



# TOWN OF SURF CITY

March 17, 2023

## WORK SESSION AGENDA

*Present:*

*Mayor Teresa Batts*

*Councilman Buddy Fowler*

*Councilman John Koloski*

*Councilman Jeremy Shugarts*

*Councilman Hugh Cannady*

*Mayor Pro Tem Donald Helms (via zoom/teams)*

*Kyle Breuer, Town Manager*

*Carla Citarelli, Town Clerk*

*Phil Voorhees, Police Chief*

*Allen Wilson, Fire Chief*

*James Horne, Emergency Management Director*

*Jason Lingle, IT Director*

*Jodi Shepard, Parks, Recreation & Tourism Director*

*Amy Kimes, Town Planner*

*Chris Carter, Facilities & Grounds Director*

*Alexyss Yopp, Administrative Assistant*

*Steve Padgett, Building Inspector*

*Jeff Johnson, Police Captain*

*David Price, Public Utilities Director*

*Brian Edes, Town Attorney*

### *Agenda*

*9:00 AM / Friday, March 17, 2023*

*Surf City Municipal Complex, 214 W. Florence Way*

*Watch Virtually: [www.youtube.com/townofsurfcity](http://www.youtube.com/townofsurfcity)*

**Call to Order** – *Mayor Batts*

**Invocation** -*Councilman Fowler*

**Pledge**- *Councilman Cannady*

**Introductions & Welcome** – *Mayor Batts*

*Motion made by Mr. Koloski to allow Mayor Pro Tem Donald Helms to participate virtually, seconded by Mr. Shugarts, all in favor, motion carried.*

**Town Council Work Plan Items:**

1. Annexation – Resolution to Set Public Hearing – PIN 4235-15-4094-0000 Surf City Pet Hospital – Presented by Ms. Citarelli. This is a 1.21 acre tract adjacent to existing pet hospital. Planning board recommended rural agricultural zoning and we would like to set the public hearing for May.
2. Rules of Procedure Revision- Presented by the town clerk, Ms. Citarelli. The current Rules of Procedure handbook was adopted in 2021. There was discussion to change the order of the agenda and we need to know if any of council wants additional changes. Ms. Batts assigned Mr. Fowler and Mr. Cannady to look over the handbook and get back to council with recommendations at the next work session.
3. Advisory Committees Discussion – Mr. Shugarts would like to have the town clerk and town manager to investigate separating the tourism and special events committee from the parks and recreation advisory committee.

Mr. Fowler asked for the reasoning. Mr. Shugarts said it is currently a subcommittee, which is normally created to be short term by members of the committee. It has existed for around a year and public members were added to it. He'd like to see that changed and is asking for them to investigate.

Mr. Fowler said the tourism department has always been under Parks and Recreation Department. Schools issue diplomas that read Tourism, Parks and Recreation.

Mr. Shugarts said he is not asking for a vote but to have the manager and clerk investigate it. He believes that it belongs under a separate division. If it isn't quantifiable, then he may be wrong.

Mr. Koloski added that one of the reasons is the growing tourism industry and fast growing special events. It may take some heat off of parks and recreation. Mr. Shugarts used Surf City Live as an example of items that are bogging down the director.

Ms. Batts said a lot of special events that are around tourism involve the welcome center, which is part of parks and recreation. She asked for clarification of if he is asking for a separate department or a committee that falls under Parks and Recreation. Mr. Shugarts confirmed that it would be a committee that is under Parks and Recreation.

Mr. Koloski said the committee would focus on special events and parks and recreation committee would continue to do parks and recreation programs.

Mr. Fowler said he has no problem with that as long as we keep the town manager, and the parks and recreation director involved since it is discussing funds.

Mr. Koloski said they'd like to add help and a committee that is focused on that, still

under the Parks and Recreation Director.

Mr. Helms agreed we need to look into it.

There was consensus to move forward with the investigation.

4. Budget Ordinance Amendment – Police Department- Presented by Mr. Breuer. The result is consistent with the amendment that was presented last month.

Mr. Fowler said we need to make good on our mistakes.

There was consensus to move forward.

5. Police Department Pay Grade Update – Presented by Mr. Breuer. This applies specifically to the police department. It is difficult to recruit and retain qualified individuals to fill positions. When we went through the pay study a year ago, we set it at \$41,811 made us competitive. Immediately after we adopted and implemented the pay study, we were surpassed by other jurisdictions. When it comes down to the bottom line, \$1,000-\$1,500 can make a difference. We are requesting to raise the salaries 2 grades of 10%, \$46,097, which would consistently move with each position. There is money in their budget to achieve the request, but we would have to add additional funds to next year's budget. We have provided comparable data for council to view. These are averages. We feel this would be an appropriate number to make us competitive.

