that comes before the board if they are present to do so.
- If a member has not been excused from voting by the board and that member is still in the chambers, their vote is recorded by the Clerk as a yes vote.

- It is generally okay for a member to vote unless they will receive a direct cash benefit.
- There are no black and white rules for these situations.
- Members of the Council err on the side of dis-closure; it is easier to prevent a problem, rather than to fix one.
- Always plan ahead for different types of hearings and situations.
- Try to reach a personal conclusion as to whether you should vote on a particular issue or if you should not vote because you believe you fall in to a category making it improper for you to vote.
- Always ask the board to be excused if you think it is appropriate and then your vote will not be counted as a yes vote.
- The ayes and noes should be recorded by the clerk.

Councilwoman Stanley asked if her being a real estate broker and sitting as a Councilmember would be an issue in the event something came before the board on a new subdivision development and she had a listing within the subdivision. Attorney Stroud answered if she didn't have the listing at the time it came before the board there would be no issue. He added it would be an issue if she came with the surveyor and planner to present the plat to the board.

Councilwoman Bragg said she makes upper management decision for ConAgra and when an issue comes before the board should she ask the board to excuse her for that reason and because she owns shares in the company. Attorney Stroud said if she owns enough shares to have significant impact on the management of the company that is one scenario to be excused for. He said on the other hand if you are a relatively minority shareholder, an example being 200 shares compared to 2,000 shares. Attorney Stroud said deciding whether or not to ask to be excused would depend on what the action would be.

Mayor Pro-Tem Hines asked what the difference between the words "will" and "shall". Attorney Stroud said the general rule in GS 160A is "shall" and "will" are interchangeable and are mandatory. He also said "may" is admissive and we should not be saying "should" in our ordinances because it is permissive.

LGC Update

Manager Maiorano said last month the staff was tasked with finding out about loans for \$400,000.00 to be used on the streets for repair. He said we talked about going out for bonds like the Town did in 2004 or just applying for loans. Manager Maiorano said we have put out feelers for \$400,000.00 and at the time BB&T is the only bank to respond. He said this is a 15 year loan and the payments will be around \$42,000.00 and the payment does fluctuate and by the end of the loan the payment will be around \$27,000.00. Manager Maiorano stated we do have an appointment with the LGC in Raleigh on July 21st, 2011 at 10:00 a.m. because they have to approve a loan of this size. Manager Maiorano said this is for information only and this was

action on a vote taken last month by the Council to have the staff investigate money for the street repair.

Mayor Pro-Tem Hines said after doing the survey on the streets it is very clear that we have got to do something with the drainage problems we have and as far as he is concerned we should proceed to the LGC. Manager Maiorano said we can ask the bank for prices on \$300,000.00 and \$400,000.00 on loans for the streets. Mayor Pro-Tem Hines said we are clearly behind on our street maintenance and we will spend a lot more money if we do not do something soon. Councilman Wright asked the Manager to provide the Council with a list of all the items the Town is obligated for including salaries and all discretionary items as well. Manager Maiorano said he would be in touch with Councilman Wright to see what exactly he is looking for.

Councilwoman Stanley asked if the loan is a fixed rate or if the loan was adjustable. Manager Maiorano said in looking at the paperwork it is a fixed rate loan.

A motion was made by *Councilman Wright* and seconded by *Mayor Pro-Tem Hines* to proceed with investigating the street repair loans and report back to the Council at the following meeting. *All Agreed.*

New Business

Discussion of Solid Waste Contract with Waste Industries, LLC

Manager Maiorano said the staff counted garbage carts because of a discrepancy in a bill that was received from Waste Industries, we wanted to make sure the number of carts we were being charged for was the same as the number of carts we have in time. Manager Maiorano said Eric with Waste Industries mentioned a CPI when he was here for the meeting on the cart numbers, and Manager Maiorano told him then that the Town was already in their budget sessions. Manager Maiorano informed the Council he spoke with Norma, Eric's boss and entertained the idea of a new contract because the one we have is 18 years old and has only had amendments made to it. Manager Maiorano said Norma assured him there would be no increase.

