

**Town of Mount Pleasant
Board of Commissioners
Town Board Meeting
Town Hall – Commissioners Meeting Room
Monday, May 2, 2011
7:00 P.M.**

Attendance: Mayor Del Eudy
Mayor Pro-Tem/Commissioner Richard Burleyson
Commissioner Warren Chapman
Commissioner Maura Eberhardt
Commissioner Scott Barringer
Commissioner Michael Metcalf
Town Administrator Adrian Cox
Town Clerk Cathy Whittington
Town Attorney Christy Wilhelm
Public Works Director Dave Fargo

Also Present: James Senecal, Sharon Senecal, Samantha Moose, Rev. Tom Fleming.
Deputy Howell

CALL TO ORDER

Mayor Eudy called the meeting to order.

INVOCATION

Rev. Tom Fleming led in prayer.

PLEDGE OF ALLEGIANCE

Mayor Eudy led in the Pledge of Allegiance.

PUBLIC FORUM

No one spoke in public forum.

APPROVE AGENDA

With an addition under *Consent Agenda #4 Contract with Sherrill and Smith for audit and under New Business #6 Employee Health Insurance Quotes and #7 Squirrel Problems*, Commissioner Metcalf made a motion to approve the agenda. Commissioner Eberhardt seconded the motion with all board members in favor. (5-0)

PUBLIC HEARINGS/DECISIONS

No public hearing.

CONSENT AGENDA APPROVAL

The Consent Agenda consist of the minutes of the April 4, 2011 Regular Board Meeting, Minutes of the April 11, 2011 Special Called Meeting, Proclamation 2011 National Day of Prayer and Contract for from Sherrill and Smith for Audit. Commissioner Burleyson made a motion to approve the consent agenda. Commissioner Barringer seconded the motion with all board members in favor. (5-0)

REPORTS

- (1) Police – Deputy Howell reported that the individual that Commissioner Eberhardt had spoken about at the last meeting was now behind bars. He gave the police report for April. He stated that when you had more dog and cat calls than crook calls that you were doing well. He stated that it was another good month in Mt. Pleasant
- (2) Fire Chief- Written
- (3) Town Administrator- Town Administrator Adrian Cox reported on the Farmer’s Market that will open on May 10, 2011 in the mini park. He also reported on meeting with Schultz Building about a community project and about the Fire Departments surplus fire truck.
- (4) Finance- Written
- (5) Public Works- Written
- (6) Town Attorney- Nothing to report

OLD BUSINESS

No old business

NEW BUSINESS

1. Recommended FY 2011-2012 Budget and Set Public Hearing

The Budget Officer's Recommended Budget was presented to the Board of Commissioners in accordance with the budget schedule and N.C.G.S. 159.11.

Following this formal submission, the Board may hold as many public workshops as necessary to review the budget. At least ten days must elapse between the submission of the Recommended Budget and adoption of a Budget Ordinance. A balanced budget should be adopted prior to July 1. The budget time-table schedules the adoption of the final budget on June 27, 2011, which is the last meeting currently scheduled for the fiscal year.

The Board must hold a public hearing on the budget document prior to adoption. The Town of Mt. Pleasant has typically held this hearing at the first meeting in June, which falls on June 6, 2011. A notice informing the public that the proposed budget has been submitted, that a copy is available for inspection in the Clerk's Office, and the time and date of the public hearing must be published in the local newspaper.

Town Administrator Adrian Cox gave a slide presentation on the proposed budget. After the presentation, Commissioner Eberhardt asked if the allotment for the EDC was included in the budget. It was included. There was discussion on the services that are provided through the EDC and the benefits that Mt. Pleasant receives from these services. Samantha Moose, our representative from the EDC, was asked if information could be brought to the next meeting showing the benefits. She stated that it could.

**With no more discussion, Commissioner Barringer made a motion to set the public hearing on the proposed FY 2011-2012 Budget for June 6, 2011 at 7:00 PM. Commissioner Eberhardt seconded the motion with all board members in favor.
(5-0)**

2. Cost Benefit to Implement Automated Bank Drafting for Utility Billing

The Town of Mt. Pleasant currently does not automatically draft customer accounts for utility bills. Many banks offer the service of paying utility bills at their customers' request. Because the Town is not set up to draft a customer's account, banks simply generate a check to the Town. The Town has no control over when a customer's bank will mail a check. Approximately 100 customers currently have their bank accounts setup to send the Town a utility payment.

