



Morrisville Board of Commissioners

Business Session

April 22, 2008

1. Call to order

Mayor Faulkner called the meeting of the Board of Commissioners to order at 6:30 p.m. Also present for the meeting were Mayor Pro-Tem Johnson and Commissioners Lyons, Murry, Martin, Stohlman and Snyder. Town Attorney/Frank Gray arrived at 7:40 pm. Present staff included John Whitson/Town Manager, Diana Davis/Town Clerk, Julia Ketchum/Senior Director of Business Management, Jeanne Hooks/Budget Manager, Brenda Landes/Account Receivable Specialist, Ben Hitchings/Planning Director, Michele Hane/Transportation Planner, Tony Chiotakis/Senior Director of Community Services, Ira Jones/Police Chief and Gary Britt/Police Captain.

2. Invocation by Commissioner Tom Murry

Commissioner Murry gave the invocation.

3. Pledge of Allegiance - Please Stand

Everyone stood in participation of the Pledge of Allegiance.

4. Adoption of Agenda

Mayor Faulkner stated that the two discussion items from the April 17th Work Session should be added under Administrative Matters as follows:

- Hotel/Motel Occupancy Tax Funds
- Home Improvement (Building Permit) Holiday

ACTION: *Commissioner Snyder* made a motion to adopt the agenda with the additional items under Administrative Items carried over from the August 17th Work Session. *Commissioner Murry* seconded the motion, which passed unanimously.

5. Adoption of Minutes

- March 11, 2008

ACTION: *Commissioner Murry* made a motion to approve as presented. *Commissioner Martin* seconded the motion, which passed unanimously.

- March 25, 2008

ACTION: *Commissioner Lyons* made a motion to approve as presented. *Commissioner Snyder* seconded the motion, which passed unanimously.

6. Presentations

- Gary Britt, Police Captain, Police Department (Filling Vacancy)

Ira Jones/Police Chief stated that Gary Britt was the new Captain of Patrol Operations. He previously was employed with the Elizabethtown Police Department with 17 years of experience and a Masters Degree.

- [Bike to Work Week/Bike Month Proclamation](#)
- [Recognition of Congressman Price Proclamation](#)
- [Youth Gang Prevention and Awareness Month Proclamation](#)
- [Seat Belt Proclamation as Declared by Governor Easley](#)

Mayor Faulkner presented each proclamation.

7. Public Hearings

Tab S [2008-018](#) Act on Resolution 2008-018 Pertaining to the Consistency Statement and Ordinance 2008-018 Pertaining to the Town Hall Commons Rezoning Request (REZ 08-01)

Courtney Tanner, Planner stated that she had been contacted twice in response to the notification letters. One was a general inquiry and one was in opposition.

Commissioner Snyder asked about specifics to the opposition.

Ms. Tanner stated that the opposition was Willie Davis and involved a property line dispute and he would ask the Board to not act on this until that was resolved.

Commissioner Snyder asked who was working with him on that issue.

Ms. Tanner stated that he hired a surveyor, Buddy Plant, whom she had spoken with and alleged that the property belonged to Mr. Davis. That issue would have to be worked out between property owners.

Mr. Whitson stated that Frank Gray, the Town Attorney, was of the opinion that the rezoning had nothing to do with the property line dispute because when the property line dispute was resolved the rezoned area would stay with the property line.

Mayor Faulkner opened the public hearing at 6:40 pm.

Willie Davis, 5911 Family Farm Road, stated that he lived at this address his entire life and his father helped him build his house where it was located. The developer had the land surveyed and the line went right through his house. Everyone that could be was talked to in an attempt to stop them. Finally, Mr. Roberson from Cary resurveyed the land and he went to Mr. White's surveyor and they agreed that the land did belong to Mr. Davis. Mr. White called a couple of hours ago and told him that it was going to be straightened out, but he said that once before. He claimed he did not realize and did not have a deed or anything to indicate the land belonged to Mr. Davis prior to this point but now that he did it would be taken care of before the vote came up. Mr. White agreed to tell the Board this prior to the vote. He agreed that the land was Mr. Davis' after a lot of time and \$8,000 and the Board's consideration would be appreciated.

Angela Reincke, Land Entitlement Manager with Centex, 2301 Sugar Bush Road, Suite 400, Raleigh, 27612, distributed a [letter](#) to the Board. She offered support to the case and the letter included four points for the Board to think of while considering this rezoning.

ACTION: *Commissioner Martin* made a motion to close the public hearing since there were no further comments. *Mayor Pro-Tem Johnson* seconded the motion, which passed unanimously.

Mayor Faulkner closed the public hearing at 6:43 pm.

- Tab G [2008-030](#) Adopt Resolutions and Ordinance pertaining to the Jeremiah Street Annexation
- Res 2008-030A (3.25.08)
 - Res 2008-030B (3.25.08)
 - Ord 2008-030 (4.22.08)

Mayor Faulkner opened the public hearing at 6:43 pm.

There were not comments submitted.

ACTION: *Commissioner Murry* made a motion to close the public hearing. *Commissioner Lyons* seconded the motion, which passed unanimously.

Mayor Faulkner closed the public hearing at 6:44 pm.

- Tab J [2008-029](#) Adopt Resolutions and Ordinance pertaining to the Chessington Subdivision Annexation
- Res 2008-029A (3.25.08)
 - Res 2008-029B (3.25.08)
 - Ord 2008-029 (4.22.08)

Mayor Faulkner opened the public hearing at 6:44 pm.

There were not comments submitted.

