



**VILLAGE COUNCIL
AGENDA FOR REGULAR MEETING OF NOVEMBER 14, 2017
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, November 14, 2017 in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following were in attendance:

Ms. Nancy Roy Fiorillo, Mayor
Ms. Claire L. Berggren, Councilmember
Mr. John Bouldry, Treasurer
Mr. Clark H. Campbell, Councilmember
Mr. John R. Cashion, Mayor Pro-Tem
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Lauren M. Craig, Village Clerk

And approximately 26 attendees, including 7 staff and 1 press.

1. Call to Order.

Mayor Nancy Roy Fiorillo called the meeting to order.

2. Invocation and Pledge of Allegiance.

Pastor David Beam of Pinehurst United Methodist Church led the invocation and Mayor Fiorillo led everyone in the Pledge of Allegiance.

3. Reports:

Manager

- Jeff Sanborn said he met with Paul Sabiston, Manager of Aberdeen and Reagan Parsons, Manager of Southern Pines and representatives from the Triangle J COG on a tri-community partnership and they have a draft charter and this will be taken to the three municipalities to review and adopt. He also explained the group discussed potential topics to include in this partnership.

Council

- Councilmember Bouldry extended a thank you to Clark and Claire for their diligent service on the Village Council.
- Mayor Fiorillo said the Vet Fest activities were very successful last weekend.

4. 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. Public Safety Reports.
 - Police Department
 - Fire Department
- B. Approval of Draft Village Council Meeting Minutes.
 - October 10 Work Session
 - October 24 Regular Meeting

End of Consent Agenda.

Upon a motion by Councilmember Cashion, seconded by Councilmember Campbell, Council unanimously approved the Consent Agenda by a vote of 5-0.

5. **Consider a request by the Resorts of Pinehurst, Inc. for a Special Intensity Allocation for the Pinehurst Brewery.** The Resorts of Pinehurst is seeking a Special Intensity Allocation (SIA) pursuant to Section 8.3.3.5(c)(2) of the Pinehurst Development Ordinance (PDO) for the renovation of the Pinehurst Steam Plant. This will enable the construction of the Pinehurst Brewery and associated infrastructure. The project is located at 300 Magnolia Rd and located within the Watershed Protection Overlay District III (WS III). Attached to this memorandum is an explanation of the project and the history of all SIA's within the WS III.

Principal Planner Bruce Gould explained projects periodically come before the Council who wish to seek a Special Intensity Allocation. Mr. Gould shared the concept plan to share what this approval would allow. The project received the erosion control permit today and the pre-construction conference is being held tomorrow. With the granting this SIA, 209 acres will be remaining for intensity allocation remainder and staff has no concerns about the Council proceeding with taking action today.

Upon a motion by Councilmember Campbell, seconded by Councilmember Berggren, Council unanimously approved the Special Intensity Allocation for the renovation of the Pinehurst Steam Plant to enable the construction of the Pinehurst Brewery and associated infrastructure located at 300 Magnolia Road as outlined in the memorandum prepared and submitted by the Planning and Inspections Department dated November 7, 2017 by a vote of 5-0.

6. **Presentation of the Comprehensive Annual Financial Report (CAFR) and Financial Condition Assessment.** John Frye, Financial Services Director, presented the Village's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2017. He said these financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with Government Auditing Standards by a firm of licensed certified public accountants.

Mr. John Frank of Dixon Hughes Goodman, LLP presented the firm's opinion on these statements and noted they have issued a clean audit this year. He also noted that overall the financial condition of the Village did improve. He gave a few updates upon the findings of the audit and said it went very smoothly. Council thanked the Financial Services Department for their work on this.

John Frye presented the financial condition assessment. The presentation provided five-year trend information from the CAFR in a graphical format with comparative data from peer municipalities. Mr. Frye shared our resource flow and resource stock. He summarized that the Village has lived within its means and has improved its financial condition compared to its peers. Mr. Frye recommended the Village seek to maintain fund balance according to our five-year plan, closely monitor our operating revenue growth, and remain vigilant in controlling operating expenditures.