Mayor Pro-Tem Hines asked if we are talking about a five year contract. Manager Maiorano said three years is the normal thing in the industry for the length of a contract. Councilwoman Stanley said at the last meeting it was said there would be no increase if a contract was signed for five years. Manager Maiorano said yes that is what was told to him and it will depend on the CPIU on whether there will be an increase or not. Manager Maiorano said he could deal with an increase of 1.5% or 2.0%, but not 5%. Manager Maiorano said the proposed contract includes a very small increase of 0.98%.

Manager Maiorano entertained the following areas of concerns in the contract:

- Page 5- Current monthly charges per cart are 6.25 per old cart and 8.12 per new cart. The new contract reflects an increase to 6.34 per old cart and 8.23 per new cart. This additional amount reflects an increase of .98% or less than 1%. ***(This is a recommended approval)***
- Page 6- Adjustments, Section A “In such cases, contractor may present a request for adjustment to the service fee to the Town, and the Town will approve such changes as long as contractor has provided evidence supporting the change and impact to the contractor.”

Change to: “In such cases, contractor may present a request for adjustment to the service fee to the Town, and the Town may approve such changes as long as contractor has provided evidence supporting the change and impact to the contractor.” ***(This is a recommended approval)***

- Page 6 – Adjustments, Section C, “The monthly fee shall be adjusted on an annual basis on the first day of July of each year of the term beginning on July 1, 2012 to reflect the annual adjustment based on Table 1 of the Consumer Price Index for all Urban Consumers (CPI-U): U.S. city average for March, not to exceed 5% in any given year.”

Change to: “ The monthly fee may be negotiated on an annual basis by the first day of May of each year of the term beginning on July 1, 2012 reflect the annual adjustment based on Table 1 of the Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average for March, not to exceed 5% in any given year.” ***(Recommended Change)***

- Page 6- Adjustments, Section D, Add “Waste Industries will not charge any rent on your existing roll-off type recycle containers.” ***(Recommended Change)***

Mayor Pro-Tem Hines stated the 5% CPI needs to be negotiated down to a lower figure. Mayor Pro-Tem Hines said he would like to have better knowledge on what the CPI is and also said we have never looked at other companies to see if there is anyone who can compete against them. Manager Maiorano said we can look into it and he just wanted the Council to see this contract.

Councilwoman Bragg asked what happened with talking with the other Towns to see if we could all go in together and lower the cost. Mayor Pro-Tem Hines said he remembers that happening but doesn't remember the outcome. Manager Maiorano said he has a meeting with the managers this week and will find out what everyone else is doing.

A motion was made by ***Mayor Pro-Tem Hines*** and seconded by ***Councilwoman Bragg*** to table the issue and do more investigating and have the Attorney look at the contract and talk about it next month. ***All Agreed.***

Discussion of Personnel Policy Changes

Manager Maiorano said the Council talked during the 2011-2012 budgets about lowering the premiums for the Town if the employees that have insurance that is equal to the Town's policy opt out of the Town's policy. Manager Maiorano said during budget sessions it was mentioned the staff would present the language to be added into the personnel policy. The following was entertained to be added to the personnel policy under "Employee Health Insurance Waiver":

"Employee may be eligible to receive monthly compensation for one-half (50%) of the monthly premium the Town currently pays on the employee's behalf. The eligibility requirement, annually, for those employees waiving coverage are:"

- *Health insurance coverage similar in nature to the existing. Documentation of this coverage must be submitted to the Finance Officer, for review, annually for continuous coverage. This review will be performed at the beginning of the new fiscal year.*
- *A waiver must be signed (Group Enrollment Forms) with waiver signed and dated.*
- *Any changes to in coverage (i.e. loss of coverage) for those employees waiving coverage, MUST be presented to the Finance Officer, immediately to insure continuation of coverage.*
- *There is an 80% coverage requirement for the Town to be insured through the league. Therefore, the waiver is on a first-come, first-serve basis to eligible employees.*
- *The Town reserves the right to determine eligibility.*
- *Any violation for failure to report changes in status could result in disciplinary action.*