ACTION: *Commissioner Snyder* made a motion to close the public hearing. *Commissioner Martin* seconded the motion, which passed unanimously.

Mayor Faulkner closed the public hearing at 6:44 pm.

- Tab K [2008-032](#) Adopt Resolutions and Ordinance pertaining to the Duke Realty-Morrisville Hotel Annexation
- Res 2008-032A (3.25.08)
 - Res 2008-032B (3.25.08)
 - Ord 2008-032 (4.22.08)

Mayor Faulkner opened the public hearing at 6:45 pm.

There were not comments submitted.

ACTION: *Mayor Pro-Tem Johnson* made a motion to close the public hearing. *Commissioner Martin* seconded the motion, which passed unanimously.

Mayor Faulkner closed the public hearing at 6:45 pm.

8. Public Comments

Stephen Diehl, 112 Bruington Court, stated that he could not believe a tax increase during an economic recession, which was a big increase that could be 30% for some folks. However, while residents were being forced to cut back and worry about what tomorrow will bring the town goes full speed ahead with spending and taxes. The tax payment should be the same as it was last year. Anything higher was a tax increase. To argue that the tax was lower was an insult to constituents. We all know that the increase of the unrealistic higher home valuation far outpaces the rate of decrease. Also, the plan to double privilege license fees, automobile fee and next year begin imposing a stormwater utility fee was basic. Rather than increase

revenue decrease expenses. For example, stop purchasing property for no immediate use. Everyone knows how many millions of dollars it costs. It may be simplistic thinking, but it would save needed money with no affect on town services to the citizens. Sometimes it was thought that the town forgot who was on top of the organizational chart.

Harry Freedman, Architectural Chairperson for the Gables, 100 Bell Tower Way, stated that he and other Gable residents wanted to join the greater town of Morrisville. There were about 163 homes that represented about 400 residents that where there to request to join the team of Morrisville by turning private streets to public use. There were several reasons the community should consider this. The first was that taxes were paid on the properties, which was partially used for street improvements. However, with private streets, there were no street improvements. There were no refunds or rebates of any nature against the taxes. So, it was kind of like paying for something not received. The same rate was paid for other residents who do get street maintenance as opposed to the Gables getting no care at all. The Gables do not view themselves as exclusive or desire to be so. The desire was to be part of the greater Morrisville community and participate as a proud member of the public entity, not as a private entity. There has been an increase of traffic in the community due to higher traffic through McCrimmon, Town Hall Drive and Church Street, much of this was due to parents that drive through to get to Cedar Fork Elementary School. There was no control over that, but there should be some action to eliminate this issue. After living in central and eastern locations that were desirable, Morrisville was one of the best and most desirable locations to live in and it was enjoyable to tell others about this area and its positive points. Hopefully, the Board's efforts would make the town even more appealing and to the benefit of everyone. People were looking for a solid place to live and do business. There was a map with a stamp on it with a signed name and date that indicated that the officials that signed that agreed and it stated "streets, utilities and other improvements were installed in an acceptable manner according to town specification and standards". We would like to be among the group that was part of Morrisville and not a separate community and the community wanted to join in 100%. The streets should be public and we want to participate in Morrisville and be proud of it.

Michael Roberts, 111 Leacroft Way, stated that he wanted to express support for the intent to amend the Town Charter. At-large seats would help make Morrisville elections more competitive and eliminate some of the confusion of having districts but allowing everyone in Morrisville to vote for every district. Recent voter statistics showed that at-large seats generally had the largest number of votes. By changing, there would be much more competitive elections and get everyone involved. The second item for discussion was related to the tax increase as part of the Long Range Financial Plan. While neither for against, the proposed tax increase should be for more projects and those should be accomplished. One of the most frustrating things was to do a bond in 2004 and still sit around waiting to see road improvements. If there was going to be a tax increase it was extremely important to carry through on the things that were scheduled to be completed.

Jackie Holcombe, 124 Kalvesta Drive, stated that the Board would consider a plan that would net the town 39% more revenue than in fiscal year 2008. There were various justifications for the proposed increase but there also some facts for the Board to consider. At a tax rate of 0.3752, which was the town's calculated revenue neutral tax rate Morrisville would collect \$1.75 million more that in collected in the current fiscal year. That was an increase of 18.8%, which was not bad when the average raise for Glaxo-Smith employees was 0.4396. An 18.8% increase in property tax revenue, an additional \$1.75 million was real money and most certainly was enough to address the needs of the small town. Applying this rate was an additional increase of 39% of tax revenue over last year. This was \$3.67 million dollars and the question was whether the town really needed an additional 39% tax revenue to provide the same level of service to residents and business as last year. Sales revenue was likely to be off for the coming year because these were difficult times for many residents and spending was down, but take a close look at actual amount. This LRFP showed a \$90,000 decrease in sales tax revenue. There was no need for a \$3.67 million dollar windfall to offset a \$90,000 decrease. The additional \$1.75 million brought in by the revenue neutral rate covered that and then some. The other option to take care of that small decrease was to eliminate spending such as the proposed Senior Management Real Estate person budgeted at \$89,686. The real concern was decreased sales tax revenue, which could be addressed without putting the squeeze on residents by

eliminating one new hire. The number needed to be looked at closer before a vote to put the squeeze on Morrisville tax payers and to consider the effect on Morrisville residents such as single families and unfixed incomes of Morrisville businesses. Especially when this was a time when income growth slowed, gas costs more than \$3.40 a gallon, retirement accounts were shrinking and successful companies were holding spending to a small single digit increase, which the public was not asking for. But the Board should ask staff to bring forward a LRF that increased the property taxes by no more than the revenue neutral rate at 18.8%.