He added that he doesn't want to focus on police only. HR was asked to do a mini pay study and overall, we are consistent with market rate in other positions. Council is being asked to amend the pay grade chart for the police department positions, which would be on the April agenda. We are trying to stay ahead of the curve with government positions. It's becoming more of a challenge to recruit staff. He would like to also incentivize existing recruits.

Mr. Fowler said recruitment and retention of personnel is important. We don't need to become a training ground for someone else. He asked about the retirement and wanted to make sure the numbers presented include the benefit package. The number presented is the salary only. The benefits are on top of that number. He asked do we have a dollar amount for the basic benefit package. He'd like to have a number to go with the base benefit package.

Mr. Breuer said in the evaluation of the overall impact, it was all calculated, including the insurance and retirement. He added that we are not putting a dollar amount on the vacation and sick time.

Mr. fowler said keeping that money does not help with recruitment and retention. He doesn't want to lose an employee for a few dollars. He has no problem with increasing it but he wants to make sure we are accounting for the benefits.

Mr. Koloski said this is good because we need to attract good officers, and this is what we need to do to raise the standard and attract those that would be worthy.

Mr. Breuer said they looked at the 5% match of the 401K would be about \$7,000; insurance would go up about \$10,000.

Mr. Fowler said we should move forward with it.

Ms. Batts asked when they were comparing the salaries with other cities, does each of those have a comparable benefit package.

Mr. Breuer said yes because typically, some of these are state mandated. We need to do a better job of exploiting the added benefits of working with the town. We should highlight the community police programs and other things that make working for Surf City desirable.

There was consensus to move forward.

6. Ordinance Revision – Ch.16 - Structure Moving – Presented by Mr. Breuer, this was brought up last month. This is becoming an issue in the town as more homes are being moved and pools installed. Mr. Padgett has looked over this. They would like to define the structure more clearly. It would still require a permit and coordination with DOT. One change is that this would be handled in house and taking council approval from the overall process. A bond requirement has been discussed as well.

Mr. Fowler said he thinks we've done a good job at incorporating this and would like to see it move forward. Ms. Batts added that it's a safety issue and she wants to see this put into place. Mr. Koloski agreed. Mr. Fowler thanked Mr. Padgett and Ms. Kimes for working on it. There was consensus to move forward.

7. Parks, Recreation and Tourism – Interlocal Agreement w/ Holly Ridge- Presented by Ms. Shepard. She is requesting that we accept the changes to the agreement in exhibit A. It will go through August of 2023.

Mr. Fowler said this is clarification on what we are already doing. He has no issue with it. No other questions: consensus to move forward.

8. PARTF Grant Funding- Ms. Shepard is asking to move forward with applying for another grant to go towards phase 2. There was agreement for her to apply.

8. The Terraces Phase 5 – Final Plat Approval – Ms. Kimes, town planner. In January, we spoke of final plat approval of phase 4. 2 lots were pulled from that because the work required was not complete. Those are complete now and they are asking that the final 2 lots be approved. A large hole at the beginning of the subdivision will be repaired. There will be lighting installed in the next 2 weeks. There are additional lots that have not been requested yet.

Ms. Batts asked about the hole in the road. Ms. Kimes said it may have been utility crews that caused it. She confirmed that the roads would be kept private, and Ms. Kimes confirmed. She is recommending that the town does not accept these streets.

There was consensus to move forward.

9. Departmental Budget Presentations

This is an opportunity for department heads to come in and explain their requests for the upcoming fiscal year. It is also the board's opportunity to ask questions. Mr. Breuer has prepared a narrative in a book for review.

Mr. Breuer began with an overview of the Government department budget. One addition is the coverage of costs associated with the 75<sup>th</sup> anniversary celebration for 2024.

Next was administration. Operational expenses are low, and we are keeping things generally in line with years past. The communication specialist position is being pulled back into admin from the communications budget. One request is facilities use and needs study. He'd like to have an evaluation of our facilities to be able to use for expansion for growth. We'd also like to see a welcome side on the mainland side of the bridge, as well as the wayfinding signage program. The other change would be the mobile app vendor, which would save about \$2,500 dollars annually.

Mr. Shugarts asked for a quick explanation of the major increases. Those were approximately \$30,000 for a sign, and \$30,000 for the facilities use study.

Mr. Breuer presented HR budget, which overall was very little change.

The finance director is out sick, so Mr. Breuer carried on with the finance department budget presentation. Very little operating costs for this department outside of the audit and tax mailings.

