

**TOWN OF HILDEBRAN  
WESTERN PIEDMONT  
COUNCIL OF  
GOVERNMENTS  
CONF ROOMS A1/A2**

**APRIL 22, 2016  
6:00 P.M.**

**RECESSED SPECIAL MEETING  
BUDGET WORKSHOP  
MINUTES**

- CALL TO ORDER** Mayor Cook called the recessed special meeting/budget workshop to order at 6:05 p.m.
- COUNCIL PRESENT** The following members of the Board were present: Mayor Virginia Cook, Council Members Brenda Banks, Barbara Lowman, Lee Lowman and Jody York.
- STAFF PRESENT** The following staff members were present: Attorney Redmond Dill, Town Administrator Tom Drum, Town Clerk Alice Sanders, Finance Officer Fredrick Rankins and Administrative Assistant Rebecah Isenhour.
- CITIZENS & MEDIA PRESENT** See attached sheet.
- ADOPTION OF AGENDA** Council Member Banks made a motion to adopt the agenda. All voted in favor.
- ORDER OF BUSINESS:  
RENTAL OF TOWN FACILITIES** Mr. Drum reported that Ms. Isenhour had researched other venues and municipalities and compiled a list of information that is similar to the Town's facilities. He suggested that residents and nonresidents be charged the same amount. Based on the information collected, he suggested the following:
- \$20/hour, with a 5 hour minimum, for the Band Room, Meeting Room and the Depot
  - \$50/hour, with a 4 hour minimum, for the Auditorium
  - \$40/hour, with no hourly minimum, for the Gym
  - \$10/hour, with a 5 hour minimum for the Pavilion/Picnic Shelter
- The deposits will remain the same. The Board has the option to provide a discounted rate for nonprofit organizations or active military.
- YEARLY LEASES OF TOWN PROPERTY** Mr. Drum reported that information was collected and compiled based on square footage rates for area office space for private, commercial property. The current rental rate is \$4 to \$7 per square foot. Mr. Drum stated that the property for lease by the Town does not compete with commercial property and suggested to discount that amount to \$2 per square foot. A current and proposed rate schedule was reviewed. He emphasized that the suggested rate is based on the going commercial rate in Hildebran and then discounting that rate in half.

Council Member L. Lowman asked why the Town would discount a non-profit organization. Mr. Drum stated that the Town's space would most likely only bring a nonprofit or similar organization, not a retail or professional office.

Council Member Banks had concerns that East Burke Christian Ministries (EBCM) would have a hard time paying for increased rent.

Mr. Drum suggested that the same amount be charged across the board since there is no difference in quality in the rental spaces.

Attorney Dill reported that the County will go out for bids for the new library and senior center in early July 2016 and will move quickly. He stated that it would be easier to charge the same amount to everyone in order to be fair and to regulate.

Council Member York felt that the suggested rate was too high for EBCM and HHDA.

#### LIGHTS AT THE PARK

Mr. Drum stated that Duke Power cannot put up a regular telephone pole light in the park because the low ceiling of the canopy of the trees and they suggested a steel post with the ornamental lights. The cheapest light available that provides 80' to 100' coverage is \$1,118.10 per light. It was determined that 11-12 lights would be needed to light the existing paved trail. He reviewed the costs involved if the lights were purchased up front versus paying for them monthly.

Council Member L. Lowman stated that he only wanted the depot area lit, not the walking trail.

Ms. Isenhour stated that the depot has flood lights and are controlled inside the building. She will research to see if they can be wired to be placed on a timer. Mr. Lowman requested the bulbs be changed to LED bulbs. He also requested her to research different fixtures.

#### TREE REMOVAL AT THE PARK

Mr. Drum reviewed quotes from five contractors based on different levels of work. The lowest bid to prune one tree, remove eight trees and debris, grind all stumps and spread mulch was The Grounds Keeper LLC in the amount of \$6,000.00. Council Member York asked who determined the trees to be removed. Ms. Isenhour stated that Steve Young from The Grounds Keeper LLC walked the park and designated the trees that were dead or dangerous.

Council Member L. Lowman expressed concerns about the safety of removing the big tree closest to the depot and requested the contractor produce the necessary insurance information. He also requested the park not be closed on busy days.

It was the consensus of the Board to choose The Grounds Keeper LLC and to do the work in the current fiscal year. A final approval will be made at the April 25, 2016 regular meeting.

EXTENSION OF  
WALKING TRAIL  
AT THE PARK

Mayor Cook provided a quote from Evans Construction Co. Inc. to construct and pave a trail to connect the existing walking trail at the park. The portion would be 320' long and 8' wide with a 4" compacted stone base and 2" of asphalt. Mr. Drum stated that he is waiting to hear back from an ADA person regarding the slope in order to be in compliance. He informed the Board that informal or formal bidding is not required for this project.

Council instructed Mr. Drum to include \$11,850 in the FY16-17 budget to connect the walking trail at the park.

