



**VILLAGE COUNCIL
MINUTES FOR REGULAR MEETING OF OCTOBER 12, 2021
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM**

The Pinehurst Village Council held a Regular Meeting at 4:30 p.m., Tuesday, October 12, 2021 in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following attended:

Mr. John C. Strickland, Mayor
Ms. Judy Davis, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Kevin Drum, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Kelly Chance, Village Clerk

In addition, approximately 12 attendees, including 8 staff and 0 press.

1. Call to Order.

Mayor Strickland called the Village Council meeting to order.

2. Reports:

Village Manager

- Mr. Jeff Sanborn reported there were no items to report

Village Council

- Mayor Strickland reported he visited Fort. Bragg under the new Commanding General's invitation which was extended to Mayors and other local government officials. He stated his appreciation of having Fort Bragg part of our community and he looks forward to more contact with them. Mayor Strickland stated he and Councilmember Drum attended the Partners in Progress meeting and they will be moving to Pinehurst into the old bank building. Lastly, he delivered a 100th birthday certificate to Sadie Oettinger as September 20th was her birthday. He reported this was his 5th or 6th presentation to an Octogenarian this year and encouraged the audience to share any knowledge of such birthdays to him so the Village can express their birthday wishes to them.
- Councilmember Hogeman stated the Pinehurst Business Partners met with Jeff Batton and herself and the Mayor to discuss some solutions for parking issues downtown.
- Mayor Pro Tem Davis stated this weekend is the Holly Arts festival in downtown Village Center. She stated that the Festival of the Freedom of Light Celebration will be on and the 29th and 30th at the Moore Regional Airport.
- Councilmember Drum stated he is serving on the Partners in Progress entrepreneurial hub and they are making a lot of progress. He stated the Mayor of Blowing Rock lives here part time and in discussions with him it appears the Village and Blowing Rock has a lot of common problems and we have been sharing ideas.
- Councilmember Boesch stated the Bicycle and Pedestrian Advisory Committee met about the Woods Road connection would be completed in the next three weeks. She reported there is a Walking School bus program that starts at Cannon Park and the students are escorted, teaching them safe practices. The last bus meets at 7:15 a.m. Councilmember Boesch reported a

Bike Club meets every Wednesday and teaches bicycle maintenance and safety. The Focus is on safe riding and handling schools. Volunteers are needed to ride with the group and to help. Lastly, the CVB said visitor spending money and occupancy tax is down 31% but we are still ranked 12th among the 100 counties in North Carolina. She stated this year it shows record visitor spending in Moore County.

3. Motion to Approve Consent Agenda.

All items listed below are considered routine or have been discussed at length in previous meetings and will be enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

- Approval of Village Council Meeting Minutes.
 - September 28, 2021 Regular Meeting
 - September 28, 2021 Work Session
 - September 28, 2021 Closed Session

End of Consent Agenda.

Upon a motion by Councilmember Hogeman, seconded by Councilmember Boesch, Council unanimously approved the Consent agenda by a vote of 5-0.

Mayor Strickland noted that on agenda item number ten (10), Other Business, we will have a discussion tonight on some Code of Ethics issues that have arisen.

4. Discuss and Consider Resolution 21-20 Appointment of David Alzamora as Chairman for the Village of Pinehurst Board of Adjustment.

Village Manager Sanborn stated that we have three appointment actions for Council to consider tonight, with two of those being Chair positions. Julia Latham's chair position has expired and can not be renewed. Staff consulted with Ms. Latham and Cyndie Burnett and taking this information, staff would like to nominate David Alzamora for the position of Chairperson of the Board of Adjustment.

Upon a motion by Councilmember Boesch, seconded by Councilmember Hogeman, Council unanimously approved Resolution 21-20, appointing David Alzamora as Chairperson of the Board of Adjustment, effective November 1, 2021, to serve at the pleasure of the Council until the end of his term on April 30, 2023 by a vote of 5-0.

5. Discuss and Consider Resolution 21-21 Reappointment of Jeramy Hooper to the P&Z Board and Board of Adjustment and appointment as Chairman for the P&Z Board.

Village Manager Sanborn stated that Cyndie Burnett has stepped down as a Board member and as Chairperson of the Planning and Zoning Board due to health conditions. As a result, Council will need to fill her position. He stated the Village will miss her and her many contributions. He stated that staff has recommended Council approve Jeramy Hooper for this position.

Jeramy Hooper stated he is motivated to serve in this position, and he said the Board has a lot of important work coming up and he acknowledges the great talents on the Board. Mayor Strickland stated that he encourages the Planning and Zoning work concentration continue to be focused on training opportunities. Mr. Hooper said he agrees active training is a big part of the board. Councilmember Boesch stated her gratitude for the Board and for their work in helping Council understand the issues before them.

Upon a motion by Mayor Pro Tem Davis, seconded by Councilmember Drum, Council unanimously approved Resolution 21-21, reappointing Jeramy Hooper to the Planning and Zoning Board and Board of Adjustment and appointment as Chairman for the Planning and Zoning Board, effective November 1, 2021, to serve at the pleasure of the Council until the end of his term on October 31, 2024.

6. Discuss and Consider Resolution 21-22 Reappointment of Paul Roberts to the Pinehurst P&Z Board and Board of Adjustment.

Village Manager Sanborn stated the final request for reappointment is for Paul Roberts. Mayor Strickland stated he spoke with Mr. Roberts prior to the meeting, and he will be able to be a more regular attendee than he has been in the past due to his work and

travel schedule.

