



**OAK RIDGE TOWN COUNCIL MEETING
JULY 6, 2017 - 7:00 P.M.
OAK RIDGE TOWN HALL**

MINUTES

Members Present

Spencer Sullivan, Mayor
George McClellan, Mayor Pro Tem
Jim Kinneman
Mike Stone
Doug Nodine

Staff Present

Bruce Oakley, Town Manager
Sam Anders, Finance Officer
Sandra Smith, Town Clerk
Michael Thomas, Town Attorney

1. CALL TO ORDER

Mayor Spencer Sullivan called the meeting to order at 7:00 p.m.

A. Invocation.

David Gantt, pastor of student ministries at Central Baptist Church, offered the invocation.

B. Pledge of Allegiance.

2. APPROVE AGENDA

Councilman Jim Kinneman made a **motion** to approve the meeting agenda. **Mayor Pro Tem George McClellan** seconded the motion, and it was passed unanimously (5-0).

3. APPROVE MINUTES

Councilman Mike Stone made a **motion** to approve the minutes of the June 1, 2017 regular meeting and the June 7, 2017 special meeting. **Mayor Pro Tem McClellan** seconded the motion, and it was passed unanimously (5-0).

4. RESOLUTIONS, PROCLAMATIONS, ANNOUNCEMENTS

None

5. REPORT FROM GUILFORD COUNTY SHERIFF'S OFFICE

None

6. REPORT FROM OAK RIDGE FIRE DEPARTMENT

Assistant Fire Chief Sam Anders reported the department had received 63 calls in June. Of those, 28 were of a medical nature and 35 were fire/service related. The department received 261 hours of training for the month. For a fire prevention tip, Anders urged attendees to keep cooking grills clean and free of grease build-up, and to never store LP gas cylinder inside a building, including a garage.

7. TOWN MANAGER'S REPORT

A. Approve 2017 municipal election filing fee.

Mayor Pro Tem McClellan made a **motion** to keep the municipal election filing fee at \$5.00. **Councilman Kinneman** seconded the motion, and it was passed unanimously (5-0).

B. Commission/Board reappointment.

Councilman Stone made a **motion** to reappoint Jay Cumbus to the Board of Adjustment. **Councilman Kinneman** seconded the motion, and it was passed unanimously (5-0).

C. Parks & Recreation Commission request for capital equipment.

Oakley presented a request from the Parks & Recreation Commission to purchase a used, four-seat, gas golf cart to be used to help transport elderly and physically challenged attendees at park events. He said the golf cart could also be advantageous to park staff, who could convert the rear of the vehicle into a bed in order to transport small equipment and tools around the park. Having the golf cart would enable staff to use it in the park instead of relying on the pickup truck, which tends to tear up grass and wear out the asphalt. The cost for the vehicle would be around \$5,000.

Councilman Kinneman made a **motion** to approve the purchase of the golf cart. **Mayor Pro Tem McClellan** seconded the motion, and it was passed unanimously (5-0).

D. Recommendation to create new Parks & Recreation position.

Oakley presented a request to be allowed to create the position of Grounds and Maintenance Crew Leader in the Parks & Recreation department. The employee in the position would assist the Parks & Recreation Director in supervising other employees when the Director is in the office or is not available. Oakley said the intention was not to hire a new employee, but to promote an existing employee to the position. One of the Groundskeeper II positions would not be replaced.

Mayor Pro Tem McClellan made a **motion** to create the position of Grounds and Maintenance Crew Leader. **Councilman Kinneman** seconded the motion, and it was passed unanimously (5-0).

8. PRESENTATION ON SALARY STUDY

A. Consideration of new pay classification and scale.

Matt Reece, Assistant Director of the Piedmont Triad Regional Council, presented the results of a study on creating job classifications and a pay scale for Town employees, which is hereby incorporated by reference and made a part of the minutes. Reece explained that detailed questionnaires had been filled out by all Town employees and reviewed by their supervisors regarding working conditions, physical requirements, etc. Key employees had also been interviewed regarding details of their positions. He said the intent of the study was to improve recruitment and retention of employees, something that was critical for small towns. The job content evaluation and labor market were then used to create a job worth hierarchy and a pay structure. He also discussed an employee benefits survey which was done that compared aspects of the Town's benefits to those of other towns.

