MINUTES OF
VILLAGE COUNCIL WORK SESSION
NOVEMBER 12, 2013

395 MAGNOLIA ROAD
ASSEMBLY HALL
PINEHURST, NORTH CAROLINA
9:00 A.M.

The Pinehurst Village Council held a Work Session at 9:00 a.m., Tuesday, November 12, 2013 in the Assembly Hall of the Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following were in attendance:

Ms. Nancy Roy Fiorillo, Mayor
Mr. John R. Cashion, Councilmember
Mr. Mark W. Parson, Councilmember
Mr. John C. Strickland, Councilmember
Mr. Andrew M. Wilkison, Village Manager
Ms. Lauren M. Craig, Village Clerk

Excused absence: Mr. Douglas A. Lapins, Mayor Pro-Tem

And approximately 26 attendees, including 7 staff and 2 press.

1. Call to Order.

Mayor Nancy Roy Fiorillo called the meeting to order. Mayor Fiorillo presented Councilmember Parson with a framed concert on the Village Green Mayor Fiorillo noted the Village Green and concert on the Village Green as to major projects that he contributed to and Council recognized him for all of the things that he has done for the Village.

2. 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. Resolution #13-45: Appointment to the Village Center Enhancement Committee (Drum)

B. Budget amendment to reclassify capital items as maintenance

C. Purchasing Policy and Procedures Update

End of Consent Agenda

Councilmember Strickland moved to approve the Consent Agenda. The motion was seconded by Councilmember Cashion and passed unanimously with a vote of 4-0.

3. Reports

Manager

- Would like to discuss the project for NCDOT for the signal devices that were budgeted for the Fire Department under Other Business as well as a possible municipal code amendment pertaining to our noise ordinance.

Council

- Councilmember Strickland noted his appreciation for the Beautification Committee and the CAC.
- Councilmember Cashion noted the outstanding turnout for the concert for the Veterans Day Concert.

- Mayor Fiorillo noted that the Carolina Philharmonic played a major role in the Concert on the Village Green that was recognized for Mark Parson.
- Mayor Fiorillo also commented on the excellent events over the weekend for Veterans Weekend.

4. Interview for appointment to Historic Preservation Commission (Resolution 13-46; John Farrell)

The Manager explained the reason to interview John Farrell for the Historic Preservation Commission and the vacancy that he would be filling. Howard Warren also endorsed this appointment. After general comments by Council, Councilmember Strickland made a motion to approve Resolution 13-46 appointing John Farrell to the Historic Preservation Commission, seconded by Councilmember Cashion, and Council unanimously approved with a vote of 4-0. (A copy of the resolution is found in the Resolution Book.)

5. Cotswold Annexation discussion

The Manager explained the meetings that have been held regarding the voluntary annexation of Cotswold. The Manager noted the need for storm water management and maintenance of roads and that all parties are in agreement with the terms. He explained that this would need to be passed through the General Assembly which Representative Boles has agreed to consider this after the first of the year. Cotswold Home Owners Association (HOA), Mr. John Scanlon, represented the property owners and commented on the reasons his community would like to be a part of Pinehurst.

Audience member Doug Middaugh inquired about the status of the three items that he had emailed to Council and the Manager clarified the decisions on each of these items including maintenance of the roads. Mr. Middaugh inquired if Phase 1 will be accepted in their current condition, the Manager explained that it would and that the condition would be available to him if he was interested in reviewing it. Andy Wilkison noted that the intention of the Village is to take over the roads and other areas would remain common areas such as the recreation spaces. Mr. Middaugh inquired how Cotswold averaged for Phase 1 compared to the other areas of the Village.

Audience member Jack Farrell asked if this was not a contiguous annexation and it was clarified by Council that it is not contiguous. He also asked about the tax revenue net increase for the Village and Andy Wilkison noted approximately $62,000 estimated property tax increase per year.

Upon a motion by Councilmember Cashion, seconded by Councilmember Strickland, Council authorized the Mayor, or her designee, to execute the term sheet with Cotswold of Pinehurst Homeowners Association and Planet development by a unanimous vote of 4-0.