Some billing systems allow customers to establish automatic drafting from accounts. With this system Town's billing staff would prepare a drafting file based on customers who have set up the service. The file is sent to the Town's bank where the

funds are drafted from the customer's accounts. After the draft is complete, the ACH file must be reconciled to the Town's utility accounts to ensure that all funds transferred.

A benefit of using the ACH would allow the customer the hassle of determining when to pay their water and sewer bill. ACH bill pay can allow the Tow to receive utility revenues earlier. Most utilities and lenders automatically draft customer accounts the day that the bill is payable. Therefore, funds would be taken from customer bank accounts as soon as bills were sent in the mail.

The cost for ACH would be very expensive in banking fees and staff time if only a few customers utilized the service. If the Town conducts an ACH and an account has insufficient funds, then the customer's account may incur overdraft chargers or interest, depending on the services attached to their individual account. Some accounts do not allow funds to be drafted when there is a low balance. In this case, the town would need to contact individual customers to inform them that the ACH failed, and collect the due balance. The same situation could also occur if a customer makes changes to their personal bank account, but does not update their utility account simultaneously.

Customers may not check their utility bills regularly, once they are set up on ACH. This can lead to many problems. If a customer moves but does not close their utility account, then the Town will continue to draft their bank account until the account is closed. In addition, if there is a dispute with the bill, then the customers may not bring the issue to staff attention until long after their accounts have been charged.

Town Administrator Adrian Cox stated that he had left a message with Mr. Jermyn, 8507 Circle Drive, that this was going to be discussed tonight. Mr. Jermyn is the one that has requested that the Town look into this issue.

It was the consensus of the Board to do nothing right now about this issue.

3. Report on Self Addressed Envelopes

The Town has received a request to provide self addressed envelopes to all customers. Currently, the Town does not provide an envelope with the utility bills. A self addressed return envelope, without postage, will cost the Town approximately \$360 annually.

When this service has been considered in the past, the Town has found that the majority of customers do not pay their bill by mail. If the Town is to provide a return envelope, then several would go unused.

There was discussion about many of the return envelopes being thrown away without realizing they were in the other envelope. Commissioner Burleyson asked about a survey asking citizens if there was any interest in receiving their bill on

e-mail. This is a possibility.

It was the consensus of the Board not to provide return addressed envelopes at this time.

4. Election Filing Fee

The Board of Commissions' must set the filing fee for the municipal election of November 8, 2011. The estimated cost to the Board of Elections is \$6,193 based on population however in past years the actual cost to the Town has been approximately \$4,000. All election fees collected by the Board of Elections are deducted from the Town's cost for holding the election.

NCGS 163-294.2(e) requires the governing board to set the filing fee at a minimum of \$5 and not to exceed 1% of the annual salary of the office.

After discussion, Commissioner Burleyson made a motion to set the filing fee at \$25. Commissioner Chapman seconded the motion. The vote was 4-1 with Commissioner Eberhardt voting against. (4-1)

5. Fire Service Charges

A typical residential water service is 5/4" or 3/8" diameter with a water meter of the same size. Fire sprinkler service is provided by extending a large service line, usually 4"-8", directly to the building. Sometimes a smaller meter is connected to the bypass system as a means of determining whether water has passed through the sprinkler service. This is a detector meter and does not record the actual water utilized. Water flow increases exponentially in relation to water size. A 2" pipe may drawl approximately 45 gallons per minute (at a 1 psi loss), but an 8" diameter pipe would drawl approximately 1550 gallons per minute (at a 1 psi loss). Therefore, there is a large cost to provide capacity that is required to make fire sprinkler service available.

This month staff noticed some inconsistencies in the utility billing system regarding fire sprinkler service and began evaluating these rate tables.

The language in the fee schedule has carried forward from prior policies and was included in prior fee schedules going back to December 2006. The minutes of the Town Board meetings do not include any discussion of fire services. A 2001 rate study by Camp Dress and McKee focuses on charging higher fees for larger users, due to their impact on the capacity requirements on the system, but make no mention of sprinkler services.

If the Board wishes to amend the Fee Schedule to clarify charges for fire services, staff can prepare options for the June 6, 2011 meeting and bring back the options for a public hearing and consideration on June 27, 2011.

Commissioner Barringer made a motion to direct staff to bring back more uniformed options for the Fire Service Charges at the June 6, 2011 Board Meeting. Commissioner Eberhardt seconded the motion with all board members in favor (5-0) Town Attorney Christy Wilhelm suggested drawing up new accounts for these meters. In doing so the Town can design a form with language on it that will give the Town the authority to make retribution if these meters are tampered with in any way.