Upon a motion by Councilmember Boesch, seconded by Mayor Pro Tem Davis, Council unanimously approved Resolution 21-22, reappointing Paul Roberts as a member of the Board of Adjustment and the Planning and Zoning Board, effective December 1, 2021, to serve at the pleasure of the Council until the end of his term on November 30, 2024 by a vote of 5-0.

7. Presentation of the FY 2021 State of the Village Report.

Jill Lazusky, VOP Administrative Assistant and Data Coordinator, stated the agenda item is a review of the Village's performance relative to the goals and objectives set for FY 2021. Ms. Lazusky stated the Village performed very well this year in meeting or exceeding its goals for FY 2021. She stated, using the Baldrige Performance Excellence Framework, the Village successfully created a culture of continuous improvement, focusing on eight initiative action plans and residents and businesses continue to indicate high satisfaction levels with most Village services.

Ms. Lazusky stated that since 2013, the Village has seen improved resident satisfaction in 86% of our service areas and we currently exceed the national averages in 48 out of 49 service areas. She stated that in FY 2021, we achieved the highest annual satisfaction ratings in the U.S. in the ETC DirectionFinder Benchmark Group for 12 areas, matching FY 2020 as the most achieved in one year for the Village. Ms. Lazusky presented data results showing that since 2012, the Village has achieved the highest annual satisfaction rating in the U.S. for 21 different areas including crime prevention, major street maintenance, residential trash collection services, overall appearance of the Village, and others.

Ms. Lazusky stated that overall, in FY 2021, the Village exceeded the goals set forth by the Village Council on the FY 2021 Balanced Scorecard with a score of 8.07 (Goal was 6.66). The Balanced Scorecard Goals covers customer-oriented goals such as safeguarding the community, protecting the environment, promoting active living and cultural opportunities, promoting a thriving business community, promoting high quality development and appearance, and promoting transportation mobility and connectivity. Other goals are the internal goal of professionally managing a high performing organization, the workforce goal of attracting and retaining and engaged workforce, and a financial goal of maintaining a healthy financial condition.

Ms. Lazusky stated that in looking at some key performance indicators for the Fire Department, in FY 2021, the Village saw a sharp increase in fire incident rates from the previous year, achieved a reaction and response time of 90 seconds from dispatcher alert to unit leaving the station, and the Fire Department received Reaccredited Agency status with the Commission on Fire Accreditation International (CFAI).

Ms. Lazusky stated that key performance indicators showed the Planning and Inspections Department issued 136 new single-family residential permits and investigated over 1,200 code violations, 97% which were resolved within 45 days. She stated that of the 8,723 building inspections completed, 100% were completed within one business day in FY 2021. Ms. Lazusky also noted that in FY 2021, consultants were hired to assist in creating Small Area Plans for the Village Place/Rattlesnake Trail Corridor and Hwy 5, all of which are currently underway.

Ms. Lazusky stated that key performance indicators around promoting a thriving business community showed a 93% satisfaction rating with customer services provided by Village employees compared to other places they operated a business in the past, and 99% were satisfied with the overall image of the Village. She noted that non-residential development saw a strong year with 24 non-residential permits issued at a value of \$63,277,042 which is 11 less permits than in FY 2020, but value of properties permitted increased by more than \$26 million.

Ms. Lazusky stated that key performance indicators addressing the goal of promoting transportation mobility and connectivity demonstrated a 67% satisfaction rating by residents satisfied with the availability of walkways, but 92% satisfaction rate for residents satisfied with availability of greenway/walking trails. She stated that in FY 2021, 4.5 miles of the Village's 108 centerline miles of Village roadways were resurfaced and of the residents participating in the annual survey, 83% indicated satisfaction with maintenance of streets in neighborhoods in and around the Village.

Ms. Lazusky stated that in terms of protecting the environment, stormwater has risen as a priority for residents over the last several years. She noted that over the last year, the Public Services Department reported 100% of solid waste routes were completed on

schedule and results showed 96% of residents were satisfied with solid waste services. Mayor Strickland stated in terms of stormwater management the survey is showing us a better picture than we normally note from residents. Mayor Pro Tem Davis stated that we have not had a lot of heavy storms as well which could be leading to the number disparity.

Ms. Lazusky reported that in the goal surrounding promotion of active living and cultural opportunities, adult and youth participation is roughly equal between athletic and recreation programs hosted by the Village of Pinehurst, and in total, 182 athletic and recreation programs were offered to the community during 2021. She stated recreation programs saw another successful year with 95% of residents satisfied with the quality of youth recreation programs and 93% satisfied with the quality of adult recreation programs. She noted that over the last year, the department served 4,085 participants in athletic and recreation programs.

Ms. Lazusky stated that for the internal goal of professionally managing a high performing organization, residents listed satisfaction with Village communications and customer service highly. She noted that to leverage technology, the Village continues to implement the GIS Strategic Plan including training that began in the Fall of 2021. The MyVOP mobile app allows residents to stay involved in Village affairs and at the close of FY 2021, there were approximately 5,186 downloads of the app. Ms. Lazusky stated that Village staff addressed over 4,500 requests and complaints received through the MyVOP app, responding to 98% of those complaints within desired time frames.

Ms. Lazusky stated the Village's goal for attracting and retaining an engaged workforce results showed that 98% of employees stated that overall, they liked their job and 98% were happy with their role. She noted that this year, the Village continued working on a Workforce Learning and Development initiative action plan. The initiative's goal is to develop workforce skills and abilities through a new learning and development system and to incorporate the system into the succession planning process. Ms. Lazusky noted that vacancies filled with internal candidates can be an indicator of successfully developing the workforce and this year, 47% of vacancies were filled with internal candidates, exceeding the goal of 35%.