Mr. Lingle with the IT department was next to present. He first thanked them for the personnel approval from last year. The new employee has been tremendous help. He summarized the function of the IT department. Some reductions, such as the vehicle maintenance and gasoline, network monitoring software. That was a higher up-front cost but less to maintain. Hardware is the mostly costly line for them. There is a standard 5-year replacement schedule. There is an increase to cover mobile routers for the police department. New officers will need laptops and new laptops for council for larger screens, faster systems. He'd like to add wireless microphones for chambers, drop down microphones and lapel microphones. He'd also like to add networking hardware for the town hall for redundancy in case of a network going down. Some licensing costs increased.

Ms. Batts asked about the telephone cost increase. Mr. Lingle said that is the redundancy. Covers his phone, laptop, and the monthly cost of the network.

Chief Voorhees presented the police department budget. He went over some of the increases and the necessity of them. They are seeing increases across the board on most things they are paying for, including gasoline. Capital Outlay includes the purchase of 3 new vehicles. Last year, they got 2 but have seen a state contract price increase of 10% per vehicle as well as 12% on the upfit. Equipment requests include radios, a UTV for beach patrol, ballistic shields, and software. The ballistic shields are to be put at the school for any potential active shooter situation. We are behind on the mobile dispatching from the cars. The new software would give the officers the information in the vehicles faster. It provides advances to what they have now to keep up with current trends. Personnel request is that they need to add a part time administrative position to relieve the paperwork burden from the officers. He'd like to add an administrative specialist officer position. He would like to add money to the recruitment line to draw qualified applicants. They want to follow the newest and best practices and adapt to the new generation.

Part of that is to offer bonuses, dependent on a person's skills. We want to be able to pull in talent from outside of NC as well and amplify our recruitment efforts.

The attorney added there are ways to recapture costs associated with an officer leaving that has not stayed an agreeable amount of time. Mr. Breuer said if we see it happening often, they will have to do something about it to let that be known that we don't allow that. Mr. Cannady asked what types of adaptations they are having to make to attract younger candidates. Mr. Voorhees said one example is to change communication methods, such as texting rather than phones and email. He added that most of the changes were technology driven.

Mayor Batts requested a recess at 10:25AM

Meeting resumed at 10:38AM

Emergency Management presented by Director James Horne. He gave an overview of the department's functions and goals. Some of the additional includes a larger supply line in place in case of emergency event preparation, which may not be needed. Mr. Shugarts asked if these items could be reimbursed by FEMA. Mr. Breuer confirmed that. Mr. Helms added that now that we have all departments trained with NIMS classes, we should not have trouble obtaining the reimbursements.

Fire Chief Allen Wilson presented the Fire Department budget. He began by reinforcing the need for the police department needing the communication systems in their cars as they have them in the fire trucks. He also mentioned in regard to the cadet program. He went through a similar program and had to sign a contract when he went through that saying he would stay with that department for a minimum of 5 years. He then summarized the budget requests. Those included a general increase in the cost of goods and services. There is a decrease on the operational side of the budget of 15%.

Personnel request – they need administrative assistance. Currently they have 55+ personnel. Many administrative duties are divided by the staff, which isn't an efficient practice. Their training officer is a shift lieutenant. These responsibilities need to be assigned to one individual. They are also focusing on getting 100% compliance for the ISO. The training officer would also absorb other administrative duties. This is an important step for the department to move forward. The ladder truck staffing proposal would add 12 personnel, so they are looking at a phased approach. They would start with 3 firefighters and 3 captains. Currently we don't meet all state requirements. Other comparably sized areas run many more stations mostly because they are much denser. Minimum response should be 2 engines and a ladder.

Ms. Batts asked if all current full-time firefighters are qualified to drive the ladder. Out of the 21 full time firefighters, at least half.

Call response has increased 89% in the past 5 years without an increase in staff. Fire code inspections have increased 45% and public education programs 60%. Training requirements have increased. Hydrant maintenance has increased by 130% in the past 5 years as they have to go every year to every hydrant for inspections. We have over 500 hydrants in the town. We have gained approximately 80 new commercial buildings as well which require fire inspections yearly. Roughly 1000 residential units have been added which drives the overall demand. Call overlap has been approximately 136% in 5 years.

Mr. Shugarts asked how much overtime they are paying out to keep spots filled when some are off. Anything over 106 hours in a 14-day window is considered overtime.

Chief Wilson said they are looking at many different elements, including burn out as the current firefighters are being overworked and need to be taken care of. His fear is that continuing down this path is burning out the current staff. They have employees working over 3000 hours of overtime in a year.

Mr. Fowler wanted to differentiate the difference between recommendations and requirements. He wants to know what we need for our town.