Councilman Stone asked if the recommended salary increases would result in a 6.1-percent budget adjustment. Oakley said Council had already budgeted for up to a 5-percent increase for employees, so the recommended increases would add 6.1 percent to that amount. Stone asked how did PTRC determine the need for Oak Ridge to consider retention. Reece said the assumption was that the study was requested in order to ensure salaries were competitive for retention and hiring purposes. Stone asked how the market group of municipalities Oak Ridge was compared with was determined. Reece said that was a judgment call, but those not included for comparison purposes were the biggest market players in the group, which include municipalities such as Greensboro, Guilford County, Forsyth County and High Point. Reece explained that Oak Ridge does compete with those larger municipalities, because there is likely a greater chance than an employee would leave to work for one of them than they would, say, a town like Trinity. He said in general, they were looking for employers in the same labor market that have the same positions. Stone asked Reece if they had given any thought to the intrinsic value of working in a place like Oak Ridge and how that would be valued. Reece said there could be intrinsic value and that some might say it is priceless. However, he said the employer has very little to do with that, and the thing they control most is salary.

Councilman Nodine asked Reece how many studies he or his agency had done. Reece estimated he had been involved with 30-40 studies per year over the past 21 years. Nodine asked if Reece agreed with a statement by Oakley that it was hard to do an apples-to-apples comparison with other governments. Reece said it would be necessary to ensure that it was a valid comparison on the duties and whether they were comparable. Reece said the town manager serves at the pleasure of the Council and his compensation is uniquely up to them. He said the study showed the salaries of larger municipalities such as Kernersville and Elon, but also showed some smaller municipalities. Nodine said the towns compared in the study vary greatly because some offer full services and others, like Oak Ridge, do not. Reece said the study also showed the average salaries for municipalities with 5,000-9,000 residents. Nodine said Oakley had said Oak Ridge was an affluent town; he asked Reece if that would impact the wages the Town pays. Reece said he had not considered that in the analysis.

Nodine asked if the value of free housing and utilities for an employee were included in the study. Reece said he understood the Town had made that

arrangement for the Parks & Recreation Director to aid in the delivery of services, and that no valuation had been assigned. Nodine asked what percentage of the studies Reece had done found that employees were overcompensated. Reece said he had often made the recommendation to not adjust salaries, but he could not provide a specific percentage because that was not a point of analysis that they take into account.

Mayor Sullivan said he understood the need to be competitive. He asked if a lower position with another municipality might result in greater salary and benefits, and Reece said yes, adding that a fairly conservative group had been chosen to compare Oak Ridge with.

After additional discussion, **Mayor Pro Tem McClellan** made a **motion** to adopt the job classification salary range scale for all Town employees. **Councilman Kinneman** seconded the motion.

A lengthy discussion followed. Mayor Pro Tem McClellan pointed out that the pay scale was not being created just for today's employees, because new employees would need to be hired over time.

Stone said he did not have an issue with creating a salary scale with grades for each position, but he did not think it was appropriate to discuss it until employee benefits were also considered. He said competition for employees existed, but the intrinsic value of Oak Ridge being Oak Ridge could also have an impact. He said a separate discussion on the benefit package was also needed.

Nodine said retention and recruitment was being considered, and asked how many key employees had left the Town. Oakley said the Town had lost two clerks in two years. Kinneman pointed out that the Town had been through seven clerks since it incorporated 19 years ago. Nodine asked Town Clerk Sandra Smith how long she had been in the position, and Smith said five years; Nodine asked about other positions with the Town, and said he did not think there was a retention problem.

Councilman Kinneman said the recommendation was just on the range in each grade level; it was not recommending how much individual employees should be paid. He said he thought it was a mistake to discuss salaries and benefits at the same time, and he disagreed with Stone's statement that more information was needed.

Stone again brought up the NCLM salary survey, and Sullivan said the Council was not considering it. Instead they had paid to have a study prepared that was accurate and appropriate for the Town of Oak Ridge. He said Stone had simply pulled a chart off the internet, and that it was not relevant to Oak Ridge. Stone then asked Reece if he thought that the NCLM survey was valid. Reece pointed out that it is simply a survey; he said it had not been ignored, but he would hesitate to use it without additional information to back up the figures in it. Oakley agreed, saying the NCLM survey does not include any other factors, including, for example, whether an employee works full or part time. Reece agreed, saying it is simply raw data.