Ms. Lazusky reported that regarding the goal of maintaining a healthy financial condition, for the 28th consecutive year, the Village received the GFOA Certificate of Achievement for Excellence in Financial Reporting. She noted that for the 14th consecutive year, the Village received the GFOA Distinguished Budget Award and received a clean audit opinion by external auditors, proving diligent financial management.

Ms. Lazusky concluded her presentation with noting that the Village is a high performing organization, as demonstrated by: 99% of residents and 100% of businesses indicate the quality of life as good or excellent; 93% of residents are satisfied with the value received for taxes paid; the Village exceeds 48 of 49 U.S. average satisfaction ratings; resident satisfaction ratings have improved in 86% of our service areas since 2013; our workforce indicates high levels of engagement; and the Village remains in excellent financial condition.

Mayor Strickland asked the new Performance Director, Matthew McKirahan, if there were any results that stuck out which would indicate areas the Village might want to look at. Mr. McKirahan stated he will be provided some more information during the Strategic Retreats of some areas we may want to investigate. Mayor Strickland stated he is appreciative of Jill Lazusky's work and asked if she has any input for the Council. Ms. Lazusky stated she has been involved with this project for many years and she has seen this process evolve over the last 7 years and she looks forward to seeing the direction the Village goes as we move through the strategic planning for the next fiscal year.

Councilmember Drum called a point of order inquiring about an agenda item that he thought was going to be in a closed session. Mayor Strickland stated no that the announcement was that it would be held in a regular meeting under Other Business. Councilmember Drum stated you can not add something that is not on the Public Agenda. Mayor Strickland stated he is not sure of that and they will talk to the Village Attorney and stated we will take care of this at the end of the meeting following the next agenda items. Councilmember Drum stated he wanted to deal with the situation right now and that the second paragraph of the closed session is where he thought the items under Other Business would be discussed. Mayor Strickland stated that the items listed under the closed session are not the items that will be discussed under Other Business. Councilmember Drum stated the Mayor inserted an item into the agenda that he wants as a closed session item. Mayor Strickland asked what Council's desire was: to carry-on with the regular agenda items or discuss it.

8. Presentation of the FY 2021 Community and Business Survey Results.

Matthew McKirahan, VOP Organizational Performance Director, stated the Village recently conducted its tenth annual Community and Business Surveys. The Village contracted with ETC Institute of Olathe, Kansas to gather input from residents and businesses on a broad spectrum of Village services. He stated the information gathered from the surveys will help the Village set community priorities including staffing and budget expenditures, determine areas or services that need improvement, and identify future needs.

Mr. McKirahan presented Council members with ETC's final report, which included: A summary of the methodology for administering the survey and major findings; charts and graphs for each question on the survey; Benchmarking data that shows how the results for the Village of Pinehurst compare to other communities; Tables that show the results for each question on the survey; a copy of the survey instrument; and a separate attachment included GIS maps that show the results as neighborhood maps of the Village.

Mr. McKirahan stated the purpose of the Residential Survey was to objectively assess resident satisfaction with the delivery of major Village services; to help determine priorities for the Village; to measure trends from previous surveys; and to compare the Village's performance with residents regionally and nationally. He stated the resident survey was 7 pages, including many of the same questions that were asked in previous years (10th Resident Survey conducted for the Village) and was mailed and provided online to a random sample of Village residents. Mr. McKirahan noted that there were 801 completed surveys, which far exceeded the goal of 700, and demographics of survey respondents accurately reflects the actual population of the Village. He noted there is a margin of error which is +/- 3.4% overall.

Mr. McKirahan provided a general overview which showed that residents have a very positive perception of the Village, with 95% rating Pinehurst as excellent or a good place to live. He noted 96% of residents indicated that their overall feeling of safety in the Village was either excellent or good. Mr. McKirahan stated that satisfaction ratings have increased or stayed the same in 32 of 89 areas since 2020, and 66 of 77 areas since 2013. He noted Pinehurst is rated above the U.S. average in 48 of 49 areas and that satisfaction with customer service from Village employees rated 35% above the U.S. average. Mr. McKirahan noted that the overall community priorities were noted to be efforts at maintaining the quality of neighborhoods and enforcement of Village codes and ordinances. Mr. McKirahan reported that overall satisfaction with Village Services was scored at the 80% or above range for fire services, police service, solid waste services, parks & recreation programs, and customer service provided by Village employees.

Jill Lazusky stated that on top of this summarization presentation they have broken down each category into more defined data and the availability of segmentation data will be available for Council. Village Manager Sanborn noted that the representative

Mr. McKirahan reported that the purpose of the Business survey was to objectively assess the quality of Village services that are provided to businesses in Pinehurst, to identify ways to improve the quality of Village services that are provided to businesses in the community, and to measure trends from previous surveys. He stated the survey was 4 pages (9th Business survey conducted for the Village) and was sent via mail and provided online to a sample of businesses in the Village of Pinehurst. He noted the number of completed surveys was 75.

Mr. McKirahan presented Council with data which demonstrated that businesses noted a high level of satisfaction with Village services, with the highest levels showing fire emergency response, front desk help, police emergency response, and building inspections. He stated that 41% of surveyed businesses feel that the overall business environment in the Village is better than two years ago; 33% felt no change, but stated the atmosphere is good. Mr. McKirahan reported that the most important Village services were noted to be public safety and response, and streets and grounds. He stated that data showed that 81% would be very likely or likely to recommend the Village as a business location to friends.

9. Discuss and Consider Resolution 21-23 Changes to the Position Classification and Pay Plan.

Angela Kantor, Human Resources Director stated that with the addition of the Given Memorial Library, the Village needs to add the library positions to the current Position Classification and Pay Plan. She noted staff reviewed and compared current responsibilities of each position and recommended the following additions to the current plan: add Library Services and Archives Director to pay grade 28; add Assistant Library Services Director to pay grade 18; and add Library Associate to pay grade 15.