7. **Q1 Update on the Status of the FY 2018 Strategic Operating Plan Implementation.** Assistant Village Manager Natalie Hawkins presented the Q1 update on the status of the implementation of the FY 2018 Strategic Operating Plan (SOP) Initiative Action Plans (IAPs). She said the report indicates the status of Initiative Action Plans at September 30th which showed 9 - In progress and on schedule (69%) and 4 - In progress and not on schedule (31%). She noted overall, 10 out of 12 Initiative Action Plans achieved the projected performance results in Q1 FY 2018. She explained only one Initiative Action Plan modification made this quarter to combine Land Use Planning and Long-Range Comprehensive Planning into a single IAP based on Council direction in September. Council thanked Ms. Hawkins for this update.

8. **Discuss and consider contracts for the citizen and business surveys.**

John Frye explained for the past six years, the Village has conducted resident and business surveys to gather information on how well we are meeting our customer's needs and expectations. He noted the current contract has expired and staff recommends that the Village again enter into contracts with ETC Institute of Olathe Kansas for our resident and business surveys for the next three year period. He noted ETC is requesting a 5% increase over the contract amount from three years ago and is locking that amount for the next three year period. He also shared staff elected to increase the number of completed surveys under the resident's survey contract from 400 to 700 at a cost of \$4,600 per year. Upon a motion by Councilmember Berggren, seconded by Councilmember Cashion, Council unanimously approved that the Mayor or her designee be authorized to execute the contracts with ETC Institute for the resident and business surveys for 2018, 2019, and 2020 by a vote of 4-1 with Councilmember Campbell casting the dissent vote.

9. **Discuss Land Use Fiscal Analysis.**

Natalie Hawkins presented an overview of the FY 2017 Land Use Fiscal Analysis. Ms. Hawkins explained the purpose, methodology, and the significant assumptions for the analysis. Ms. Hawkins explained the existing land uses categories and the land use characteristics that were from GIS data. She explained overall findings is that it's the population associated with residential land uses that generates more net revenue for the Village than non-residential uses. Ms. Hawkins said this is just one factor for leaders to consider when trying to decide the best use of a piece of property. Jeff Sanborn explained John Frye has been working

specifically on developing a tool to determine the estimated financial impact of a specific development using the results of the 2017 Land Use Fiscal Analysis and specifically have used this to analyze the Greens project, the Senior Apartments, and the Royal Oaks development. Mr. Frye shared the financial impact summary for each development. Council held a discussion about this presentation.

Audience member Jason Kaufman said the assumptions of the multi-family development groups townhomes and condos together. He also asked about the vacancy rates and he said we aren't taking into account short-term rentals or second houses. He suggested making the Excel sheets available to better understand some of the numbers and where they came from regarding expenditures. Audience member John Taylor asked about the per acre value and the question of this analysis. He asked if there are ordinances that govern occupancy of a particular unit. Audience member Leo Santowasso said this is going to be an item in the process that will help with overall planning for the community and he asked when this would get applied in the planning process. Audience member Kevin Drum said we should all be careful of taking one page of data and not looking at the aggregate data because it is correct.

10. Other Business.

Mayor Fiorillo shared that the Village of Pinehurst recently lost a very special resident, Doug Middaugh and she offered condolences to the family upon their loss.

Councilmember Bouldry explained Jason Whitaker undertook a review based on a CIO professional journal and he has provided a quick assessment about how well we are prepared for cyber-attacks. Mayor Fiorillo noted the Village has received 2nd place for the Digital Cities award in the country based on municipalities of 75,000 or less.

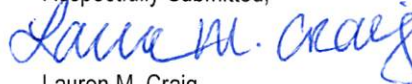
11. Comments from Attendees.

- Audience member Jeanne Casinella said that we are growing and she is asking for Council to address growing the Police Department because they need police and enforcement of speeding and safe neighborhoods.
- John Taylor asked about annexation and about the net position for a pension fund.

12. Motion to Adjourn.

Upon a motion by Councilmember Berggren, seconded by Councilmember Cashion, Council approved to adjourn the Regular Meeting by a vote of 5-0 at 6:25pm.

Respectfully Submitted,



Lauren M. Craig
Village Clerk

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