NC LITTER SWEEP

Council Member B. Lowman stated that she would like to have at least one volunteer street cleanup day per year. After discussion, the first weekend in June was chosen and Ms. Lowman will organize the event.

FIRST CITIZENS  
BANK  
ACQUISITION

Mr. Drum reported that financing through BB&T is easier to deal with than USDA and should be an easy process. He stated that the Local Government Commission (LGC) would get involved with financing renovations which would slow the process down. The LGC would be involved with the purchase of real estate only if the term of the contract goes over five years and the amount of the finance is either \$500,000 or one tenth of 1% of the Town's tax valuation, whichever is less. The purchase would probably go over one tenth of 1% of the tax valuation, but the Town could finance less than 59 months, with the first payment next Spring.

Council Member L. Lowman asked if there were enough funds available to pay cash. Mr. Drum stated that there were funds available, but the Town has the sidewalk project looming overhead. He explained that there was \$33,000 budgeted for easements and the WPCOG staff believes that those easement costs will go up since the Town is dealing with federal money. When dealing with federal money, the Town is required to contact property owners that the Town needs an easement from and ask if the owners want payment for the easement. This requirement could slow the process down and could require the easement expenses to increase. He explained that the Town could move forward with the current plan and budget, but if the easement expenses increase, the grant match will only match the extra expense at a 50/50 rate. If the Town delays the project and resubmits with the full amount of the easement expenses, the DOT will match at an 80/20 rate. There is the potential that the Town would not have any sidewalk expenses in the FY 16-17 year if the Town resubmits its application for the grant with the revised amount. The Town has over \$1 million in fund balance and the estimated \$750,000 initial expense of the sidewalks, which 80% will be reimbursed by the federal grant, plus the \$219,500 expense for

the bank, it could be tight. The savings by paying cash would be \$16,000 in interest. The unknown factors in the budget to consider are the renovations to the bank, the cleanup costs for the old school building that is not covered by insurance and attorney fees that have not been billed.

Council Member York stated that she is not in favor of buying the First Citizens bank and had concerns that the Town had not officially voted to purchase the building. She read excerpts from previous minutes and referenced a section of the unapproved March 28, 2016 minutes that states that the Mayor asked for a consensus to purchase the building and approve the contract and that there was not a motion from the Board. It was pointed out that the Board approved a budget amendment at the March 28, 2016 meeting for earnest money and inspections, which was indication that the Board was in favor of purchasing the building. Mr. Drum stated that when the March 28, 2016 minutes are up for approval, the Board can clean up the wording to what was exactly said, if desired.

Council Member B. Lowman asked if there was a penalty to pay off the loan early. Mr. Drum will research and report back to the Board. Mr. Dill suggested financing the purchase and paying cash for the retrofit.

BANNERS FOR  
TOWN  
ENTRANCES

Mayor Cook reviewed with the Board that prior discussions about Town banners were put on hold. Council Member B. Lowman stated that she would like to have the banners at the entrances of Town limits. The bid from Mosca Design, Inc. was reviewed. It was confirmed that \$5,000 was budgeted in the current year for banners. Council Member York did not wish to spend money on banners. Council Member B. Lowman stated that the Board should vote on the matter at the next regular meeting. She directed staff to prepare a quote for banners to say "Welcome to Hildebran" and the Town seal on the front and "Thank you for visiting our Town or Hildebran" on the back, in Captain Navy, to be approved for the current budget at the next regular meeting.

REACT  
APPROPRIATIONS

REACT has requested two appropriations for FY16-17. The first is a request for assistance with motor vehicle accidents, the festival, the parade, food give-a-aways, car shows, road obstructions and other miscellaneous events. The second request for assistance was for car shows.

Council Member L. Lowman wanted to have better records to determine which fiscal year the contracts and appropriations are being approved. It was suggested that items that will be placed in the next year's budget be notated as "the Board instructed Mr. Drum to place the amount in the upcoming budget."

Council instructed Mr. Drum to include \$3,000 in the FY16-17 budget for emergency services, which includes REACT appropriations.

LIBRARY  
APPROPRIATIONS

The Burke County Public Library has submitted a request for assistance for FY 16-17 in the amount of \$4,000. Attorney Dill stated that historically, the Town has requested that the money be spent on children's books in the Hildebran library. Council Member L. Lowman expressed concerns that the money that the Town has appropriated to the library has not been used for children's books. Mayor Cook stated that she would contact Jim Wilson, Library Director, and ask him to attend a meeting to explain to the Board where the Town's contributions have been spent over the years.

RESERVE FUNDS

Mr. Rankins explained that Council has set aside money for the Deputy vehicle which has \$15,000 and a mowing expense which has \$1,500. It was the consensus to continue with the reserve funds for these items.

Mayor Cook asked about creating a reserve fund for Christmas lights. Ms. Isenhour stated that to replace the lights would cost about \$700 to \$1,100 per light. Council Member B. Lowman stated that she would like to add this to the budget. Mayor Cook suggested approaching businesses to help pay for a light.