Michael Schlink, 415 Willingham Way, stated that the Board should not abandon the revenue neutral practice, which past Board's had followed for decades. The town indicated revenue rate of roughly 0.37 that did take into account an 18.8% rate since the revaluation and accounted for an increase of roughly \$2 million over the 2008 budget revenues. The question was where all these tax dollars were going and if they were they being spent wisely. The Board should go back to the time tested budget exercise and show where the revenue neutral tax rate and the budget of \$11 million could pay for and not just what the proposed budget of \$13 million showed. Tax in government was not always the most effective; it could be a lean government. This was not the staff's money but the citizens'. The Board should consider the staff's proposed taxes and most municipalities around the county with proposed revenue neutral rates. Coupled with next year's 25% increases for water and sewer fees that Cary anticipated, the question was how all this would affect the tax-payers, homeowners and businesses. The LRF could be revaluated in the normal June time frame after the May budget process with adequate public input and review, not the current vacuum of crisis management and bond acceleration. Waiting to float a bond on this Fire Station and this national credit crisis could provide a better bond rating and rate that would put the town in a better position for planning. It may not be wise to move Fire Station One when the location was still undetermined. The emergency vehicle response time was not just limited to Morrisville Parkway; it was limited across town and affected every neighborhood. A study should be done as this would affect folks in Wexford down Holly Ridge to Providence Place and Kitts Creek. If the fire station was moved to Morrisville-Carpenter, that would not be helpful to those in the downtown area. The Board should wait until the improvements at NC 54/Aviation intersection and the widening of Davis were completed so they can be included in the analysis of the response time.

9. Action Items

Tab D [2008-033](#) Adopt Resolution for Privilege License Fees

MOTION: *Mayor Pro-Tem Johnson* made a motion to approve. *Commissioner Stohlman* seconded the motion.

Commissioner Snyder stated that he would have like to see the stair step approach versus doubling the amount.

VOTE: The motion failed with three ayes (Mayor Faulkner, Mayor Pro-Tem Johnson and Commissioner Stohlman) and four nays (Commissioners Murry, Lyons, Martin and Snyder).

MOTION: *Commissioner Martin* made a motion to bring this item back in a tiered manner. *Commissioner Snyder* seconded the motion.

Commissioner Murry stated that this affected the LRF, which needed to be approved tonight.

Julia Ketchum, Senior Director of Resources Management stated that notices for renewal go out in May and this delay would affect the revenue and the projection would change.

Commissioner Snyder stated that the projections should be based on the current fees.

Commissioner Murry stated that the tiered system could be introduced tonight.

John Whitson, Town Manager stated that the motion sounded like \$3000 now, \$4000 next year and \$5000 as the cap the following year. The resolution could be adjusted to state as such and the LRFP would have to be updated. This could be done tonight.

Commissioner Snyder stated that the LRFP discussion would probably head towards cutting capital items or expenditures.

Commissioner Lyons stated that she would like to see the information prior to voting.

MOTION AMENDMENT: *Commissioner Martin* amended a motion to bring information back to the Board for consideration of this item in a tiered manner, which would be \$3000 now, \$4000 next year and \$5000 as the cap the following year. *Commissioner Snyder* seconded the amended motion. The motion passed with five ayes (Mayor Faulkner, Mayor Pro-Tem Johnson and Commissioners Martin, Stohlman and Snyder) and two nays (Commissioner Lyons and Murry).

Ms. Landes returned with the desired information at 7:50 pm and the discussion continued. Discussion started with this item and went to Tab H where there was a motion to table discussion on that item until the desired information was prepared.

Ms. Landes showed the Board the revenue with the proposed tiered caps. Currently, businesses over \$3,300,000 were paying the maximum cap of \$2000 for gross sales. If the 2009 fiscal year tier was raised to \$3,000, as discussed then businesses that have gross sales over \$4,935,000 would pay \$3,000. There were 56 businesses in Morrisville that would be at that level and the estimated revenues would be \$450,000. There were also estimated for revenue if there was no cap. This only addressed businesses that paid gross sales receipts. The estimated revenue was about \$60,000 for those with no gross sales receipts.

Commissioner Snyder asked what the difference would be for the 2009 fiscal year in revenue if the tiered caps were approved.

Ms. Landes stated that the difference would be a reduction of about \$56,000. It was hard to estimate a total for privilege licenses because of transient businesses.

John Whitson, Town Manager updated the LRFP to include the reduction revenue estimate of \$56,000.

Commissioner Snyder asked about the decrease of the fund balance in 2022 with that change.

Mr. Whitson stated that if the gross sales cap was changed to \$5000 the following year, the LRFP would be more in line with the policies.

ACTION: *Commissioner Murry* made a motion to call the question, which passed unanimously.

ACTION: *Commissioner Snyder* made a motion to tier gross sales privilege license fee caps at \$3,000 in fiscal year 2009, \$4,000 in fiscal year 2010 and \$5,000 in fiscal year 2011. *Commissioner Martin* seconded the motion. The motion failed with three ayes (Commissioners Lyons, Martin and Snyder) and four nays (Mayor Faulkner, Mayor Pro-Tem Johnson and Commissioners Murry and Stohlman).

Mayor Faulkner stated that the LRFP should be reviewed and updated and then this item could be looked at again.

The Board began discussion of the LRFP (Tab H).

ACTION: Mayor Faulkner made a motion to adopt as originally presented. *Mayor Pro-Tem Johnson* seconded the motion. The motion failed with two in favor Faulkner, Johnson.