6. Authorize Staff to Advertise for 3 Inside Members of P & Z Board

The three year terms of three Planning Board/Board of Adjustment members are open for reappointment on June 30, 2011. The three seats that are open are currently held by Penny Suggs, Shirley Freeman, and James Senecal (finishing the remainder of an unexpired term). These seats represent the portion of the planning area within the Town limits.

The Town must advertise for applications before making appointments to the Board. Town staff can advertise in the newspaper, on the Town website, and at the Town Hall for six week between May 9, 2011 and June 17, 2011. This will allow the Board to review applications on June 27, 2011.

Commissioner Burleyson made a motion to Authorize Staff to Advertise for the 3 Inside positions for the Planning and Zoning Board. Commissioner Metcalf seconded the motion with all board members in favor. (5-0)

7. Employee Health Insurance Quotes

In 2010-2011 the Town's health insurance through the North Carolina League of Municipalities (NCLM) Insurance Pool increased by 17%. Although this was a large increase in comparison to prior years, many towns that do not purchase insurance through the League's pool experienced even higher increases through their individual carriers. In 2011-2012 the NCLM is switching plan administrators from CIGNA to MEDCOST, and increasing the premiums by 5%. As was the case last year, many individual purchasers are anticipating even larger increases.

On October 4, 2010, the Board of Commissioner reviewed qualifications from insurance brokers and one local agent. The Board decided to use Burchfield Insurance Broker to solicit insurance quotes, as well as receive a proposal from Mt. Pleasant Insurance Agency.

Since October, staff has been working to provide information to these two firms and review Health Insurance bids. Mt. Pleasant Insurance (which is now owned by Bear Insurance in Locust) decided to utilize Colonial Insurance Service to broker the health insurance quotes.

Burchfield Insurance Brokerage solicited actual rates for plans that closely match the Town's current plan with a \$500 deductible. The figures listed in the proposal are the combined employer and employee portion of the premium. It is obvious that the Town's current plan CIGNA-NC League of Municipalities is substantially less than the other plans with similar deductibles. Even with an anticipated increase of 5% the Town's current plan is far less expensive through pooled insurance.

Colonial Insurance Service, representing Mt. Pleasant Insurance, provided estimates for plans with much higher deductibles in an attempt to match the current providers cost. However, these plans do not offer significant savings to the Town without drastically diminishing the employees' benefit.

There are disadvantages to moving away from a pooled insurance with NCLM. Historically the NCLM pool has been steadier than other options because over 400 entities in North Carolina purchase the insurance as a group. Purchasing insurance separately could open the possibility of drastic swings in premium rates.

The NCLM health insurance is the lowest priced plan in comparison to any comparable bids presented by either insurance broker. Staff recommends that the Town of Mt. Pleasant renew the current insurance with the NCLM Municipal Insurance Trust under the existing plan.

Commissioner Eberhardt made a motion to stay with the current insurance for the employees through the North Carolina League of Municipalities (NCLM). Commissioner Chapman seconded the motion with all board members in favor. (5-0)

8. Squirrel Problem

Commissioner Barringer stated that a citizen had approached him about a problem that they were having with squirrels damaging their property. Mayor Eudy stated that someone had approached him about the same situation. He stated that he called Sheriff Brad Riley and he said that the Wildlife Officer needed to be called to take care of the problem. Commissioner Barringer stated that he thought the Town had a permit in the past that we issued for this. Town Administrator Adrian Cox replied that he had looked in the ordinance book and could not find anything in the ordinances. Commissioner Barringer wanted to know if we could pass something to go into the ordinances. Town Attorney Christy Wilhelm stated that we could, but she would advise against it. She stated it would be a big liability to the Town. She suggested looking into Wildlife and Animal Control because of the dense population of the Town. She suggested putting on the water bill if you have a problem to call the wildlife officials.

MISCELLANEOUS

None

MAYOR AND COMMISSIONER COMMENTS

Commissioner Eberhardt suggested a Town wide yard sale. He suggested advertising to let everyone know the date and anyone wanting to have a yard sale, set up and have it all on the same day. He stated this would bring people into Mt. Pleasant, and then they may stay and eat in the restaurants’.

Commissioner Burleyson stated that he had been meeting with the Events Coordinating Committee. He gave a run down of the events that had been planned for the Independence Day Celebration.

With no other business, Commissioner Barringer made a motion to adjourn. Commissioner Chapman seconded the motion with all board members in favor. (5-0)

ADJOURNMENT

By our signatures the following minutes were approved as submitted and amended on Monday, June 6, 2011 in the Regular Meeting.

Town Clerk Cathy Whittington

Mayor Del Eudy

SEAL