Discussion then turned to the town manager's salary. Nodine said the town manager of Trinity gets paid \$79,600. Kinneman asked Reece if Trinity has a pay structure, and Reece said no. Sullivan pointed out that the Council should not be discussing specific salaries at this point, but should be discussing the pay scale and position

grades. Reece said if PRTC was asked to conduct a survey for a new manager, he thought \$79,000 would be "painfully low."

Two times during the conversation, Mayor Pro Tem McClellan tried to call the question.

Nodine asked about the column denoted "Plus 5% hiring rate (min.)," and said the Council was being asked to vote to approve the study and yet they didn't know what some of the numbers meant. Oakley said the column merely showed a 5 percent increment from one starting grade to the next. Oakley said the study had been in the Council's hands for some time. Additional discussion ensued.

Mayor Sullivan asked McClellan if he would be willing to accept a friendly amendment to his motion to delete the columns on the study marked "5% hiring rate (min.) and hourly rate," and McClellan said yes. Sullivan called the question, and the vote in favor was unanimous.

B. Consideration of salary recommendations.

Sullivan said the Council would then consider the recommendation from the Town Manager for market-based salary adjustments for town employees.

Mayor Pro Tem McClellan made a **motion** to approve the Town Manager's recommendation for market-based salary adjustments based on the PTRC study.

Councilman Kinneman seconded the motion.

Kinneman asked if the total of \$35,000 for salary adjustments recommended included FICA and other deductions. Finance Officer Sam Anders said no, but he estimated that to be between \$7,000 and \$7,500.

Oakley pointed out that he was not recommending a salary increase for himself, but said he had been asked by Council members to put a figure in so he had chosen the midpoint for Town Managers of towns the size of Oak Ridge.

Kinneman said if the Town had been through seven clerks in 19 years, it had likely served as a training ground for clerks who had moved to other positions. Oakley said all but one clerk had gone on to higher paying positions. Kinneman said the Town was blessed to have a solid workforce that gives more than 100 percent, if that is possible. He said the Town wants to keep them, but also wants to be competitive in case it needs to replace them. Regarding the house the Parks & Recreation Director lives in, Kinneman said he had a sense he would rather not live there, but his living in the house was more a convenience for the Town than it is to him. He said he was inclined to vote in favor of the Town Manager's recommendation.

McClellan praised the Town's employees, and said he was also inclined to vote for the manager's recommendation because the Town's salaries need to be competitive.

Stone disagreed, saying benefits were part of employees' compensation. He said he had heard from others that the Parks & Recreation Director's house was not top notch. Stone said if it was not and the Council was not doing something about that, shame on them.

Nodine said he liked all the Town employees, but that the Council is charged with spending taxpayer money. He again brought up the difference between town managers' salaries in limited-service versus full-service towns. Sullivan said the duties of employees in full-service towns could be very compartmentalized. He agreed the Council needs to be good financial stewards, and said while he does not want the Town to overpay the Town Manager, he did not want it to underpay either.

Councilman Kinneman made a **substitute motion** to approve the Town Manager's salary recommendations for the Town Clerk, Planning Director, Groundskeeper II and Crew Leader. **Councilman Nodine** seconded the motion.

Stone then questioned the amount being recommended for the Town Clerk's increase, saying that unless the position was open and nobody would take it for that salary, then the salary was not too low. Sullivan said the study had shown that the Town Clerk's salary was not competitive, and that the Council was talking about correcting a longstanding issue with the position to rectify something that had happened in the past.

Councilman Stone then made another **substitute motion** to delay the conversation on salaries until benefits could also be discussed. **Councilman Nodine** seconded the motion, and it failed by a 1-4 vote (Stone voting for).

Council then voted on Kinneman's substitute motion to approve the Town Manager's salary recommendations for the Town Clerk, Planning Director, Groundskeeper II and Crew Leader, and the vote in favor was unanimous.

Councilman Kinneman pointed out that the suggested pay increase for the Parks & Recreation Director was 5 percent, which was within the approved budget, so Council did not need to take action on his salary. Nodine said he would have been in favor of a salary decrease for the position.