Ms. Kantor stated staff has a compensation study scheduled for Spring 2022 and will include the library positions in that study. She notes that Staff is recommending that Council approve Resolution 21-23 amending the FY 2021-2022 Position Classification and Pay table.

Mayor Pro Tem asked if the Due Diligence is going to be complete by October 15th. Village Sanborn stated that there were three items still outstanding, which were the Title Search, the Building Inspection, and the.... Which should be complete by Friday. Jeff Batton, stated we hired a commercial building inspector out of Raleigh (name them here)

Upon a motion by Councilmember Hogeman, seconded by Councilmember Drum, Council unanimously approved Resolution 21-23, amending the Policy on the Administration of the Position Classification and Pay plan for the Village of Pinehurst to include the Library Services and Archives Director, Assistant Library Services Director, and Library Associate positions, effective October 12, 2021, by a vote of 5-0.

10. Other Business.

Councilmember Drum stated that he felt the item added to the agenda should be a closed session item because it was added to the agenda verbally without it be added to the Public agenda and it fits under the description of a closed session item. Mayor Strickland stated that the consensus was that the item of ethics issue was okay to be discussed. Councilmember Drum stated he did not consent, and Mayor Strickland replied he understands that there may be different positions on the board, but Council has other issues to discuss in the closed session as described in the memorandum. Councilmember Drum stated he felt the addition of the agenda item was outside of the rules and the Village Manager Jeff Sanborn stated that there was no violation as any item could be discussed during other business. He further stated that an item that can be discussed in closed session does not mean that it must be. Councilmember Drum stated he felt it was best for it to be discussed in closed session.

Mayor Strickland asked if it was the consensus of Council to discuss the two items during the regular meeting. Councilmember Boesch stated that at the beginning of the meeting Mayor Strickland stated that they were adding an Item 10 as a separate item and so her interpretation was that we were adding items without giving public notice and then it is mentioned that there are two items, and she is uncertain what those two items are. Mayor Strickland stated the two items were identified by emails sent the prior day involving ethics violations involving two council members. Councilmember Drum stated the two items belong under a closed session and Mayor Strickland replied that if it a consensus of the Council then they will continue under the regular session. Councilmember Drum stated he felt it was blindsiding because it was not on the agenda and was never discussed to be on the regular session, of which Councilmember Boesch stated her agreement.

Mayor Strickland asked if there was a consensus of the Council to continue this discussion under Item number 10 of the regular meeting. A vote of Council was taken with Mayor Strickland, Mayor Pro Tem Davis, and Councilmember Hogeman voting for continuing and Councilmember's Drum and Boesch voting against continuing. Mayor Strickland announced the vote was 3 to 2 and thus the discussion will continue under Item 10 Other Business.

Mayor Strickland asked the Village Attorney, Mike Newman to join Council in the discussion and stated that during the last several days, he became aware that Village staff and members of the public are confused and concerned about two issues which involve members of the Village Council and therefore, the integrity of the Village Council itself. Mayor Strickland reported there were two separate matters that happened to occur around the same time and there is public concern about both. He stated that as elected officials, we must abide by a code of ethics and other policies and deal with violations as they occur.

Mayor Strickland stated the incidents involved Councilmember Boesch and Councilmember Drum. He stated the Village Attorney will review the details of each, followed by comments by Councilmember Boesch, Councilmember Drum and other members of Village Council. Mayor Strickland stated the first incident, involving Councilmember Boesch, is centered around a rumor caused by the unauthorized contact by Councilmember Boesch with Senior Staff and others regarding the leadership style of Village Manager Jeff Sanborn. He stated Council began dealing with the a few weeks ago in a meeting with Councilmember Boesch.

Mayor Strickland stated Village Attorney Mike Newman will present some background information about the issues that have arisen and explain the ongoing problems. Councilmember Boesch stated she feels blindsided, and she just received an email yesterday

about additional allegations that she had not had the opportunity to investigate or respond to and she feels blindsided and shocked. Councilmember Boesch stated she read the statements provided and is not saying they are wrong but does not agree with them and noted there is another side to the story of which she has not been given the opportunity to prepare. Mayor Strickland stated that there is some information that is floating around that needs dealt with in a public way that deals with Village Staff and the integrity of the Council and it is appropriate that it be dealt with tonight in a public way. He stated after hearing from the Village Attorney, there will be time for discussion and determination on how the Council wishes to proceed.

Councilmember Boesch stated she feels an appropriate way to deal with this is for her to be given the opportunity to respond to whatever it is she is getting ready to hear. She stated this has been handled in a way that has not given her the opportunity to respond to items that may be harmful to her reputation. Mayor Strickland stated the information is that which was provided in the emails and contained the statements and material that was provided to the Village Attorney to come up with an appropriate information stream to supply tonight. Councilmember Boesch stated that being provided the email yesterday is not enough time to respond to the items that the public is about to hear, which will be one side of the story, and she is not prepared to deal with the allegations and accusations, and it is unfair and unprofessional. Councilmember Drum stated he felt it is irresponsible.

Village Attorney Mike Newman stated he was informed on Thursday afternoon that there was a consensus of the Council seeking direction from him on whether the council had the authority under North Carolina Law to address perceived transgressions by Councilmember of the Code of ethics for the Village of Pinehurst. He stated that he provided the answer of yes to Mayor Strickland and Village Manager Sanborn that Council does have authority to answer these types of issues involving violations of the Code of Ethics. Mr. Newman stated the Code of Ethics for the Village of Pinehurst was adopted in 2010 by the Village Council serving at that time and that was in response to a NC General Statute in 2009 that requires by the following year municipalities have a Code of Ethics adopted which had to include certain items.