6. Comprehensive Annual Financial Report (CAFR) and Financial Condition Assessment

John Frye, Director of Financial Services, and Jennifer Lambeth from Dixon Hughes Goodman, LLP presented the Comprehensive Annual Financial Report for the Village of Pinehurst. Jennifer Lambeth reviewed the opinion letter from the auditors and explained the consideration taken for the opinions. Jennifer Lambeth reviewed the required auditor communications letter.

John Frye presented the financial condition assessment for the Village of Pinehurst to show the benchmark data and trends. Mr. Frye explained the summary compared to the peers of the Village. Councilmember Strickland commented that for future discussions that he would like to focus on our fixed costs including the pension obligations or anything that we cannot control but the Village is financially obligated to fulfill in the future.

Audience member Doug Middaugh commented that the capital appreciation ratio and asked if we dropped buildings out of this mix what this percentage would be.

7. Community Survey Results Presentation

John Frye, Director of Financial Services and Karen Falk, Vice President with ETC Institute presented the community survey results to Council. Ms. Falk explained the methodology of the survey that was mailed to the randomly selected households and the trends compared to the results of last year. She also shared the resident response for the importance of each priority for the Village and satisfaction levels of services. Karen Falk also explained the GAP analysis results for Pinehurst. Ms. Falk covered the perceptions of the community, opinions of public safety, cultural recreation services, public services, communication, solid waste services, downtown parking, level of satisfaction with value residents receive for the portion of property taxes paid, and perceptions of Village leadership. Council noted appreciation for this data for making future decisions for the Village.

Audience member Doug Middaugh said police visibility is skewed because it may be a Citizen on Patrol. Audience member Jeanne Casinella noted we are a community that stays in our home and our residents may not see the police going by and patrolling and the communication for this is very important.

Audience member Jack Farrell said there is great satisfaction of a place to live, happy with single family residential development, and highly satisfied with the status quo, and most importantly happy with efforts to maintain the quality of the present neighborhoods.

8. Budget Amendment-Condo Corrals and Carts

Jeff Batton, Assistant Village Manager explained the budget amendment for condo corrals and carts. This is the first step to implement the new solid waste management program. Upon a motion by Councilmember Strickland, seconded by Councilmember Parson, Council unanimously approved Ordinance #13-35 for the purpose of building cart corrals and supplying carts to condominiums for solid waste collection services by a vote of 4-0. (A copy of the ordinance is found in the Ordinance Book.)

9. Budget Amendment - Fleet Capital Reduction

Jeff Batton, Assistant Village Manager explained the budget amendment for fleet capital reduction. Upon a motion by Councilmember Strickland, seconded by Councilmember Parson, Council unanimously approved Ordinance #13-42 reducing the fleet department capital budget for vehicles for fiscal year 2014 by a vote of 4-0. (A copy of the ordinance is found in the Ordinance Book.)

10. Amendment to Fees and Charges Schedule

Jeff Batton, Assistant Village Manager explained the need to amend the Fees and Charges Schedule per the conversation at the last Council meeting to reduce the water sewer inspection fees and tap inspection fees. Upon a motion by Councilmember Parson, seconded by Councilmember Cashion, Council unanimously approved Resolution #13-49 amending the Village of Pinehurst Fees and Charges Schedule by a vote of 4-0. (A copy of the resolution is found in the Resolution Book.)

11. Risk Management Annual Report

Jeff Batton, Assistant Village Manager introduced the Risk Management Committee, explained their purpose, and their work on the annual report. He noted that the employee health and dental insurance benefit plans were taken to bid and the committee was very pleased that the rates came back flat. There are cost increases related to the Affordable Care Act but these were absorbed in the rate. Changes that were noted included: co-pays for prescription items and Emergency Room, and changing to 70/30 split for co-insurance. The dental insurance has a two year rate guarantee. Jeff Batton explained that business insurance is evaluated on a fiscal year basis which includes all liability and property insurance and workers comp. Jeff Batton explained the role of the Wellness Committee to promote wellness for employees and the Safety Committee that performs monthly safety audits rotating to different departments. Upon a motion by Councilmember Cashion, seconded by Councilmember Strickland, Council unanimously approved to authorize Mayor or her designee, to execute all agreements and contracts with Blue Cross/Blue Shield of NC for the provision of employee medical insurance benefits for calendar year 2014 by a vote of 4-0.