FINAL ACTION: *Commissioner Snyder* made a motion to tier caps at \$3000, \$4000 and \$5000 in the next three years. *Commissioner Martin* seconded the motion, which carried with *Murry* and *Johnson* opposed.

Tab E [2008-021](#) Resolution of Intent to Amend the Town Charter

ACTION: *Commissioner Murry* made a motion to open this issue for public input as the General Statute requires. *Mayor Pro-Tem Johnson* seconded the motion.

Commissioner Martin asked if there would be two resolutions for each item.

Mr. Whitson stated that each item would be separate.

Commissioner Stohlman asked if this would be in the Morrisville Connection.

Commissioner Murry stated it probably would not make the next issue.

Mr. Whitson stated that there would be public notice in the paper and online.

Commissioner Murry stated that there could be a continued public hearing.

Mayor Faulkner stated that at the public hearing the Board could decide to continue the public hearing or not.

VOTE: The motion carried unanimously.

Tab H [2008-038](#) Adopt Long Range Financial Plan

ACTION: *Commissioner Murry* made a motion to table this item until the data from the privilege license was prepared. *Commissioner Snyder* seconded the motion, which passed unanimously.

This discussion was continued from Tab D on the previous page.

Commissioner Snyder asked about the need for sixteen new personnel between now and 2017 There were nine new fire fighters listed that were explained, but not a lot of information for the need for the other positions. Something needed to be done with personnel.

Mr. Whitson stated that IT Support Engineer was already approved by the Board. Each department had their own page in the LRFP. The Stormwater Engineer was already being made an offer using surplus funds. That position would be paid for by the stormwater fund. The Internal Auditor would help with internal controls and be CPA qualified.

Commissioner Lyons asked about changing this position to 2010.

Mr. Whitson stated that the numbers would change.

Commissioner Snyder asked why an internal auditor was needed now.

Ms. Ketchum stated that there were new requirements that included SAS 112 where the auditors would need to be double-checked and there needed to be a staff person to complete this.

Commissioner Murry asked if there was a date to complete this.

Ms. Ketchum stated that there should be one on board now.

Commissioner Stohlman asked about the Real Estate position.

Mr. Whitson stated that they would handle real estate, rental properties and other issues.

Commissioner Martin asked what happened if this position was not filled and asked about property purchase.

Mr. Whitson stated it would fluctuate. The ball park property was still being looked at as well as the International Drive property or downtown property potentially.

Commissioner Snyder asked about the Senior Management Analysis position, which would hopefully decrease the need for consultants.

Mr. Whitson stated that consultants were not usually hired. Staff usually tried to conduct these studies in-house.

Commissioner Murry asked about moving that position back a couple of years.

Mr. Whitson stated that one thing that position would do was revise the Development Review Process.

Tony Chiotakis, Senior Director of Community Services asked when the Board wanted to broadcast on television.

Commissioner Lyons stated that could be moved.

Commissioner Martin stated that he thought this could be utilized for election time.

Mr. Whitson stated that this position would actually be a grade nine and not a grade six.

Mayor Faulkner stated that the businesses needed to pay their share as well. The fact that \$56,000 being removed from the plan threw the whole LRFPS upside down and out of the policy area for the fund balance showed how lean this plan was.

Commissioner Stohlman stated that the stair-step approach could be implemented and the Broadcast Tech and associated capital project could be pushed out one year.

Mayor Faulkner recessed the meeting at 8:17 pm and reconvened at 8:30 pm.

Mr. Whitson stated that during the break, the Deputy Town Clerk and Broadcast Tech were moved to 2011 and the Senior Analyst position was moved out to 2010.

Mayor Pro-Tem Johnson asked about keeping the Broadcast Tech in 2009.

Mr. Whitson stated that position was not just the PEG channel, but internet streaming, public

announcements and getting more public information out. That was why the position came in a year before the associated capital project.

Commissioner Snyder stated that the Broadcast Tech should be put back in 2009 and asked about the Sidewalk Placeholder.

Mr. Hitchings stated that there were CDGB grants that provided 80% of those funds.

Commissioner Martin asked what happened if the budget was done before the LRFP.

Mr. Whitson stated that left each department with a blank slate and then the Town Manager decided what was really needed.

Commissioner Murry stated that the main decision was what the final budget number was.

Commissioner Snyder asked what the affect would be if the rate was revenue neutral.

Mr. Whitson stated all capital projects would be pushed out to 2017.

Commissioner Snyder stated that during the last revaluation, according to Ms. Ketchum, the Board did not go revenue neutral.

Mr. Whitson stated that the rate was 9.5 cents over the revenue neutral rate last time. The town was now proposed 6.4 cents. Morrisville had the third best tax rate in the county and Morrisville was one of three that reduced the initial rate. In 2008, Morrisville was fourth from the lowest rate in Morrisville and there was no charge for waste collection, which accounted for four cents of the tax rate.

Mayor Faulkner stated that as the LRFP was initially presented it was within policy guidelines.

Mr. Whitson made adjustments and stated that the Broadcast Tech position was put in 2009, the Deputy Town Clerk and the Management Analyst/Real Estate positions were moved to 2011.

MOTION: *Mayor Pro-Tem Johnson* made a motion to approve with these changes. *Commissioner Stohlman* seconded the motion.

Commissioner Snyder stated that he wanted to see the Broadcast Technician be moved back to 2010. The position could come in mid-year.

Mr. Whitson stated that it worked on an annual basis in order to make the formula increase correctly over future years.