Attorney Newman stated that Councilmember Boesch on Sept 8th or 9th requested the Pinehurst police chief meet her at Lake Pinehurst to discuss some issue and when the Chief got there the initial discussion was about the Tree Ordinance Issue and how the delegation to the General Assembly perceived Pinehurst staff's interaction on the tree ordinance issue. He stated it is reported that the conversation then morphed into questions from Councilmember Boesch to the Police Chief involving our Village Manager Jeff Sanborn. He stated the questions specifically addressed whether he had heard anything about the Village Manager's leadership and that people cannot work with the Village Manager. Attorney Newman stated Councilmember Boesch alluded these rumors had started by delegates to the General Assembly. He stated part of this issue is that such a meeting was going to take place and that the other members of Village Council had not been informed of this meeting taking place or of the line of inquiry that would be discussed with the Police Chief.

Attorney Newman stated the questions from Councilmember Boesch to the Police Chief were centered around the working environment within the Village and if the Chief had any knowledge of working relationships that were adversely affected by the Manager's style or whether the environment appeared toxic due to the Manager's style of leadership. The Police Chief reported he had heard no such thing and there were even questions as to whether the former Police Chief had retired because of the Village Manager. Councilmember Boesch stated she did not know where Attorney Newman had got his facts, but they were not accurate and thus she asked how she was to appropriately respond to one-sided, non-accurate information. Attorney Newman stated that, so the record is clear, he was not present at any of the reported discussions, and he is summarizing the statement that was given to the Village Council by the Chief of Police, Glen Webb.

Councilmember Boesch stated she saw the statements of Angie Kantor and Glen Webb and she cannot say they are wrong, but she noted she told Council that she was concerned that the statements are one-sided and being presented to the public before she has been provided the opportunity to give her own statement. Attorney Newman reiterated that he was not saying the incident occurred, the Police Chief is saying this occurred, and thereafter Human Resources Director, Angie Kantor, is saying these things occurred. He noted that by the request of the majority of the Council, he is simply summarizing the written statements, which have been provided to all Council members. Councilmember Boesch again stated she feels the public is not getting both sides of the story. Councilmember Drum stated she is being prosecuted with no witnesses. Attorney Newman again reiterated no one is being prosecuted, that he is merely summarizing the written statements, as he has been directed by the majority of Council to do.

Mayor Strickland stated to Councilmember Boesch that the statements being noted are very consistent with other discussions that Council has had on this point and he did not feel that anything was any different that has been heard tonight than what has already been discussed as a whole Council. Attorney Newman stated that because of the late conversation, Glen Webb expressed that he felt uneasy about the conversation, so much so that he felt he needed to report it to the Human Resources Director, which was done. He stated that unease expressed to Angie Kantor led to Ms. Kantor calling Councilmember Boesch and discussing what she perceived as the impropriety of that meeting and of that type of topic which creates an uncomfortable environment for a staff member to be questioned about his direct Supervisor. Village Attorney stated the two allegations against Councilmember Boesch are what is contained in the Police Chief's statement and Angie Kantor's statement.

Village Attorney Newman stated to Councilmember Drum that he is not here to prosecute him, but to state the allegations that have been brought against you. Councilmember Drum stated he thought it was going to be in closed session or he would have brought some people with him. Mayor Strickland stated it would be more efficient if we handle the issues separately and Attorney Newman stated he provided a copy of 2010's code of ethics which states that council has full authority to decide if conduct falls short of compliance with the code of ethics.

Attorney Newman reported a couple of items Council could take action on, if they choose, was the expectancy that Council be aware of their obligation to conform their behavior to standards of ethical conduct that warrant the trust of their constituents; second, that the Village policy, including personnel policy, must be made and implemented through proper channels and processes of the governmental structure; third, that individual Councilmembers are not allowed to act on behalf of the Council and may do so only if the Council authorizes it; fourth, that the Councilmembers are expected to act as if they are duty as elected officials regardless of where they are or what they are doing; and lastly, that Council will consider improprieties based upon whether a reasonable person, who is aware of all the facts and circumstances surrounding the Council members conduct, would conclude that the action was inappropriate. He stated that is basically the test under the Village of Pinehurst Code of Ethics that was adopted eleven (11) years ago.

Mayor Strickland invited Councilmember Boesch to comment. Councilmember Boesch stated again she had only received the statements yesterday and has not had time to prepare her defense as one side of this two-sided statements is being presented to the public and without her opportunity to provide her side. She states that at a minimum she would like to write her own statement about her conversation with Angie and her conversation with Glen Webb and she would like them both to see read it. Councilmember Boesch stated then at that point Council can decide what to do, but for Council to decide only on their statements hurts her brain. She stated it is unreasonable for her to be given time to write her own statement and have it reviewed. Attorney Newman stated that is a Council decision, not his.

Mayor Strickland said that in earlier conversations Council and he have had with her, he feels these statements are consistent with what has been discussed with her and what she is trying to achieve. He stated the inappropriateness of this behavior prior to tonight and now bringing this to the public is necessary because the ripple effect with the public and staff is detrimental and not good. He further stated that none of the information that she has supplied and that others have supplied have been substantiated in relation to issues with the Village Manager. Mayor Strickland invited Councilmember to provide the comments now that she would like to write in a statement and Council would be happy to discuss them. Councilmember Boesch stated she is not prepared to provide her full and accurate report on the conversations with Angie and Glen and her understanding was that this issue had been resolved.