Council Member L. Lowman asked if there was a line item in the budget to pay for maintenance for the lines for the lights. Mr. Rankins stated that the lines stay in place and the meters are turned on and off. Mr. Lowman stated that the lines on the old poles need to be removed so that the poles can be removed and any hardware on the old poles need to be moved to the new poles. Mayor Cook stated that Duke Power will remove any old poles that belong to them if all the lines are removed. Currently, the Town has lines and the telephone company has lines on the poles. Mr. Lowman confirmed that the new poles are up. Ms. Isenhour stated that Strategic Gold is the company that puts the Christmas lights up and takes them down each year, as well as maintains the power boxes, and that she would contact them for a price to move the lines and fixtures.

PARK  
MAINTENANCE

Mr. Rankins provided detailed information regarding the park maintenance and supplies and Mr. Drum suggested Council review the information.

QUARTERLY  
NEWSLETTER

Mayor Cook reported that Ms. Isenhour has been doing an electronic newsletter that serves over 600 people. She stated that she would like to do a paper newsletter so that those people that do not have internet access could be made aware of the things going on in the Town. Mr. Rankins reviewed various costs to print and ship the newsletters. Mr. Drum stated that lower initial costs have hidden costs that are not on the printout. The first option, even though it is higher, is a turnkey price. The price for two newsletters would be around \$2,900.

Council Member L. Lowman stated that people should come to meetings to really find out what is going on in the Town and the newsletter would only be the same information that is on the digital sign. There was also concern

that the newsletter would most likely just be thrown away. It was determined to set this topic to the side.

**COPIER LEASE**

Mr. Drum reviewed with the Board that the average color copies used per month last year was 1,200 copies. Staff contacted SHARP and got a new quote with the Town committing to pay for 1,000 copies per month. The new contract reduces the color copy rate from \$.072 per copy to \$.0679. If Council is in agreement to the new contract, it must rescind its decision on the contract it approved at the March 28, 2016 meeting and then vote to accept the new contract at the next regular meeting.

Council instructed Mr. Drum to include the revised SHARP copier contract in the FY16-17 budget.

**ROCK WALL AT THE PARK**

Mayor Cook provided Council with a quote from Playworld Preferred for a rock climbing wall for the park. It was the consensus of the Board to wait until FY17-18 and focus on removing the trees and connecting the walking trail.

**BURKE DEVELOPMENT INC.**

Mayor Cook provided a handout from the Burke Development Inc. (BDI.) Last year BDI requested and received \$\$6,647 from the Town and is requesting \$6,536 this year.

Council instructed Mr. Drum to include \$6,536 in the FY16-17 budget for BDI.

**FENCE BETWEEN AUDITORIUM AND HILDEBRAN UNITED METHODIST CHURCH**

Mr. Drum informed the Mayor that staff has provided a quote for a fence from American Fence Co. of Hickory, LLC. The fence would be placed between the auditorium and the Hildebran United Methodist Church. The church has requested a fence due to the excess amount of litter and foot traffic. The senior center is currently meeting at the church. The fence would be put on the Town's property. Two options of the fence were reviewed.

Council instructed Mr. Drum to include \$3,000 in the FY16-17 budget for erecting a fence.

**ANNOUNCEMENTS**

Mr. Drum advised the Board that a large budget amendment would be brought to the Board at the next regular meeting in order to pay invoices for fire-related expenses. The Town must pay for the invoices in order to be reimbursed by insurance.

Ms. Sanders informed the Board that the April 25, 2016 agenda will need to be amended to reflect the requests from the Board from this meeting.

Mr. Drum stated that he would submit a final budget to the Board by May 31, 2016 and suggested the next budget workshop be held on June 3, 2016 for review and discussion. Mr. Dill reminded the Board that salaries,

insurance and a review for a part-time employee has yet to be discussed. Mr. Drum stated that he is still computing staff salaries and so far, the findings are that salaries should be increased. There would not be a cost of living adjustment, it would be included in the increase he proposes. He will work on delegating responsibilities among the current staff, which would indicate that an administrative part-time position is not needed. Health insurance will increase by 6.5%, the rate for retirement to the state is increasing from 6.7% to 7.25% and workers compensation and general liability insurance will increase. Mr. Drum reminded the Board that he is reviewing staff salaries to the NC League of Municipalities annual salary survey and based on those results, his recommendation is to increase salaries based on the survey results of what other governmental employees in the state are compensated, not based on merit or cost of living. He is also working on defining clear roles for each employee.

ADJOURNMENT

Council Member B. Lowman made a motion at 8:20 p.m. to recess the special meeting/budget workshop to June 3, 2016 at 6:00 p.m. at the Western Piedmont Council of Governments Conference Room A1. All voted in favor.

I attest these are the approved minutes of the Board.

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Alice Sanders, Town Clerk

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Virginia Cook, Mayor