Commissioner Stohlman stated that if the Broadcast Technician was pushed out, other options could be considered.

Commissioner Murry stated that the IT Department could probably not produce programs for different media. The Broadcast Technician would produce and direct performance as well as using the equipment.

Commissioner Stohlman asked if the position started a little early, would there be roll-over funds to cover that.

Commissioner Snyder stated that it could wait until the end of the 2009 fiscal year.

VOTE: The motion passed with four ayes (Mayor Faulkner, Mayor Pro-Tem Johnson and Commissioners Stohlman and Snyder) and three nays (Commissioners Murry, Martin and Lyons).

Tab I [2008-034](#) Adopt Resolution Amending Town Personnel Policies

ACTION: *Commissioner Snyder* made a motion to approve. *Mayor Pro-Tem Johnson* seconded the motion.

Commissioner Lyons stated that Article Five, Section 11 where the employee had the option to discuss matters with the Town Attorney or the Mayor should include language where such issues were reported to the Board within 24 hours. This was discussed with the Town Attorney.

Lauri Shedlick, Human Resources Manager stated the change would be made.

AMENDMENT: *Commissioner Snyder* amended his motion to include the additional language.

Mayor Pro-Tem Johnson stated that the Town Attorney should be present for this discussion.

Commissioner Snyder asked if there should be a vote tonight.

Commissioner Stohlman asked why it was written the way it was initially presented.

Ms. Shedlick stated that was how the Town Attorney presented it.

Commissioner Stohlman stated that he would like to wait until the Town Attorney was present.

Commissioner Murry stated that there would only be notification if a Senior Director or Department Head made a complaint.

Commissioner Snyder asked *Commissioner Lyons* what the Town Attorney's opinion was.

Commissioner Lyons stated that he recommended the change, which would be relayed to staff to include, however it was not included.

WITHDRAWN: The motion was withdrawn by *Commissioner Snyder* and *Mayor Pro-Tem Johnson*.

Lauri Shedlick stated that there was already language included that indicated that department heads and senior directors could report directly to the Town Attorney or the Mayor.

ACTION: *Mayor Pro-Tem Johnson* made a motion to table this item until the Town Attorney arrives. *Commissioner Snyder* seconded and the motion passed unanimously.

Town Attorney arrived at 7:40 pm.

Frank Gray, Town Attorney stated that if a complaint was made to the Town Attorney or the Mayor the Board should be notified during a closed session, which was customary.

Commissioner Murry stated that *Commissioner Lyons* had a concern with the time of the notification. The language should be added to indicate that it would be done at the next meeting of the Board. Under the proposed rule the Mayor could call a special closed session.

Mr. Gray stated that there should be some discretion for the Mayor and Town Attorney regarding

the time frame of the complaint report.

ACTION: *Commissioner Martin* made a motion to approve as presented. *Commissioner Lyons* seconded the motion, which passed unanimously.

Tab BB [2008-059](#) Legislative Agenda Item – Board of Education Taxing Authority
&
Tab CC [2008-060](#) Legislative Agenda Item – Board of Education Mode of Election

John Whitson, Town Manager stated that there was a statute regarding caps. There were bills introduced last session proposing to raise the caps on charter schools and there were 98 charter schools in the state.

Mayor Faulkner stated that the proposed resolution included raising the cap on charter schools and giving taxing authority to the Board of Education (BOE).

Mr. Whitson stated that Wake County had a considerable share of charter schools. Some counties did not have charter schools at all. The statute on that item with the area being discussed underlined was as follows:

§ 115C-238.29D. Final approval of applications for charter schools.

(a) The State Board shall grant final approval of an application if it finds that the application meets the requirements set out in this Part or adopted by the State Board of Education and that granting the application would achieve one or more of the purposes set out in G.S. 115C-238.29A. The State Board shall act by March 15 of a calendar year on all applications and appeals it receives prior to February 15 of that calendar year.

(b) The State Board shall authorize no more than five charter schools per year in one local school administrative unit. The State Board shall authorize no more than 100 charter schools statewide. If more than five charter schools in one local school administrative unit or more than 100 schools statewide meet the standards for final approval, the State Board shall give priority to applications that are most likely to further State education policies and to strengthen the educational program offered in the local school administrative units in which they are located.

(c) The State Board of Education may authorize a school before the applicant has secured its space, equipment, facilities, and personnel if the applicant indicates the authority is necessary for it to raise working capital. The State Board shall not allocate any funds to the school until the school has obtained space.

(d) The State Board of Education may grant the initial charter for a period not to exceed 10 years and may renew the charter upon the request of the chartering entity for subsequent periods not to exceed 10 years each. The State Board of Education shall review the operations of each charter school at least once every five years to ensure that the school is meeting the expected academic, financial, and governance standards. A material revision of the provisions of a charter application shall be made only upon the approval of the State Board of Education.

It shall not be considered a material revision of a charter application and shall not require the prior approval of the State Board for a charter school to increase its enrollment during the charter school's second year of operation and annually thereafter (i) by up to ten percent (10%) of the school's previous year's enrollment or (ii) in accordance with planned growth as authorized in the charter. Other enrollment growth shall be considered a material revision of the charter application, and the State Board may

approve such additional enrollment growth of greater than ten percent (10%) only if the State Board finds that:

(1) The actual enrollment of the charter school is within ten percent (10%) of its maximum authorized enrollment;

(2) The charter school has commitments for ninety percent (90%) of the requested maximum growth;

(3) The board of education of the local school administrative unit in which the charter school is located has had an opportunity to be heard by the State Board of Education on any adverse impact the proposed growth would have on the unit's ability to provide a sound basic education to its students;

(4) The charter school is not currently identified as low-performing;

(5) The charter school meets generally accepted standards of fiscal management; and

(6) It is otherwise appropriate to approve the enrollment growth. (1995 (Reg. Sess., 1996), c. 731, s. 2; 1997-430, s. 3; 2000-67, s. 8.23; 2001-424, s. 28.26; 2003-354, s. 2; 2004-203, s. 45(a).)