Councilmember Boesch stated she did not understand the ripple effect the Mayor was alluding to as she had only spoken to Glen Webb and added complaints, she was provided with in the email are a surprise to her. She stated that in the closed session in which her, the Mayor, and Jeff Sanborn met, had resolved this issue and she requested to know who had been talking.

Mayor Pro Tem Davis stated that she understands that she would want time to have more time to respond to the comments, but the heart of the issue is that you acted independently as though you were representing the Village of Pinehurst. Councilmember Boesch denied this. Mayor Pro Tem Davis stated that when a person with authority, such as you, meets with a person of lesser authority, you are presenting yourself not as Lydia Boesch the person, but as Lydia Boesch as the Village Council. Councilmember Boesch asked if Mayor Pro Tem Davis knew her relationship with Glen Webb and Mayor Pro Tem Davis stated we cannot know

that, but the perception is that you cut the whole Council out. Councilmember Boesch stated that she understood that after the discussion in closed sessions that this was resolved and Angie had a plan to write a policy with how we dealt with this and the Mayor, Jeff Sanborn and she met and that was not in closed session where we came to concessions and now it has spun out of control.

Councilmember Boesch stated she needs to know who has been talking and needs more time to prepare her statement. Mayor Pro Tem Davis stated the issue is, not the who, but the act. Councilmember Boesch stated she told Jeff that she owns that mistake and when they met, she was told what her motive was, and she denies that motive and she is not sure how that got morphed and spun. She stated they all concluded there was not a policy for this, and Angie agreed to write a policy. She stated she apologized to Mr. Sanborn, when she found out what they felt her motive was, for the pain and suffering he felt, and reiterated that was not her motive.

Councilmember Drum stated that this is sad that they have already put her through this and now they are doing it again. He stated we all met and agreed on what Councilmember Boesch did, and she accepted what she did so it's like double jeopardy. Mayor Pro Tem Davis stated, we did not put her through it, and we all walked away from that meeting with different impressions. She stated this is the first time she has heard Councilmember Boesch say she owns that. Councilmember Boesch stated following the meeting she told Mr. Sanborn that if someone comes to her about his leadership style, she will tell them time out and tell them that whatever they have to say to her to phrase it so she can communicate it to Mr. Sanborn.

Mayor Pro Tem Davis Judy stated that problems occur with innuendos where people suggest things and the clear fact is that if someone brings information to us that Jeff is a scoundrel, we will have to go to the Mayor and he would talk to the Village Attorney and then a broader strategy including fact finding, data collection, and perhaps an inquiry with Jeff to handle it. Councilmember Boesch stated again that she understands that it was agreed that Angie would write a policy on how to deal with this. Mayor Strickland stated that is correct and is one of the things that will be happening, but there are also other guiding principles here that do not need to wait for that policy.

Councilmember Hogeman said the code of ethics is a way to view ourselves as a council and if we don't maintain that standard then our credibility is lost. She states she is concerned that staff feels like we are going around behind their backs and we want staff to know we will follow the proper channels if there is an issue with staff. Councilmember Boesch asked why we had a closed session if we were just going to rehash this in the public. Mayor Strickland stated you continue to claim that it was not your intention to cause any harm of character to Jeff, but there continues to be a ripple effect, despite the closed session. Councilmember Boesch stated she never intended to hurt Jeff and she stated Jeff admits he has some shortcomings. She stated her goal was if he is 95% perfect then she would make him 96% and the best Village Manager he can possibly be.

Mayor Strickland stated that steps were taken to investigate Mr. Sanborn's leadership method, and no one has stated and that was inappropriate, and no one has substantiated that he is toxic. He stated we want to lay it out on the table that you meant no harm and you found no supporting evidence that Mr. Sanborn is toxic, and that staff should not worry. Councilmember Boesch stated she has always been a listening sponge and people in this Village come and talk to me every day. She stated she fears that some of the things that people are saying to the Mayor are not true and are multiple layers of here say. Councilmember Boesch said that the next time someone says to me anything about his leadership style she would report it to Mr. Sanborn. She said she wants him to be the best he can be. If they have a legitimate concern, she wants to hear it, but she will take it to Mr. Sanborn. She expressed that the Village is blessed to have Mr. Sanborn and she wants him to be the best he can be.

Mayor Strickland asked if Councilmember Boesch found any evidence that Mr. Sanborn is not a good leader etc. and she stated we are coming up on Mr. Sanborn's review and she has questions for Angie about his review. Councilmember Boesch stated she doesn't know if she feels Mr. Sanborn is a perfect leader, but she stated she has questions that will be in the review. Mayor Strickland stated that is a separate issue and Council follows a review process that includes integrity, policy, and the code of ethics is extremely important to follow. He stated that other Councilmembers, her colleagues are saying there was an infraction here and this needs to be settled so the public understands there shouldn't be any innuendos and rumors going around about the Village Manager.

Councilmember Boesch asked how she was in violation of the code of ethics. Attorney Newman stated that the Code of Ethics applies to the entire Council and it is up to the Council to decide what a reasonable person would view if they were on the receiving end of the Councilmembers conduct. He stated that the issue with a Councilmember acting outside of normal employee policy is very problematic and doing so in conjunction with acting unilaterally can lead to instances where a lot of feelings can get hurt, ripple effects occur, and feelings of unease among all the staff. This is why policies are in place, so this ripple effect is avoided.

