



**VILLAGE COUNCIL
MINUTES FOR REGULAR MEETING OF MAY 10, 2022
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, May 10, 2022 in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina.

The following were in attendance in Assembly Hall:

Mr. John C. Strickland, Mayor
Mr. Patrick Pizzella, Mayor Pro Tem
Ms. Lydia Boesch, Councilmember
Mr. Jeff Morgan, Councilmember
Ms. Jane Hogeman, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Kelly Chance, Village Clerk

And approximately 22 attendees, including 6 staff and 1 press

1. Call to Order.

Mayor Strickland called the Village Council meeting to order.

2. Reports:

Village Manager

- Mr. Jeff Sanborn had nothing to report.

Village Council

- Mayor Strickland reported he attended a Partners in Progress meeting today with Mayor Pro Tem Pizzella.
- Mayor Pro Tem Pizzella reported at the Partners in Progress meeting today, the discussion was around the observation that the outlying counties have an increase in building, and we should expect to see some of this spill-over into Moore County. He noted this will present some opportunities and challenges. He stated he attended the Spring Garden party at the arboretum and was impressed with the upcoming projects. Mayor Pro Tem Pizzella attended the Moore County Education Summit and was excited about the wide array choices of education options available in Moore County. He met with Keep Moore County Beautiful representative and is looking forward to learning more about their work. Mayor Pro Tem Pizzella stated he attended the Planning and Zoning Board meeting where discussion was around the Small Area Plan, and he reported we had a record number of viewers watching the last Council meeting. He noted that a resident reported the fee for a permit to fix his roof was \$500 and we may want to review these fees.
- Councilmember Boesch reported she attended the Bicycle and Pedestrian Advisory Committee yesterday and they expressed their gratitude for Council's approval of extending the walkway along Pine Vista and McKenzie. She noted they looked at a list of potential projects and prioritized them for staff to look at and consider feasibility.

- Councilmember Morgan had nothing to report.
- Councilmember Hogeman had nothing to report.

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.

- A. Approval of Village Council Meeting Minutes.
- April 26, 2022, Council Regular Meeting
 - April 26, 2022, Council Work Session
 - April 26, 2022, Council Closed Session

End of Consent Agenda.

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

4. Discuss and Consider Partners in Progress Economic Development Agreement.

Jeff Sanborn, Village Manager, and Natalie Hawkins, Executive Director of Partners in Progress, presented Council with a formal agreement between Partners in Progress to undertake economic services. Ms. Hawkins noted that we have five governments and the county of Moore who participate with Partners in Progress, and they have developed a draft agreement that outlines their services and the fees for these services. She noted the Village has partnered with them and she looks forward to continuing this work.

Upon a motion by Councilmember Boesch, seconded by Mayor Pro Tem Pizzella, Council unanimously approved to authorize the mayor or his designee to execute a one-year agreement, from July 1, 2022 to June 30, 2023, with Partners in Progress, for an appropriation of \$23,100.00, to undertake efforts to promote economic development within the Village and its Extraterritorial Jurisdiction, by a vote of 5-0.

5. Discuss and Consider Resolution 22-09 Appointment to the Pinehurst Historic Preservation Commission.

Jeff Sanborn, Village Manager introduced Ms. Cara Mathis as a candidate to fill a vacancy on the Pinehurst Historic Preservation Commission effective June 1, 2022 and expiring on May 31, 2024. He stated the HPC Chair Eric Von Salzen, Planning, and Inspections Staff Alex, and he interviewed Ms. Mathis a few years ago and staff has recommended Council consider her for the vacancy.

Ms. Mathis provided a brief overview of her interest and skillsets as a sketch artist in architecture and noted she loves Pinehurst and is excited about the opportunity to help foster her interest in historic homes in the Village. She stated her background is in linguistics and criminology and had worked for the FBI for 10 years. She stated she also did marketing for the Pines preservation guild and looks forward to helping the community learn more about the processes for making changes to their properties.

