

**MINUTES
BOARD OF COMMISSIONERS SPECIAL MEETING
HOOD ROOM, MATTHEWS TOWN HALL
OCTOBER 1, 2016 – 7:45 AM**

PRESENT: Mayor James Taylor; Mayor Pro Tem John Higdon; Commissioners Chris Melton, Jeff Miller, John Ross, John Urban and Larry Whitley

ALSO PRESENT: Town Manager Hazen Blodgett, Assistant Town Manager Becky Hawke; Town Clerk Lori Canapinno; Planning and Development Director Kathi Ingrish; Parks, Recreation and Cultural Resources Director Corey King; Public Works Director CJ O'Neill; Police Chief Rob Hunter; Fire & EMS Chief Rob Kinniburgh; Finance Director Chris Tucker; Town Engineer Susan Habina Woolard; Police Captain David Dufresne

REGULAR MEETING CALLED TO ORDER

The meeting was called to order at 8:00 am.

PAY COMPRESSION ACROSS TOWN POSITIONS AND COMPETITIVENESS OF POLICE DEPARTMENT PAY

Assistant Town Manager Becky Hawke discussed the issue of pay compression in several town positions and competitiveness of salaries in the police department. Compression results from workers in the same position making the same amount no matter the skill or experience level. In addition, the issue of staff turnover is concerning as it is becoming more frequent, and management is being told in many cases that it is due to pay. There is a concern about the town's ability to recruit experienced police officers, particularly in the patrol division. Susan Manning did a report about 1.5 years ago regarding employee pay. She noted areas of concern regarding pay compression and police officer pay. At that time she didn't feel recruitment was an issue, but that has since become a concern as well.

Ms. Hawke reviewed employee turnover rates and Police Chief Hunter talked about the effects on the police department. In this market, employees can be recruited away for a variety of reasons and pay is a significant one. Now many departments are competing for a smaller pool of candidates. Discussion ensued regarding training costs, clawback provisions and exit interviews.

Ms. Hawke then discussed the issue of pay compression. She reviewed figures to see if employees were appropriately placed in their pay scale based on how experienced they are with the town in that position. Mr. Higdon noted he's not in favor of adjusting salary simply because they've been in the job a long time – some portion should be based on merit. Town Manager Hazen Blodgett explained that town employees receive only merit increases, so all those employees in question have been at least meeting expectations if not better. These proposed changes would in no way mean a move away from a merit-based system. Mr. Higdon was comfortable with that.

Mr. Blodgett noted that management staff spends a lot of time talking about internal equity because in the public sector all employees know what everyone makes, and it can become a morale killer. They need to be sensitive to that. The staff proposal calls for relieving compression for certain non-law enforcement positions by increasing the

salary for those positions to appropriately place them within their pay range and to increase competitiveness of police officer pay by two grades. The revisions to the law enforcement positions would cost approximately \$70,000 and the others would cost approximately \$36,000. Staff recommends implementing these adjustments on January 1, 2017. That would be halfway through the current fiscal year, so the costs would be around \$50,000 for this year and the entire amount would take effect in the next budget year. The mid-year implementation can be absorbed by the existing budget due to current vacancies. Staff also recommends regularly assessing the positions in town every three to four years to ensure correctness.

Mr. Ross said he didn't think the plan went far enough – the proposed adjustment for law enforcement would put Matthews in the middle of the list of area towns, and he wants to be better than that. A little more money spent on police salaries would make Matthews more competitive. Ms. Hawke noted that Matthews is currently 11th out of 12 for police starting salaries. Mr. Higdon agreed with Mr. Ross. Mayor Taylor didn't disagree but said that would require a conversation about the budget.

Discussion ensued regarding the amount for the law enforcement adjustments and the timing of any potential implementation. Mr. Melton supported the staff's proposal. Mr. Ross recommended making the rate adjustment effective immediately so the police department could get some immediate relief. Mr. Miller agreed. Mayor Taylor asked if the Manager would be able to present a balanced budget to the Board that included these adjustments without a tax increase next year. Mr. Blodgett said he feels that this is the right thing to do since the people are the Town's most important asset, and he is hopeful the budget numbers will come in as needed for sales tax and other issues. Mayor Taylor also noted that this proposal is separate from and in addition to any anticipated merit increase that may be requested in the next budget year. Mr. Melton noted that it's easy to talk about great ideas now but it becomes more difficult when it comes to budget time. Mr. Ross said he understands that but sees this as a life safety issue. He has no problem with this even if it means raising taxes next year, as long as qualified police officers were able to keep the citizens safe.

Discussion continued on possible increases and timelines. Mr. Whitley suggested increasing the police grade to 18 and making it effective January 1. He suggested getting the minimum as close to \$40,000 as possible. He would like to see Matthews at or close to the top of the list of area communities' salaries.

Staff will get more data and present the updated information to the Board at a future meeting.

PAVEMENT CONDITIONS

Public Works Director CJ O'Neill presented information on funding issues related to road paving. He discussed the gap between the current funding and what would be needed to keep the roads in their current condition rather than deteriorating.