Councilmember Boesch asked if there is one specific section of the code of ethics, she violated so she knows how to respond. Attorney Newman stated that the relevant portions that could apply should the Councilmember consider to act upon are: that personnel policies should follow the appropriate channels and processes; second, that individual councilmembers are not generally allowed to act on behalf of the entire council but may do so if given the authority of the Council; third, that Councilmembers are expected to act as though they are on duty as elected officials, regardless of where they are or what they are doing; and fourth, that the Council will consider improprieties in terms of whether a reasonable person that is aware of all the facts and circumstances around a Councilmembers actions would conclude the actions were appropriate. Mr. Newman stated he was not here to suggest an action to the council and reiterated that Council can act if council elects to do so.

Councilmember Drum stated he has reported three incidents to the Mayor that Mr. Sanborn was alleged to be leaving and it is possible that some of these things predate this whole thing with Councilmember Boesch. He stated he reported it through the proper processes, and this has been out there prior to this. He stated he reported two incidents to Mr. Sanborn and Mr. Sanborn stated he did not know what Councilmember Drum was talking about. Councilmember Drum stated the Assistant Manager of Southern Pines said I heard Jeff is leaving and someone else in Southern Pines said you were leaving. He stated that Mr. Sanborn and he spoke about it at the Tri-Cities meeting and Mr. Sanborn stated he recalled being approached by the Mayor of Southern Pines after the Tri-Cities meeting and she said, "hey I heard you are leaving." Mr. Sanborn stated he reported that to the Council. He stated to Councilmember Drum that he did not tell him anyone else had said that to him. Councilmember Drum argued he did and said the Vice-Mayor asked two years ago if you were leaving, but he thought he was just looking for a job, so he didn't think it was a big deal and he told Mr. Sanborn about that.

Manager Sanborn asked why this relates to saying that concerns over his leadership have been out there in the past. Councilmember Drum stated I don't think they are accurate and that he is just saying that it is out there. Manager Sanborn stated this is sowing more seeds out there about his leadership and could we just not. Councilmember Drum stated there is no concern and he was just saying that things might have predated this.

Mayor Pro Tem Davis stated that the issue here is about Councilmember Boesch going outside of the process and acting unilaterally. She stated had it been agreed upon by the Council it would have been one thing, but it was not and that is the issue. Mayor Strickland stated his feeling is that he is not the focal point, he is managing this meeting, and from suggestions from other councilmembers that we should have this conversation tonight. Mayor Strickland stated this action is supported by others on the Council. He stated Council has the ability to pass a motion that would point out an infraction or we can take action later, but he wants to make sure we reinforce to the Village Manager that we support him.

Councilmember Boesch stated she wants to point out that she has not said the things that have been said and if those people who are saying these things will come talk to her, she will tell them that Jeff is a great leader, and she is not saying that he is not. Mayor Strickland stated he disagrees with that statement and it is very consistent with what she has told them in other meetings. Mayor Pro Tem Davis stated the concern is that Councilmember Boesch went outside of the process, accepting no boundaries of her role, by going to talk with Glen Webb about his perspective of the Village Manager. Councilmember Boesch stated she owns the mistake she made and if she had to do it over, she would have done it differently, and will not do it again in the future. Mayor Pro Tem Davis stated that unfortunately this will end up being an object lesson for future council members. Councilmember Boesch stated that was good, she was glad, and that it should be.

Mayor Strickland asked does council wish to make a motion to the effect of disagreeing with the actions of Councilmember Boesch in stepping outside of the process or is there some other action we wish to take. Councilmember Drum stated she accepted responsibility. Councilmember Boesch stated she wants time to write her statement before action is taken. Mayor Strickland stated the issue is you went outside logical and known procedures and anything you write in a statement is not going to provide more

clarity in a policy.

Councilmember Hogeman said she can't imagine a reasonable person who heard something about the Village Manager would then take the information to the Police Chief in a private conversation. Councilmember Boesch stated she does not want to go into the reason behind the meeting with Mr. Webb. Mayor Pro Tem Davis said you acted on your own as a maverick in talking to the Police Chief and is not something we want to commend. Mayor Strickland asked if Village Council wants to take action or defer to another time. Mayor Strickland states he would like to see it happen tonight because he does not see the circumstances changing, but he is open to what the Council would like to do. Councilmember Drum said he heard her take responsibility. Councilmember Boesch stated that right now Council does not have a complete written record. Mayor Strickland asked if Village Council wants to take action or defer until receiving a written statement from Councilmember Boesch.

Councilmember Hogeman stated she moves that the Council, having had the statements tonight of Councilmember Boesch, by Village Police Chief Glen Webb, and Village Resource Director Angie Kantor, and having confirmed through the Village Attorney that the Village Council possesses the authority to address perceived transgressions by Councilmembers of the Code of Ethics, reprimand Councilmember Lydia Boesch for her actions circumventing the Village's established personnel policy to ensure that proper channels are followed when evaluating the performance of all Village staff, including the Village Manager, so that all Village employees, agents, and staff are treated fairly and impartially during the evaluation of their respective job performances. These actions unnecessarily and inappropriately create unease and uncertainty among Village staff as to the Village Managers continued employment status and potential impacts across the staff, and they breach the Village's Code of Ethics.

Councilmember Boesch asked who wrote that and noted she never had an opportunity to see it and she felt uneasy about it. Councilmember Hogeman stated she worked on the motion and sent it around. Councilmembers Drum and Boesch stated that had not seen it. Councilmember Drum stated he thought this was against ethics. Councilmember Boesch asked how many days the draft motion had been going around and whose idea was it to write it. Councilmember Drum stated this is further proof it is political. Mayor Strickland stated it is not political. Councilmember Boesch states she does not know what her recourse is, and she does not want to go hire an attorney as she is an attorney, but she will have to think through all this and try to figure out how to respond to this.