Councilmember Boesch thanked her for her willingness to serve and Mayor Pro Tem Pizzella asked her if she is willing to have her name and information included on the Village website to help with transparency. Mayor Pro Tem Pizzella also noted that those on the Advisory committees are under the same rules as the village when it comes to the subject of the Public Records Act. He notes he was not aware of that, and he just wanted others to know that.

Councilmember Hogeman thanked her for her willingness to serve and stated that we have a large section of the Village that is an overlay section deemed the Historic District. She noted this area is under a strict set of guidelines and standards as to the appearance of the buildings. She noted the Commission works very hard to keep up to date with its standards and to make

sure that they're doing the job they're meant to do.

Upon a motion by Mayor Pro Tem Pizzella, seconded by Councilmember Morgan, Council unanimously approved Resolution 22-09, appointing Cara Mathis to the Historic Preservation Commission for a two-year term, effective June 1, 2022 and expiring on May 31, 2024, by a vote of 5-0.

6. Discuss and Consider Resolution 22-10 QBS Exemption for CMS Engineering

Jeff Sanborn stated every year the Village commissions a study on of the traffic on most of the intersections on the state highways that traverse the Village of Pinehurst. Each year we do half of them and this year it is time to renew that contract. Jeff Batton, Assistant Village Manager of Operations presented a proposal to approve a qualifications-based selection exemption for CMS engineering, who has done this work for the Village in the past.

Mr. Batton noted that CMS Engineering has been our preferred traffic engineering firm to study these intersections and General statutes in North Carolina say that engineers, architects, and surveyors must be selected based on qualifications unless we seek this exemption from Council. He reported CMS has been doing this work since 2005 for the village and has all the background data to be informed and all the analysis associated with how the intersections level of services have changed.

Mayor Pro Tem Pizzella stated that since we have used the same firm for 17 years, he would like to see the Village consider bidding this out next year, not precluding CMS from winning. Mr. Batton stated there are other companies or engineering firms out there that would be qualified to do this work, but we cannot bid this project out, we must select based on qualifications and then negotiate a price.

Upon a motion by Mayor Pro Tem Pizzella, seconded by Councilmember Hogeman, Council unanimously approved Resolution 22-10, granting a qualification-based selection (QBS) exemption to allow staff to contract directly with CMS Engineering to conduct traffic studies at specific intersections within the Village of Pinehurst, by a vote of 5-0.

7. Discussion of and Approval of the Request for Qualifications for Library and Archives Design Services

Doug Willardson, Assistant Village Manager of Administration, reported staff developed a request for qualification (RFQ) in which proposals will come back and be evaluated on the quality of the submittal. He noted then staff will negotiate the best price we can get with them. He stated several edits and amendments were made by Council members and noted there is \$400,000 in the budget as a placeholder for this item. Councilmember expressed an interest in the awardee having a vested interest in North Carolina and perhaps even in this area.

Upon a motion by Councilmember Boesch, seconded by Mayor Pro Tem Patrick Pizzella, Council unanimously approved the issuance of the Request for Qualifications for Library and Archives Design Services as presented, by a vote of 5-0.

8. Presentation of the Fiscal Year 2023 Budget and Strategic Operating Plan

Jeff Sanborn, Village Manager, presented the draft Fiscal Year 2023 Budget and Five-year Strategic Operating Plan. He covered the strategic direction the Village is going, the five-year plan, financial forecast, and discussed the next steps. He noted there is a special revenue fund this year that is specifically associated with the American Rescue Plan Act funding that we are receiving about \$5.3 million. He stated the idea is that we must hold that money in a special project in a special revenue fund until we can appropriately move it over into the general fund for the expenditures that are programmed.

Mr. Sanborn reported the 2023 budget is looking at about \$27.1 million, which is 6% above the amended general fund budget that we arrived at as of December 31. He stated the property tax rate for 2023 that staff is recommending is 31 cents, a reduction of one-half cent from what it is currently, and a reduction of one full penny compared to what we were projecting at this time last year for this coming year. He noted this year there is zero dollars of appropriated fund balance built into the budget due to the American Rescue Plan Act funds. Mr. Sanborn stated 4.3 million of the ARPA funds will be incorporated into this year's budget and the remainder into the following year.