A motion was made by **Mayor Pro-Tem Hines** and seconded by **Councilman Edwards** to approve the addition to the Personnel Policy under Article 10, Employee Benefits, and Section 1. Insurance Benefits. **All Agreed.**

Closed Sessions

A motion was made by **Mayor Pro-Tem Hines** and seconded by **Councilman Edwards** to go into Closed Session per General Statute 143-318.11(a)(1) for the purpose of maintaining Attorney-Client privileges. **All Agreed.**

Mayor Padgett called for a 10 minute break at 8:10 p.m. with the Closed Session immediately following.

Following Closed Session:

A motion was made by **Mayor Pro-Tem Hines** and seconded by **Councilwoman Stanley** to proceed with a title search to determine who owns the property around the pond off Jenkins

Street and after determining who owns the pond we begin action to have the pond cleaned up. *All Agreed.*

Police Department Comments

Major Bryant stated there will be a roadblock next month.

Town Manager Comments

Manager Maiorano wanted to announce the upcoming Friends of the Park meeting on July 14th, 2011 at 5:30 p.m. and said he felt the 4th of July event went really well and with everyone working together it reminded him of when he first started working for the Town.

Council Concerns

Councilwoman Bragg said the Friends of the Park meet on Thursday and she would love to be there but her son plays ball on base and is not able to attend. She also said the 4th of July fireworks were a blast and very well done. She also apologized to the council for missing the last couple of meetings and also thanked all the employees for their good work and she has heard positive things.

Councilman Wright wanted to commend Mayor Pro-Tem Hines for his work and helping the firefighters with the fire. He also asked Mayor Pro-Tem Hines if he had a chance to ask Penslow about providing the Town with 20 feet of the lot next door for parking purposes. He also wanted to commend the Police Department with doing a great job with parking. He said he looks forward to participating in the 4th of July again.

Councilwoman Stanley asked how the ordinances were coming along. Manager Maiorano said the last six months have hit us with a lot of things, but we are hoping to be up and running by August 9th. She also said she enjoyed the 4th of July as well and the Police Department did a good job with traffic as well as the Fire Department and she has been inviting people to come to the meetings also. Councilwoman Stanley also said she knows one guy went to file for a Council seat. She thanked everyone for coming and appreciates what everyone is doing.

Councilman Edwards said he was very pleased with the 4th of July celebration and it was good to see everyone working together. He said we accomplished a lot and we can accomplish a lot more.

Mayor Pro-Tem Hines said he went down and volunteered with Coastal Federation today and they are really pleased with how Morris Landing is being maintained and mentioned how clean it is down there. Mayor Pro-Tem Hines asked Manager Maiorano to please pass the compliment on to the maintenance department.

Councilwoman Bragg announced her friends and family day at her house on July 30th at 4:00 p.m. and everyone is invited.

Announcements

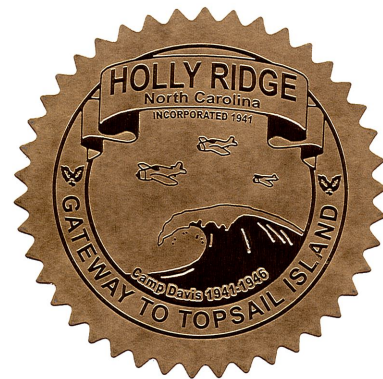
Mayor Padgett gave the following announcements:

- No elected officials meeting this month.

Adjournment


A motion was made by *Mayor Pro-Tem Hines* and seconded by *Councilman Edwards* to adjourn at 9:00 p.m. *All Agreed.*

Attest:





Mayor Padgett



Heather Reynolds, Town Clerk

These minutes were recorded and prepared by Town Clerk Heather Reynolds