Mayor Strickland stated his recommendation is to await a statement from Councilmember Boesch and any motion we want to make be worked on and circulated and we take up this matter at our next meeting on October 26th or at an interim meeting before them. Councilmember Boesch stated she would like to see a copy of the motion Councilmember Hogeman wrote. Councilmember Drum stated that he feels it is an ethics violation that the motion was not shared with all the Council.

Mayor Strickland stated the next issue to discuss which involves Councilmember Drum in which he entered into a series of intimidating and some may say threatening emails with the President and the Board of Pinehurst Business Partners. He reported these emails came from his business account, not his government account, but noted our Code of Ethics states Councilmembers are to conform their behavior to standards of ethical conduct that warrant the trust of their constituents and behave consistently with respect toward everyone.

Attorney Mike Newman stated this issue appears to have arisen from an email sent out on September 16th to the Pinehurst Business Partners regarding a meet and greet for a candidate who is running for Village Council, not Mr. Drum. He stated Councilmember Drum is a member of the Pinehurst business partners and when the President sent the eblast out for another candidate, Councilmember Drum voiced some dissatisfaction with the Board getting involved in politics. Mr. Newman stated that he again wants to state that he is not prosecuting someone, but stating the information Council has received, including all the email strings that transpired, and statements from Jim Nash and Katrin, have been provided to all Councilmembers.

Attorney Newman stated the conversation quickly escalated with a back-and-forth exchange in which Councilmember Drum makes demands that members resign, and a new election take place, including the comment that we need smart people running this operation. Attorney Newman summarized Jim Nash's statement which stated he characterized Councilmember Drums behavior as bullying and threatening. He summarized Katrin's statement as characterizing Councilmember Drums behavior as intimidating, abusive and threatening.

Village Attorney Newman stated based upon the actions by Councilmember Drum with respect to the applicable code of ethics, Council could, if they choose, take action based upon sections in the code which state: one, a Councilmember must be aware of their obligation to conform their behavior to standards of ethical conduct that warrant the trust of their constituents; two, Councilmembers must behave consistently and with respect toward everyone with which they interact; three, Councilmembers must live as if they are duty as elected officials, regardless of where they are or what they are doing; and lastly, that the Council will consider improprieties on whether a reasonable person aware of all the facts and circumstances surrounding the Councilmembers actions would conclude if the Councilmembers actions were appropriate.

Councilmember Drum stated he is a successful businessman, and he wants businesses to run properly. He stated he was upset that an organization that was designed to market all businesses would single out one. He stated he runs Old Town Pinehurst Facebook Page and when he ran two elections he was never on that page. He stated he owns the Drum and Quill, and it has never been on that page. Councilmember Drum stated this is an organization designed to promote all, major events, the concourse, etc. and he feels it is a breach of integrity and he stated he wears a Celtic ring that stands for integrity. He stated he feels this organization has lost its integrity. He stated he attended the meeting thinking everything has been worked out and then he found out that they approached the Village with a Golf Cart proposal that they admitted would not work.

Councilmember Drum stated this was upsetting to him that they also stated the Village wasn't doing anything about parking, and he noted he made comments that the owners there had the ability to change the parking issue by asking their employees to park in the parking lot. He stated his emotions got the best of him and he was shocked how it extended so far into my personal life, not the village life. He stated he takes responsibility for his actions and agrees with the code of ethics and he now understands the implications and he knows he needs to be more professional. Councilmember Drum stated he heard a lot of lies and misinformation at the meetings and it was very upsetting to him. He stated after reading through the emails he agrees he just didn't think he understood the implications of his behavior. He stated he wants that organization to succeed.

Mayor Strickland asked the Village Attorney how our code of ethics need to be part of all our activities. Attorney Newman stated we all tend to forget that although we think we are wearing a different hat during different circumstances, most outsiders will see us as the Councilmember or the Mayor and so he would stress to the council to never assume that because you have internally changed the hat, that outsiders will know that. Councilmember Drum stated he admits that was how he was operating, with his hat off.

Councilmember Boesch stated that it would be good for Council to refamiliarize themselves with this annually because you forget. Councilmember Hogeman agreed this was a good idea. Councilmember Drum stated he owns his behaviors, and he treasures being a Village Council member and wants to do what is best for the community and for businesses. He stated he wants to make this organization better and he is concerned about that organization.

Mayor Pro Tem Davis said she appreciates that Councilmember Drum took ownership of what wasn't as obvious to you, although she stated in today's modern society its really hard to think that you could compartmentalize yourself like that; we have a number of people like that in the NFL that tried to compartmentalize themselves that are out of jobs and looking pretty shaky in their jobs. She stated it should not be deemed unreasonable of Council to expect you to control your email and anger and show a lack of respect.

Mayor Pro Tem Davis said she feels like we need to take action on both of these actions in a measured way and a respective way recognizing that she would like some time to work that out. Councilmember Drum stated there are two very different instances. Mayor Strickland said the consensus of council is to defer action on Councilmember Drum for next meeting and for Councilmember Boesch we will await on her statement. Councilmember Drum asked if he could speak to Attorney Newman before the next meeting and do I have to go through the Village Manager. Mayor Strickland stated that would be a wise decision.

11. Comments from Attendees.

- No comments

12. Motion to Adjourn.

Upon a motion by Councilmember Boesch, seconded by Councilmember Hogeman, Council unanimously approved to adjourn the regular meeting by a vote of 5-0 at 7.39 p.m.

Respectfully Submitted,



Kelly Chance,
Village Clerk

A videotape of this meeting is located on the Village website: www.vopnc.org

Vision: The Village of Pinehurst is a charming, vibrant community, which reflects our rich history and traditions.

Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.

Values: Service, Initiative, Teamwork, and Improvement