Mr. Sanborn reported some of the capital plans for the upcoming year will be the update to the PDO, completion of the Small Area Plans for Village Place and Rattlesnake Trail Corridor, and the Pinehurst Highway Five Commercial area. He noted other items include expanding and renovating the Given Tufts Library, retrofitting current athletic fields with synthetic turf, and relocation of the public services complex by purchasing potential land for its placement.

Mr. Sanborn stated there are two-fulltime equivalents in this year's budget for two new police patrol officers and the cost for the 100% of employee health and dental insurance policy costs. He noted this also factors in an expectation of a 10% increase when we renegotiate in the November-December timeframe.

Mr. Sanborn noted when you look at expenditures by function, as is always the case, public safety is the largest component of our expenditures, coming in at 33%. He noted like past years, cultural and recreational programs come in second, a little bit larger this year because of the incorporation of Library and Archives services. He stated next is transportation at about 19%, including road resurfacing, and patching and repairs to roadways and other minor transportation related things that we would pay for. Mr. Sanborn noted the three significantly smaller components of the pie were environmental protection, economic development in general government, which is your admin functions, or finance functions, or human resources functions, and IT functions not directly allocated to the requirements of the other departments in the village.

Mr. Sanborn stated that in the five-year financial forecast, we will work to meet three primary targets regarding some of these metrics, fund balance, operating margins, and debt service ratios. He stated the next steps are to attend the Special Meeting Work sessions scheduled for May 16th and May 18th to allow Council to make any suggested changes, and then a public hearing will occur on May 24th during the regularly scheduled Council meeting. He noted the budget will then be presented for Council approval during the first regularly scheduled meeting in June.

9. Other Business. No other business was discussed.

10. Comments from Attendees.

- Cliff Sumrall, 12 LaCosta Ln, addressed Council on short-term rentals, reading a quote from an article written by Rebecca Badgett, UNC School of Government, and suggesting Council understand short-term rental is a commercial use that is prohibited in residential use. He wants to see short-term rentals out of residential districts.
- Phillip Sounia, 29 Bedford Circle, addressed Council on short-term rentals about public policy. He noted he has been doing an extensive amount of background research which shows we are approaching an impending recession. Mr. Sounia states he excluded all data supplied that was funded opinion and concentrated on academic works that are accurate. He noted that shows that those who have banned short-term rentals have experienced property value drops. He stated Council needs to see that
- David Byers, 125 McCaskill Rd. W, addressed Council about short-term rentals, stating he has previously spoke on some issues that he had encountered with a neighboring STR. He stated his complaints are real and he shared a recent incident which an inappropriate remark was made from a STR guest. He stated he feels this is a serious issue and is not all about money.
- Jeff Heintz, 225 Lake Forest Dr. SW, addressed Council about short-term rentals, stating we should think about what the previous speaker said.
- Pete Green, 700 Linden Rd, addressed Council about short-term rentals, as a previous condo owner that he rented out, and as a neighbor of two short-term rentals. He described issues with noise, parking, and marijuana usage resulting in smell. He asked Council to do something to regulate these STRs.
- Laura Sumrall, Pinehurst, addressed Council about Short-term rentals, stating it is a zoning issue and she would like to see them not in residential neighborhoods and isolate them in certain neighborhoods.
- Cara Mathis, Pinehurst, addressed Council about Short-term rentals, stating she does acknowledge there are issues, but she also does have an Airbnb.
- Matt Kenney, 60 Barrett Road W, addressed Council about short-term rentals, providing an economic breakdown on what his short-term rental brings to the Village and states he does operate his short-term rental responsibly.

11. Motion to Adjourn.

Upon a motion by Councilmember Hogeman, seconded by Mayor Pro Tem Pizzella, Council unanimously approved to adjourn the regular meeting by a vote of 5-0 at 6:49 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