Chief Wilson would like to add another rescue team to the beach. There is currently one team of 2 to cover 6 miles. Mr. Breuer and Mr. Fowler added that we also have beach patrol which can be coordinated between the Fire department and the police department.

Another request is the purchase of a brush truck. Mr. Fowler asked was there a need for this in Surf City's district. Mr. Wilson said yes inside the fire district, but not in Surf City directly. Mr. Fowler said if the need is mostly outside the town, is there a way to get help with that from the county. He asked would the need be greater for a brush truck or for personnel. Mr. Wilson said they could request funding from the county. He added that he is presenting his budget according to the priorities. Mr. Koloski asked if a brush truck can be used for other things. Mr. Wilson said it would be a pickup frame, which could also be used for training. The kitchen remodel was requested and explained. Mr. Cannady and Mr. Fowler asked if we couldn't scale that down to be less or to be done in phases. Mr. Wilson agreed to look at that.

Mr. Cannady asked again what the number one request was and Mr. Wilson said personnel. Second top request would be a brush/utility truck.

Councilman Helms added that the tools being requested also would also be updated to battery rather than the current setup. It would be easier to maintain them. Mr. Koloski questioned the age of these tools that are needed. Mr. Helms said if a hydraulic hose breaks, the tool can't be used as they are currently.

Mr. Padgett started community development as Ms. Kimes left the meeting at 11:30PM. The contracted services cover items that Council has asked for. The capital outlay increase is \$50,000 for an additional vehicle as the current one is outdated and no longer reasonable to repair. An increase in equipment maintenance is only necessary if we do not get a new vehicle.

Chris Carter presented Facilities and Grounds budget. They would like to keep B&G services for landscaping as the town does not have the proper equipment to maintain that and it allows our staff to do other things. He would like to see a new contract with Superior Mechanical to cover the HVAC units at the community center.

We are spending \$6,000 per year on elevator service with TK Elevator. Mr. Shugarts was alarmed and questioned the cost. There was discussion on other possible options for the elevator and Mr. Breuer explained the challenges and issues. He agreed to look at a lift option instead of keeping the elevator.

Mr. Carter would like to continue to use Cintas. They are not a contract but a service that can be cancelled at any time. They will maintain many items for them, so they are freed up in other areas. Ms. Batts asked where the cleaning supplies are kept. Mr. Carter said that each facility has their own area for storage. Ms. Batts and Mr. Koloski gave compliments on how clean our public restrooms are kept.

Mr. Carter would like to give his crew a stipend on their phones. They do not communicate with radios and are required to use their personal phones.

They are asking for a new vehicle, as well as 2 EV vehicles (grant is pending). The town would put forward \$20,000 and the grant would cover \$80,000.

Ms. Shepard went over the Parks, Recreation and Tourism budget. She is asking for increases in several lines due to rising vendor and supply costs.

She is requesting an athletic coordinator and special event coordinator. The current admin staff is split between 3 areas. Part time staff is difficult to maintain.

They need to add staff or put a cap on adding anymore programs.

The master plan will be out of date in July 2023. Typically, there is a 10-year master plan which is what the department would like to implement. It is needed for applying for grants and is a requirement for some. That would be in the professional services line.

There is a need for bike parking such as beach accesses, community center, welcome center and beach accesses. They have planned for 10 locations.

The community center needs an update. They are taking a phased approach. They'd like to add an additional lobby/holding space for people to get into the building without having entrance into the rest of the building. The flooring in the hallway has not been replaced and needs to be updated.

Phase 2 would be updating cabinets, sinks and countertops, and hardware as they have never been replaced.

Phase 3 would be the gymnasium expansion and upgrade to include the lighting upgrade and the floors need to be stripped and redone.

Ms. Batts if there were any grant opportunities and Ms. Shepard said she is looking at that option for the expansion.

Mr. Breuer went back to community development and acknowledged the East Coast Greenway Project.

Mr. Price presented the budget for the utility department. Council is aware of most of the planned budget, as Mr. Price has been keeping them updated and regular meetings. Training and travel increase is necessary to certify the next generation of leaders in his department. There were no questions from council.

Mr. Breuer said he's working with the Finance Director on Revenue Projections. One item is that the ABC fund revenue is likely to end. Generally, the cost of doing business continues to escalate. They are also looking at fee increases in Community Development. He added that everything requested cannot be funded without increasing taxes.

Mr. Fowler said lots of vehicles were mentioned today. Have we investigated Fleet management through a lease system. Mr. Breuer said he and the finance director are looking into that.

Motion to adjourn made by Mr. Fowler, seconded by Mr. Koloski, all in favor, meeting adjourned.