In 2014 Kercher Engineering performed a review of all Town roads and presented information regarding their condition. At that time they issued an overall score of 77 out of 100, which was a significant change from the score of 87 just three years prior. They presented several scenarios to address the situation, involving funding and types of treatment. They recommended pavement preservation in the first year. Research has proven that keeping good roads in good condition is better than letting them go bad in the first place. It is much more cost effective to maintain good quality. Mr. Blodgett noted that it's better to do it that way but it's difficult for the community to understand, particularly if their roads are not of good quality. Mr. O'Neill reviewed various prevention methods. The further the quality drops the more expensive it will be. It would cost roughly \$800,000 per year to keep the roads in good condition and using the various methods. Staff recommends increasing the next fiscal year's road maintenance budget to \$880,000 and to use the methods identified as successful in the next year's road maintenance plan.

There was discussion of pavement surveys and their use. Mr. O'Neill explained that it would be difficult to perform in-house but that staff could look into it. A big part of the annual cost relates to the software used to analyze the results. The Board discussed ways that the budget might allow for this. Mr. Higdon agreed it is a lot of money but the Board needs to plan to take care of the situation now rather than delaying more time. He is in favor of getting the funding to at least \$880,000.

This will be discussed again at a future date.

HIRING A HUMAN RESOURCES MANAGER

Mr. Blodgett discussed the need for a Human Resources (HR) Manager. There are 30,000 citizens in town but the organization has grown slowly and incrementally and runs very lean with 140 full time employees and 40 part time employees. Assistant Town Manager Becky Hawke is currently the HR Director but that position also has many other significant areas to oversee. There is also one full time employee who performs non-managerial JHR functions. The addition of an HR Manager would allow that person to focus on high level issues such as training, development initiatives, policy updates and more, while Ms. Hawke focused on other areas. Staff recommends approving the addition of the new position and its job description at the next meeting with a look at January 2017 revenues to see if funds would be available this year. If not then staff would seek to add the position in fiscal year 18.

Mr. Higdon asked about joining this with the Communications position. Mr. Blodgett explained that those are such different skill sets that it would be difficult to find someone equally skilled at both. Discussion ensued regarding the possibility of hiring an HR Manager and waiting to fill the Communications position, or scaling down the requirements of the Communications Director position to be more of a lower-level position. Mr. Blodgett and Ms. Hawke discussed the need for both positions but said if only one was possible then the HR Manager position would be more critical. The group discussed the various responsibilities of positions and opportunities to do new things.

Mr. Blodgett summarized the discussion and planned to come back to the Board at a future date to request the creation of the new HR position, while also reviewing options for a lower-level communications/social media position.

PARKS, RECREATION AND CULTURAL RESOURCES INVENTORY

Recreation and Cultural Resources Director Corey King reviewed the Town's inventory of existing recreational opportunities as well as underserved areas and potential sites. The Board discussed various locations around town as well as ways to connect a trail system that would allow people to travel through areas of town without using a car.

MATTHEWS ELEMENTARY SCHOOL AND SOUTH TRADE STREET RESTRIPING

Police Chief Rob Hunter reviewed the issue of traffic on South Trade Street at Matthews Elementary School. Waiting parent traffic and an increasing volume of local traffic has resulted in increasing congestion over the years. Staff proposed options that could alleviate at least some congestion to Charlotte-Mecklenburg Schools (CMS). Chief Hunter reported that CMS's reception to option 1 – using the same entrance for bus and parent traffic) was poor. They didn't rule it out completely but they are opposed to it. Option 2 proposes an expansion of South Trade Street near the school and would require donation or purchase of right of way, likely on both sides of the road. The construction-only cost estimate for that option is \$150,000 and property acquisition costs would

increase that by some unknown amount. This would provide for significant improvements but it would put considerable money and resources into a problem that occurs only about 90 minutes a day during the school week, so its cost effectiveness can be questioned. Chief Hunter also described a proposal to re-mark the block of South Trade Street between Sadie Drive and McDowell Street as these changes would impact the issue of school-related traffic.

Discussion ensued regarding possible ways to alleviate traffic congestion while maintaining safety. A possibility of using the greenway entrance/old public works area was raised; staff will review that option in more detail and bring information back to the Board in the future. The issue of police officers used to direct traffic and their associated wages was also discussed; currently the Town pays since CMS historically would not.

Chief Hunter noted that regardless of what the Board chooses to do, he will direct his officers to no longer allow parents to park on South Trade Street as they wait to pick up their children. That means parents will drive around or park nearby, affecting some of the surrounding neighborhoods, but it's a matter of safety.

The Board directed the Manager and Police Chief to send a letter to CMS Facility Manager Peggy Hey outlining the concerns and possible solutions discussed here.

