

The Washington City Council met in a continued session on Monday, June 27, 2011 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; Gil Davis, Councilman; William Pitt, Councilman; Pete Connet, Interim City Manager; and Reatha B. Johnson, Assistant City Clerk.

Councilman Moultrie was absent and excused from the meeting.

Also present were: Matt Rauschenbach, Chief Financial Officer; Robbie Rose, Fire Chief; Mick Reed, Police Chief; Allen Lewis, Public Works Director; Keith Hardt, Electric Director; John Rodman, Planning & Development Director; Philip Mobley, Parks and Recreation Director; Susan Hodges, Human Resource Director; Gloria Moore, Library Director; Mike Voss, of the Washington Daily News and Delma Blinson, of the Beaufort Observer.

Mayor Jennings called the meeting to order and Councilman Pitt delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA

Councilman Davis requested adding closed session under § NCGS 143-3 18.11 (a)(6) Personnel.

Mayor Jennings stated Councilman Moultrie had called and requested Council consider moving the Regular Council meeting from July 11, 2011 to July 18, 2011. Mayor Pro tem Roberson informed Council that he would be unavailable on the 11th as well. This discussion will become item # 1 and all other items will move successively.

Mayor Jennings requested moving appointments to various Boards, Commissions and Committees to the next regular Council meeting in July.

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council approved the agenda as amended.

PRESENTATION – INTERIM CITY MANAGER, PETE CONNET

Mayor Jennings presented the Interim City Manager, Pete Connet with a gift of appreciation for his stay with the City of Washington during the transition period and noted his experience was truly a blessing.

CONSIDER – CHANGING MEETING DATE FOR JULY 11, 2011

Mayor Jennings noted it had been customary that we only have one meeting during the month of July. During the last several years we have forgone the Committee of the Whole meeting in recognition of the effort put forth by Council and Staff during the budget process.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council agreed to change the regular scheduled meeting from July 11, 2011 to July 18, 2011.

APPROVE – CLASSIFICATION AND PAY GRADE CHANGES

Human Resource Director, Susan Hodges, stated the Director for the City's Technology Services, Ray Midgette, retired in December of 2010 and after much consideration, the decision was made to outsource the day to day information technology systems administration. The transition significantly impacted the Data Systems Specialist, the only remaining position in the department. This position was observed for six months when we entered the contract with Sound Side Group. The position has retained considerable responsibility for the information technology function for the City, including internal coordination, administration, special projects, help desk monitoring, coordination with the contractor, etc.

Ms. Hodges voiced the Police Department has had a recent retirement in the evidence and records division. With this change in staff, Police Chief Reed has decided to

reorganize the telecommunications, records and evidence functions with the intent to better utilize civilian staff where possible and sworn law enforcement officers in the capacities that require the sworn status. The reorganization combines records, evidence and telecommunications into one unit with one supervisor. The Telecommunications Supervisor has been assigned the additional responsibility of overseeing Police evidence and records, in addition to the telecommunications function. This reorganization can be supported within the current budgeted salary allocation and does not change staffing levels.

Classifications were reviewed and reclassification requests are being submitted for Council consideration.

A copy of the report from Consultant, Becky Veazey with the MAPS Group was attached describing the recommended changes.

Councilman Mercer suggested there had been no prior discussions of reorganizing the Police Department. Councilman Mercer felt this was an excellent opportunity for Council to evaluate the staffing level. He requested Council be given job descriptions for the positions prior to the reorganization and the new job descriptions defining the new activities. Also, he would like to be provided with an old organizational chart plus the proposed new organizational chart.

Councilman Mercer felt that Council was being asked to approve a job position without any description and requested continuing this action item until a future date. Councilman Pitt seconded the motion. Discussion.

Ms. Hodges explained the organizational chart had been intentionally left off because this is an administrative function to be updated when changes occur and did not wish those to be a part of the Council's action.

Mayor Jennings inquired if there would be an impending problem if Council waits until July to consider this action item. Ms. Hodges expressed her concerns and the need for one of the vacant position. Also, there is also a placement that needs to be considered internally and she would like to move forward because of the need to have this position established at the proper level. Council Mercer inquired if the delay of three weeks would make any appreciable difference and any action taken can be made retroactive.

Mr. Connet requested Ms. Hodges attend the Closed Session to share information with Council regarding Personnel issues.

Mayor Pro tem Roberson voiced he was interested in the process when it comes to Personnel. When Ray Midgette retired and the reorganization was set up, Council does not have the total cost allocation (net cost from the savings of reclassification). Mr. Rauschenbach shared they did outsource in the tune of \$20,000 to Sound Side Group. This position was looked at over the last six months and there will still be considerable savings to the City to represent work currently being done for the person that filled that role. Mayor Pro tem Roberson reiterated he would like to still see the numbers.