Staff did not find anything on taxing authority, only information on what they could use their funds for. The BOE did have the authority to set fees within the school system. As to the county carrying out the school boards construction effort, there was no indicator that the County could do that. Regarding at-large or district school board members included a statute that indicated that the positions were at-large that was written in the 1950's and there was special authority granted for some counties to have different elections standards.

ACTION: *Commissioner Murry* made a motion to adoption resolution **2008-060** as presented. *There was no second and the motion failed.*

Commissioner Snyder asked what the intent of the at-large districts would be.

Commissioner Murry stated that under the current system there were children that reside in one district and attend school in a different district. This leveled the playing field. Not every member should be at-large, but there should be some members that were elected at-large.

Commissioner Snyder asked *Commissioner Murry* if there were children that reside in one district and go to school in another was the child not being represented fairly.

Commissioner Murry stated that there were folks making decisions for their children and the residents had no right to vote on that representative currently. Some of the districts were much larger than others and there was a perception of an inequity in the system. The education system needed to be looked at as a whole and not just each individual item.

Commissioner Martin stated it may be difficult to determine which members should be at-large and which should be districted.

Commissioner Murry stated that the legislature should make that call, but this resolution would give them a goal. Some at-large representation was a good proposal.

Commissioner Snyder asked how many members were at-large currently.

Commissioner Murry stated that all nine positions were by district.

MOTION: *Mayor Pro-Tem Johnson* made a motion to approve **2008-059** with two provisions: giving taxing authority to the BOE and raising the cap of charter schools. *Commissioner Snyder*

seconded the motion.

Commissioner Murry stated that he was in support of raising the cap for charter schools and was more supportive of a comprehensive recommendation in the resolution.

Commissioner Lyons stated that she was in support of raising the cap on charter schools, but not granting the BOE taxing authority.

VOTE: The motion passed with four ayes (Mayor Faulkner, Mayor Pro-Tem Johnson and Commissioners Snyder and Martin) and three nays (Commissioners Murry, Lyons and Stohlman).

9. Consent Agenda Items

Commissioner Lyons stated that she would like to discuss Tab T further.

ACTION: *Commissioner Murry* made a motion to the consent agenda with Tab T removed. *Mayor Pro-Tem Johnson* seconded the motion.

Commissioner Snyder asked about the Town Hall Commons Annexation, Tab U.

Diana Davis, Town Clerk stated that approval of this item included directing the Town Clerk to conduct the sufficiency statement and set the public hearing date.

VOTE: The motion passed unanimously.

Tab C [2008-047](#) Adopt Morrisville Goals & Initiatives

Tab G [2008-030](#) Adopt Resolutions and Ordinance
pertaining to the Jeremiah Street Annexation
· Res 2008-030A (3.25.08)
· Res 2008-030B (3.25.08)
· Ord 2008-030 (4.22.08)

Tab J [2008-029](#) Adopt Resolutions and Ordinance
pertaining to the Chessington
Subdivision Annexation
· Res 2008-029A (3.25.08)
· Res 2008-029B (3.25.08)
· Ord 2008-029 (4.22.08)

Tab K [2008-032](#) Adopt Resolutions and Ordinance
pertaining to the Duke Realty-Morrisville Hotel Annexation
· Res 2008-032A (3.25.08)
· Res 2008-032B (3.25.08)
· Ord 2008-032 (4.22.08)

Tab N [2008-025](#) Adopt Resolution 2008-025 Workers' Compensation Policy

Tab T [2008-008](#) Adopt Resolution 2008-008 pertaining to the Shiloh Grove Townhomes - Amenity
Center site plan located at 1201 Grace Point Road

Commissioner Lyons asked to see the sidewalk connectivity.

Ben Hitchings, Planning Director stated that the amenity center was located near Church street just off the roundabout in the middle of the project. There were sidewalks connecting to the different clusters of townhomes.

Commissioner Snyder asked if the sidewalks connected to Providence Place.

Mr. Hitchings stated that there was a connection there and there would be an asphalt greenway connection that would be built.

Commissioner Martin asked if the sidewalk would be built as the homes were constructed.

Mr. Hitchings stated that it should be built prior to the construction. The sidewalks were not between units, but along the roadway.

ACTION: *Commissioner Murry* made a motion to approve. *Commissioner Stohlman* seconded the motion, which passed unanimously.

Tab U [2008-019](#) Act on the Following Pertaining to the Town Hall Commons Annexation (ANX 08-02):

- Resolution 2008-019A (4.22.08)
- Resolution 2008-019B (4.22.08)
- Ordinance 2008-019 (5.27.08)

Tab X [2008-053](#) Adopt Resolution 2008-053 Records Disposition-Finance

Tab Y [2008-054](#) Adopt Ordinance to Close I-540 Capital Project

11. For the Good of the Order

- Administrative Matters

Tony Chiotakis, Senior Director of Community Services stated that the Christian Church was moving forward and the agreement was in hand from the railroad company, the next step was the right-of-way acquisition.