The Manager noted that the Affordable Care Act is going to change a benefit that the Village has offered in the past, a cash option benefit. Council would like to consider this further in the next work session.

12. Discuss Paving/Striping Options for Dept. Store Parking

Jeff Batton, Assistant Village Manager updated Council on a conversation with Marty McKenzie regarding the appearance of parking area in front of the Department Store building. He explained the two options of repaving the full parking area or sealing and striping it instead. Council provided a consensus to move forward with the sealing and striping only.

13. Wayfinding Sign Program

Jeff Batton, Assistant Village Manager presented the proposals from the Hayter Firm for the wayfinding signs in the Village. He noted that the signs focus on three primary routes: NC 2, NC 211, and NC5 and how to direct traffic to minimize the signs needed. Jeff Batton explained that these signs and materials have all been approved by NCDOT. Council had a general discussion about the size of the proposed signs and the staked stone gardens that are proposed to be removed. Council provided a consensus to move forward with the plans except the removal of the stone stacked planters.

Mayor Fiorillo requested signage for the Welcome Center at the Theater Building. Robert Hayter agreed to convene a focus group for a sign.

Audience member Doug Middaugh explained that the visitors coming out of the hospital campus and going to either Hwy 211 or Hwy 15-501 are left without directional signage.

Audience member Jack Farrell made a comment about the necessity for the "stay ahead" signs on Hwy 5 and the concern that there needs to be prior notice for major turns. Mr. Farrell also inquired about the historic district signs and Jeff Batton said they are intended to remain but turn 180 degrees. Mr. Farrell also asked about the use of the kiosk or need to have another kiosk closer to the Welcome Center.

14. Resolution 13-47 Declaring Intent to Consider Closing and Abandoning a Portion of Village Green Road and Palmetto Road.

The Manager explained the consideration for Resolution 13-47 to declare the intent to consider closing and abandoning a portion of Village Green Road and Palmetto Road as was brought up at a past work session. He explained this would be an agreement with Farrell Bushing, the Village of Pinehurst, and Pinehurst Resort. He explained the survey is being prepared for this and if Council enacts the resolution it will start the process and have a public hearing on December 10.

Audience member Jack Farrell said this road is right next to the Pinehurst #2 tee and these owners gain a valuable piece of property and it would be practical for the resort to extend the parcel to the Women's Exchange.

Council determined not to take action and to hold this item for a future meeting.

15. Resolution 13-50 Scheduling the Organizational Meeting

The Manager explained that the need to consider Resolution 13-50. Upon motion by Councilmember Strickland, seconded by Councilmember Cashion, Resolution 13-50 scheduling the Organizational Meeting for Monday, November 18 at 12:45pm in Assembly Hall was unanimously approved by a vote of 4-0. (A copy of the resolution is found in the Resolution Book.)

16. Preview of Regular Meeting Agenda.

The Council did not preview the Regular Meeting Agenda for November 12, 2013.

17. Other Business

There was no other business.

18. Comments from attendees.

- Audience member Doug Middaugh inquired about the public restrooms and if we would have a formal document to list the proposed changes of the PDO that have been discussed.

19. Motion to go into Closed Session pursuant to NCGS 143-318.11 (a) (3) to consult with the Village Attorney in order to preserve the attorney-client privilege between the Village Attorney and the Village Council.

Specifically the Village Attorney will discuss with the Council the litigation between the estate of Ronald H. Armstrong, by and through his Administratrix, Jinia Armstrong Lopez, Plaintiff, v. The Village of Pinehurst et al, Defendants, and a potential claim of Align Development, LLC, Julie Sutton, et al against the Village of Pinehurst, NC.

Councilmember Strickland moved to go into Closed Session. The motion was seconded by Councilmember Cashion and carried unanimously.

20. Adjournment.

Councilmember Cashion moved to close the Closed Session and adjourn the Work Session. The motion was seconded by Councilmember Strickland and carried unanimously. The Work Session adjourned at 12:50 p.m.

Respectfully Submitted,

Lauren M. Craig

Lauren M. Craig
Village Clerk