PAVEMENT MARKINGS ON SOUTH TRADE STREET

Town Engineer Susan Habina Woolard discussed pavement markings on South Trade Street. Prior to her hiring, a plan had been presented to the Board in February 2016 and option one - which organizes northbound traffic into two lanes approaching Sadie from McDowell - was approved. Ms. Habina Woolard has since reviewed the plan and existing traffic patterns and realized some concerns, especially in relation to the adopted streetscape plan. The adopted pavement markings for this plan and the streetscape plan are in conflict. She also expressed concern about putting down pavement markings before determining the final solution with the school as discussed earlier. She recommended waiting until the Town is ready to implement the Downtown Streetscape Plan for that area before working on the center land and angled parking.

The Board discussed possible options. By consensus it was determined that the plan that was approved in February will move forward. Any issues relating to the school traffic flow or DOT-required repaving can be addressed in the future.

UPDATE ON MAYOR'S TASKFORCE ON EDUCATION

Mayor Taylor gave an update on the Education Task Force, which is comprised of Landon Dunn, Sandi Lee, Marie Ciminelli, Angie Lee, Kress Query, Garnetta Smith, Ray Eschert and Mayor Taylor. They meet approximately once a month and have been gathering information about options for Matthews schooling outside of the normal CMS system. They are looking into the possibility of splitting CMS into three districts, splitting Matthews off into its own district and instituting Town-sponsored charter schools.

Charter schools seem to be rising as the best choice, but in North Carolina there can't be a limit placed on which children can attend. Florida had some recent legislation allowing municipal charter schools, so students within a specified boundary get the first chance to join. It would take legislative approval to get something similar to that here; Jeff Tarte has already said he'd support it. State dollars that currently attend CMS would follow the student. County dollars are a little different – Mecklenburg and Union County rates would be a little different. There are a lot of different ways to fund charter schools and the task force will learn more about that at their next meeting. The group doesn't have a timeline as to when they will make their recommendation. He is comfortable with them taking as much time as they need to do it right.

METROPOLITAN TRANSIT COMMISSION (MTC) UPDATE

Mayor Taylor noted that the Silver Line light rail project will be voted on at the next MTC meeting and will likely get full support. The alignment is terrific and there is going to be a push in the next year or so as a county so that transit moves forward more than the area has in the last 10-20 years.

SMALL AREA PLAN

Planning and Development Director Kathi Ingrish discussed a small area plan (SAP) that will be coming to the Board soon in draft form. It will cover East John Street to the county line. The Board met recently with DOT and saw some of the issues about certain design elements. Staff wants to be sure those issues aren't dropped. There are design criteria that staff wants to push at DOT – visual things that can have traffic calming influences. Some can be done in-house and others can't, and staff does not yet have any cost estimates. Staff is requesting approval to solicit bids to contract with a design consultant as soon as possible to work on a plan to soften things from an aesthetic standpoint and a proposal to address traffic issues present the information to DOT.

Ms. Habina Woolard explained some of the issues, such as what it would take to become bike and pedestrian friendly, or what would happen if there were signals along East John Street. The Town doesn't have the expertise on staff to deal with this which is the reason to hire a consultant to review all these. There is currently no adopted plan about this area specifically. DOT needs to be presented with solutions. They gave the Town until the end of the year, so staff might have the opportunity to convince them to make changes to their plan.

Mr. Higdon said he would prefer to encourage DOT to stop the widening project, but he is ok with getting a consultant in this situation. Mayor Taylor said it is unlikely that Matthews would be able to stop it, but the Town would definitely try to get the best result from it. Mr. Urban agreed. Mr. Higdon suggested benchmarking other small towns with a historic core similar to Matthews. Mr. Whitley said he liked the idea of breaking up the span with traffic lights.

By consensus the Board directed staff to bring two proposals regarding aesthetics and traffic issues back to the Board for further review.

DRIVEWAY POLICY

Ms. Ingrish discussed a proposed policy related to driveway cuts for properties with pending road projects adjacent to them. This is about controlling driveways when there is a flyover planned, not about any development in particular. The plan still needs to be reviewed by the Town Attorney but should be ready for discussion at a regular meeting soon.

PARKING LOT ALONG RAILROAD TRACKS

Mr. O'Neill discussed the improvements to the railroad lot, explaining that the contractor suggested a few different ideas for the staircase, such as widening it and using terracing. It would be more expensive but there is money available. Mr. Blodgett explained it would take about \$20,000 more of the funds that had been approved in the CIP.

UPDATE ON PAY COMPRESSION AND SALARY

Ms. Hawke presented updated information regarding police officer pay after the discussion and input from the Board earlier in the day. She showed information on costs associated with different pay grades and different implementation dates. The jump of three grades does incur a significant increase in cost – an extra \$150,000, excluding any raises for the rest of the organization. It would be difficult to implement at budget time with no tax increase. Mr. Blodgett said staff continues to recommend the increase of just two grades with the addition of a review in twelve months. The second recommendation is for an implementation date of December 1 so that people currently in the process of being hired would have the better salary when they came on board.

The Board continued to discuss the merits of the different pay grade changes. This will be discussed again at a future meeting.

ADJOURNMENT

Motion by Mr. Miller to adjourn. The motion was seconded by Mr. Ross and unanimously approved. The meeting adjourned at 1:39 pm.

Respectfully submitted,

Lori Canapinno
Town Clerk