Mayor Pro Tem McClellan made a **motion** to adopt the market-based salary for the Parks & Recreation Director as recommended by the Town Manager. The motion died for lack of a second.

Council agreed by consensus to conduct a performance evaluation of the Town Manager in closed session.

9. **CITIZEN COMMENTS**

- Steve Wilson, 8525 Scoggins Road, said employees are not retained with salary, but with good working conditions. He said he did not think the Town was in serious danger of losing any employees. He then said he was verbally attacked at a Town Council meeting in May by Mayor Pro Tem McClellan for his vote on a specific issue. Wilson then expressed his concern that, despite a 5-2 vote to deny the text amendment that would allow building separations in two-story or less townhome developments to be decreased from 20 to 15 feet, Council had voted to approve the text amendment. He said the fire chief had told Planning Board members that such a reduction would inhibit the fire department's ability to fight fires in such a development. Wilson said the Council

had sent a poor message to the Planning Board; he asked that the Council listen to the Board in the future and not call its members out in meetings.

Mayor Sullivan responded, saying the Planning Board's votes are recorded in the staff report received by the Town Council, so they knew what the vote was. He said he also spent about 3 hours in discussions with the fire chief. Sullivan said there were currently zoning districts in the Town that allow building separations of less than 20 feet without requiring firewalls. Regarding McClellan's questioning of Wilson, Sullivan apologized. He said since 2011, the Council had agreed with the Planning & Zoning Board's recommendations 36 out of 41 times, or about 90 percent.

Councilman Nodine, former chairman of the Planning & Zoning Board, said he understood Wilson's concern about the Council not agreeing with the Board, and he did not think Board members should be criticized for stating their opinions. He said prior to the decision, there were already a number of opportunities in the Town for building separations to be only 15 feet.

Mayor Pro Tem McClellan pointed out that he had apologized to Wilson publicly at the May meeting.

- Ed Treacy, 4202 Parkchester Place, said he thought the salary study was flawed.

10. MONTHLY FINANCIAL UPDATE

Finance Officer Sam Anders presented the financial report, which is hereby incorporated by reference and made a part of the minutes. He also presented the required annual engagement letter with his firm, and the year-end budget amendment Council had given him authority to make to balance the budget. Those documents are also hereby incorporated by reference and made a part of the minutes.

Councilman Kinneman made a **motion** to accept the financial report. **Councilman Nodine** seconded the motion, and it was passed unanimously (5-0).

Mayor Pro Tem McClellan made a **motion** to approve the annual engagement letter with Anders' firm. **Councilman Stone** seconded the motion, and it was passed unanimously (5-0).

Mayor Pro Tem McClellan made a **motion** to approve the budget amendment. **Councilman Kinneman** seconded the motion, and it was passed unanimously (5-0).

11. COMMUNITY UPDATES

A. Planning & Zoning Board.

Chair Ron Simpson said the Board had approved the Quiet Place subdivision plan at its last meeting. Regarding the Board's vote that was 5-2 to deny a proposed text amendment, Simpson said all members of the Board heard the fire chief say the reduced building separation would make it harder to fight fire, but that the two that voted in opposition also understood that the fire marshal has the final word on safety, not the fire chief. He said he could not blame Board members for being sensitive to the chief's comments.

B. Merchants of Oak Ridge.

None

C. Board of Adjustment.

No meeting

D. Historic Preservation Commission.

Vice Chair Debbie Shoenfeld reported:

- Planning is continuing on the Explore Historic Oak Ridge event on September 16.
- Town Clerk Sandra Smith had attended a historic preservation training session for staff provided by the State Historic Preservation Office.

E. Parks & Recreation Commission.

None

F. Finance Committee.

None

12. CITIZEN COMMENTS

None

13. COUNCIL COMMENTS

After discussion Council agreed by consensus to direct Town Manager Oakley to obtain a quote for an employee benefits study. Nodine said he thought the salary study done by PTRC was pretty weak; Kinneman said perhaps Oakley could also check with other agencies to see who might be able to do such a study.

14. ADJOURNMENT

Councilman Kinneman made a **motion** to adjourn the meeting at 10:35 p.m. **Mayor Pro Tem McClellan** seconded the motion, and it was passed unanimously (5-0).