Mayor Pro tem Roberson stated he does not feel they have a lot of control with overtime in the Police Department. The salary pay grade will be taken out of the overtime line item due to reorganization but what happens if something comes up and you need to appropriate more money into the overtime line item. Ms. Hodges stated this will be an exempt position. Chief Reed explained that he was trying to make sure the sworn staff is confined to activities that are required to be sworn staff as well as reduced the number of supervisors. By reducing the number of supervisors and creating a situation where there is some cross training that we can do to better utilize our people. Chief Reed mentioned they are a Public Safety Entity and just in the last couple of weeks there were unforeseen situations that occurred. He can't promise that something may arise and would require overtime. Mayor Pro tem Roberson commented Chief Reed and expressed his appreciation to Chief on an outstanding job with his budget by reducing his total overtime hours.

Councilman Pitt inquired as to how many cities has implemented this procedure. Ms. Veazey shared she hasn't seen it frequently but has seen it in some communities. These communities are not close to Washington but the trend is moving toward more civilian staff. The Police Support Services Supervisor position (previously Telecommunications Supervisor) would be going from non-exempt to exempt with no more overtime in that position.

Mayor Jennings stated there was a motion on the table: Mayor Pro tem Roberson requested to specify a date for this action item.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council agreed to continue the Classification and Pay Grade Changes until August 8, 2011 regular Council meeting.

APPOINTMENTS – TO VARIOUS BOARDS, COMMISSIONS AND COMMITTEES – MOVED TO JULY 18, 2011 REGULAR MEETING

AMEND – USER FEE SCHEDULE FOR FISCAL YEAR 2011/2012, ELECTRIC DEPOSIT

Mr. Rauschenbach noted this request is the result of discussion from Budget Workshops. The electric deposit user fees have been amended to be consistent with discussions and with the direction of Council to be implemented 7/1/11.

Mr. Rauschenbach stated that per conversation with the City Attorney, Franz Holscher numbering inconsistencies has been identified in this policy and City Code. Mr. Rauschenbach requested that Council approve the amendment subject to the revisions of the City Attorney. There will be a forthcoming amendment to the City Code.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved the user fee schedule for the electric deposit subject to the correction of numbering and lettering changes to be submitted by the City Attorney.

AWARD – CONTRACT FOR COMPLETION OF CITY'S COMPREHENSIVE PLAN UPDATE

Planning & Development Director, John Rodman and Planning Administrator, Glen Moore presented this action item to Council. Mr. Rodman recalled Council's attention that the Comprehensive Plan was one of the goals for the Planning & Development Department this year. Initially RFP proposals for the City's Comprehensive Plan update were received on November 19, 2010. At the May 16, 2011 City Council meeting, Council instructed staff to rebid the project.

Mr. Moore spoke with all bidders informing them that they would need to reduce some of the scope of services since funds were limited. Originally there were six proposals ranging from \$39,000 - \$90,000.

Revised RFP packages were received on June 1, 2011 from three planning consulting companies to update the City's Comprehensive Plan. Holland Consulting Planners presented the lowest RFP at \$29,500, Clarion Associates presented an RFP in the amount of \$30,000 and Wooten Company had an RFP of \$43,530. The staff thoroughly reviewed each of the three bid proposals and the scope of work submitted by each. The total scope of services was very similar but Clarion Associates was the only company that stated they could complete the project in 10 months rather than 12 months. City Council is not bound by state statute to award a contract on a presented RFP to the lowest bid. Planning would like to request Council award the contract to Clarion Associates out of Charlotte, NC as the award should be presented on the total RFP.

Mayor Pro tem Roberson inquired if the completion date was specified on the specifications. Mr. Rodman suggested they are a little behind schedule and was hoping to get this done by the beginning of the year and 10 months would certainly help. Interim City Manager, Pete Connet agreed with Mr. Rodman's assessment.

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council awarded the contract for the completion of the City's Comprehensive Plan Update to Clarion Associates in the amount of \$30,000 to be completed within 10 months and to include the PO's for this fiscal year.

MEMO – PERSONNEL POLICY CHAPTER 9 – CAR ALLOWANCE

Interim City Manager, Pete Connet stated at last meeting this item came up as to how many department heads were receiving car allowance and this information is provided to Council in a Memorandum.