- **From April 17th Work Session.**
 - 1. Hotel/Motel Occupancy Tax Funds**

Julia Ketchum, Senior Director of Business Management stated that it was difficult to gather information. Former Commissioner Carrow was very helpful and provided a lot of information from Wake County and Durham County. Occupancy and Prepared Food and Beverage taxes are levied, according to State statues, to participating governmental agencies and jurisdictions for the purpose of promoting tourism in the County. The fund was created in 1992 with proceeds from 6% occupancy taxes. In 1993 the fund began collecting 1% prepared food and beverage taxes. Major projects have been funded in the past via inter-local agreements between the City of Raleigh and Wake County. These projects include the RBC Center, Exploris Museum and IMAX Theater, the Raleigh Convention Center renovation, Five County Stadium, BTI Performing Arts Center, SAS Soccer Complex, NC Museum of Natural Sciences, American Tobacco Trail Park.

Ms. Ketchum stated that the ninth amendment to the inter-local agreement between the City of Raleigh and Wake County allocates 85% of funds not committed to other projects to the construction of the new convention center. The remaining 15% is currently being held in reserve for future projects.

NC Art Museum	\$ 15,000,000
Cary Aquatics Center	\$ 10,000,000

NC Museum of Natural Sciences	\$ 6,000,000
NC Ballet	\$ 250,000
Falls Whitewater Park	\$ 150,000
RBC Center	\$ 26,000,000

Wake Forest and Apex (Performing Arts Center) have received funding for small projects.

There are no funds are available for grants at this time but if the Town but Mr. Carrow, recommend a few directions for future allocations:

- Mayor & BOC engage in conversations with the Cary Mayor & Commissioners, Town of Cary has funds they are not utilizing and perhaps if it were a project that were increasing tourism in the Cary/Morrisville area they would be open to the discussion.
- Recommendation to participate in the intercity visits through the Cary Chamber of Commerce The Cary Mayor and Board of Commissioners attend and members of the Wake County. Commissioners and this could be an opportunity to discuss options. This year they were visiting Naperville, Illinois the number one ranked city in the nation in terms of places to live, May 2008.
- Mayors in the County need to work together to change the % that the Raleigh Convention Center receives through open dialogue to spread the money to benefit others within the County.

When the funds were available the town must prove their project was worth funding, that it increased tourism from outside the county into Wake County and make a very detailed submission with specifications and cost estimates to Wake County. Morrisville had some advantages as they were the 2nd largest producer of these funds in the county and not ever received the funding before. It was important to remember that it was very difficult to receive this funding and in most cases it must be matched by local funding.

Mayor Faulkner stated that a project needed to be lined up.

Commissioner Murry stated that a Civil War park would be the right project.

Commissioner Snyder stated improvements on the soccer fields may be a good project as they drew state and county wide games.

Jerry Allen, Parks and Recreation Director stated that there would be limitations for that field because of the Crabtree Creek. He received funds for a complex with soccer fields and there was a precedent for getting funds for this. It was difficult to get the funds though that amounted to \$330,000 dollars for a tournament quality facility. The other problem with the Cedar Fork Park was the irrigation, to get it to hold up to that tournament level.

Mayor Pro-Tem Johnson asked what the next step was.

Mr. Whitson stated that the Board could choose to move forward with this item and create a briefing sheet and proposed projects or to not move forward with this.

Commissioner Snyder asked what Morrisville gained from the Raleigh Convention Center.

Mr. Whitson stated that they may stay at our hotels, but there was no direct benefit to Morrisville.

Board consensus was to move forward with a briefing sheet and a proposed list of projects.

2. Home Improvement Building Permit Holiday

Forest Fleming, Inspections Director stated that this program started in California. This was used in 2004 and was not reproduced. It was indicated that their information could be forwarded if the Board decided to move ahead with this item. The Town of Apex did this last year and it was indicated that this would not be done again. It was not a money maker, was time consuming and there were a few projects still open that they had not been able to close.

Mr. Whitson stated that the Apex town manager indicated they probably would not do this again.

Mr. Fleming stated that in California the time estimated for this project was doubled and staff had to be moved around to accommodate it.

Commissioner Murry stated that about 113 people would take advantage.

Mr. Whitson stated that it was a huge burden on staff with little savings for the residents considering the other fees involved.

Commissioner Murry stated that the goal would be to get folks to get their homes up to town code without penalties to the homeowner.

Commissioner Stohlman stated that it would still be more cost to them, because then they would have to bring whatever project it was up to code.

Commissioner Murry stated that there was a recession and this would inject money into the economy. There was a 30% increase in permit fees in one year.

Mr. Chiotakis stated that projection also included normal growth in the town.

Mr. Fleming stated that the majority of those doing the work by themselves did not know they were supposed to get permits and sometimes they are lied to by general contractors, who claim to take care of the permits and they don't. Revenue would not offset the extra staff time.

Commissioner Murry stated that the fees did not cover the inspectors.

Mr. Whitson stated that a budget from that department was required to cover the costs of personnel.

Commissioner Lyons asked about a cap on the amount of participants.

Commissioner Murry suggested doing this over a two month period. It was obtuse to not try this program one time. This could include an education program of the proper process to improve their home and provide a chance for those that have done it already to get inspections completed without penalty. There were safety situations out there.

Mayor Faulkner stated that folks may not take advantage for fear of an increase in taxes. There was an alternative innovative program that could be thought of that was not borrowed.

Mr. Fleming stated that education was the key. If this was implemented that would help. The PEG Channel could help with that.