(Begin memo) **Article IX, Section 12 (b) of Personnel Policy – “Car Allowance/Travel Bonus”**

This memo is in response to Council's questions regarding the above referenced matter. Currently there are eight (8) department heads that receive a monthly car allowance as part of their salary compensation. They are as follows:

Matt Rauschenbach	Allen Lewis
Philip Mobley	Susan Hodges
Keith Hardt	Lynn Lewis
Gloria Moore	John Rodman

Of these eight, Matt, Keith, and John had been told that the car allowance was part of their compensation package by the City Manager who either hired them or promoted them into their current department head position. Keith has paperwork from R.L. Willoughby dating back to March 13, 1997 stating he would be paid a monthly car allowance of \$350.00

Each department head receives as part of their salary, \$350.00 per month, or \$4,200.00 per year. If they travel more than 150 miles (one-way) they receive reimbursement at the IRS rate for their mileage above the 150. As an example, if a Department head use his/her own vehicle and travels to Greensboro to a meeting and the total miles are 350 miles round-trip, they will be reimbursed for the miles above 300 -- 50 mile X .51/mile or \$25.50.

If they are paid on a straight mileage basis in the same example the cost is 350 X .51 mile = \$178.50.

My recommendation would be as follows:

*Since this auto allowance has become and is budgeted as part of their annual salary, I would recommend that the total salary amount not change, and that the current method of mileage reimbursement continue, with some clarification in the personnel policy similar to the City Manager language contained in the present Policy.

- b. Department Heads. With the exclusion of department heads for whom the City provides a City-owned vehicle the City Council may provide a monthly flat amount of car allowance for the Department Heads in lieu of providing a city-owned vehicle to conduct city business. The allocated car allowance will cover all mileage expenses for City business within a 150-mile radius (300 miles round trip) of the City. Travel beyond the 150-mile radius will be reimbursed in accordance with the City's travel policy. This allowance will be reported on the Department Head's W-2 form.*

If the City Council does not accept the recommendation set forth above, I would recommend the following alternative.

The Department Heads, listed above, shall not have their current compensation package (base salary plus monthly auto allowance) reduced as of July 1, 2011, but will begin being reimbursed for actual miles traveled on City business as the then current IRS mileage rate. Said request for reimbursement shall be on a monthly basis and shall be submitted to the Finance Department on a signed and dated monthly mileage log for payment.

This alternative recommendation would keep the respective department head whole based on the actions of previous City Manager administrations, and would implement the changes that the Council briefly discussed at their June 13, 2011 regular meeting. New language would need to be added/changed in current Personnel Policy (**IX. Section 12. Car Allowance / Travel Bonus (b) Department Heads.**) (End memo)

Councilman Mercer noted this is a memo for consideration and it was called to his attention the need by Council to know what some of the other nearby communities are doing in regards to travel allowance for department heads. Councilman Mercer recommended taking no action on this memo and requested that the City Clerk contact the nearby towns (New Bern, Greenville, Tarboro, Rocky Mount, and Kinston) and see their policy on department heads travel.

Mayor Jennings stated for clarification, how often does our department heads travel outside the 150-mile radius. Mr. Connet stated it is very rare for department heads to travel past the 150-mile radius on City business, but it does occur from time to time. Mayor Pro tem Roberson commented on the problem the City ran into with department heads travel with the Manager and provided the reason. Mayor Jennings noted it is rare to receive a car allowance and mileage and suggested one consideration may be leaving the travel allowance in place and not having any reimbursement for mileage since we are rarely outside of the radius.

Council requested taking the memo information and moving forward with some additional analysis. Council postponed any action until a later date.

ADOPT – ELECTRIC RATE SCHEDULES

Electric Director, Keith Hardt stated Council had requested clarification of some of the changes on rate determinants. These are in line with the current 5%.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council adopted the rate schedule for the electric rates set forth in the documents, the one for electrical services outside of the city with the appropriate fees and ones for electrical services for residential customers inside the city with the appropriate fees.

CLOSED SESSION – UNDER § NCGS 143-318.11(a)(6) PERSONNEL

By motion of Councilman Davis, seconded by Councilman Pitt, Council agreed to enter closed session under § NCGS 143-318.11(a)(6) Personnel @ 6:05 PM.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council agreed to come out of Closed Session at 6:45pm.

ADJOURN – UNTIL MONDAY, JULY 18, 2011 AT 5:30 PM IN THE COUNCIL CHAMBERS AT THE MUNICIPAL BUILDING

By motion of Councilman Pitt, seconded by Councilman Davis, Council adjourned the meeting at 6:46 pm until July 18, 2011 at 5:30 pm in the Council Chambers at the Municipal.

Reatha B. Johnson
Assistant City Clerk