Commissioner Murry stated that local stores and banks helped by offering discounts and packages in the Apex project. An education piece could be provided and there needed to be a financial incentive.

Mayor Pro-Tem Johnson asked about potential fall-out if folks missed the holiday.

Mr. Fleming stated that in California there were folks that showed up on the last day and it had to be continued for a few days after the initial program lasted for three months.

Mayor Pro-Tem Johnson stated that folks that have done work illegally were not going to come clean until they needed to sell their house. Plus, there would be upset for folks that missed this event as well. The community outreach and education was incredibly important; but, not a holiday.

Commissioner Murry stated that if education was completed, maybe they could get a 10% discount.

Mr. Whitson stated that the Board approved a policy to double the fee for work that was discovered that was not permitted. It would take an act by the Board to change that. The doubling fee upon discovery could be eliminating.

Commissioner Stohlman stated that it could be an amnesty program for folks that were discovered and not requiring double fees.

Commissioner Snyder stated he agreed with education and amnesty.

Commissioner Stohlman stated that it could be education and amnesty with the double fee, but still pay regular fee. If it took a couple of folks out of an unsafe situation, it may be worth it.

Mr. Fleming stated that if an inspection was done, amnesty would get the inspector in, but if the work was not up to code then they would still have to pay to bring projects up to code. A basic fee on the policy that homeowners that come in to get inspections on work already completed could pay regular fees could be implemented, but not for contractors.

Commissioner Stohlman stated that part of the education process could be with Homeowners Associations.

- Commissioner Comments

Mayor Faulkner stated that the letter was received that the NCTA Board of Directors for the North Carolina Turnpike Authority understood the importance of the possibility of connecting Kitts Creek. There was also a letter from the Wake County Board of Commissioners that wanted to reinstate the Growth Task Force. They will meet from May until around December of 2008. A regular and alternate member was needed by the 25th.

Commissioner Martin and Mayor Pro-Tem Johnson agreed to serve and *Commissioner Murry* stated that he could be an alternate.

ACTION: *Commissioner Murry* made a motion to make these appointments to the Growth Management Task Force. *Commissioner Snyder* seconded the motion, which passed unanimously.

Mayor Pro-Tem Johnson thanked the Board of Education for taking the time to meet with the Board.

Commissioner Murry was interested in the Homestead Exemption and possibly doing something like this for folks in Morrisville.

Mr. Whitson stated that the town did not have that authority. The State adopted the Homestead exemption and set the income levels. There were probably 15 folks in that range.

Commissioner Stohlman asked about the Gables Subdivision situation.

Mr. Whitson stated that they came to the Board because they were not getting what they wanted from staff. The subdivision was built with private streets. For the town to take on these roads they were below standard and they were starting to fail, which was why the residents were there.

Commissioner Stohlman stated that the seal indicated that public roads would be maintained.

Commissioner Murry stated that the road on the same plat stated private road in parenthesis.

Commissioner Snyder asked how it could be fixed.

Mr. Whitson stated that the plat needed to be re-recorded. They should be willing to help with the costs of the repairs. The property owners would need to initiate that process and 50% of the homeowners with road frontage would have to agree. These roads were less than standard width, but at least the utilities were in the ground, so that was not a big issue. Or the road could be brought to standard prior to being taken over by the town. The special assessment permitted the property owners to make payments over 10 years. The Board has to approve the petitions and re-record the plat, with public roads.

Mr. Hitchings stated that folks that paid for new homes, paid for their portion of roads built through the purchase of their home. There may be a fairness issue.

Commissioner Stohlman asked if they had been notified.

Mr. Whitson stated that they had been notified through several different means.

Mayor Faulkner stated that there needed to be a policy of process regarding these situations.

Commissioner Murry asked about the developer.

Mr. Whitson stated that the developer did what they did, received their Certificates of Occupancy and were gone.

Commissioner Murry stated that the property owners could be advised of the recourse to sue the developer.

Commissioner Stohlman stated that there was going to be a meeting at the Chamber for Weston Estates residents to come up with strategies to mitigate recent vandalisms.

Commissioner Martin asked about children that cross the road to get on the bus at Davis.

Mr. Chiotakis stated that the bus stops were set up so that children did not have to do that. This would be discussed. The bus stop on Gazebo Drive in front of the Aquatics Center would be moved to the other side of Gazebo Drive to avoid potential accidents.

Commissioner Martin asked about the status of Mr. Clew's public comments.

Mr. Hitchings stated that there was an ordinance change which was 15 feet of building separation versus 10, which was the initial separation. A memorandum would be forwarded. He was looking for a variance from the Board of Adjustment that staff could not recommend because of the code.

Commissioner Martin asked about the Land Use and Transportation Update Committee time extension.

Mr. Whitson stated that staff suggested taking the request to the Planning and Zoning Board, to give up some of their time to still meet that deadline for the consultant's contract. There were potential meeting dates in June that could occur to still meet the final meeting date.

Mayor Pro-Tem Johnson stated that what was just stated was what was said in the Board Meeting previously and what the Board agreed upon.

Mr. Hitchings stated that the only way this would have to come to the Board was if there were more funds needed for the consultant. There may be two dinners in May and June and the celebratory dinner may become a work session, which could occur without pushing the finish date out.

Mr. Whitson stated another consideration was to permit time for staff preparation to support those meetings on schedule.

Commissioner Lyons asked if the Committee was going to vote on this.

Mr. Whitson stated that they were not going to approve the consultants plan. They were to help orient the consultant and staff to provide citizen input.

Commissioner Lyons stated that she wanted to make sure that the staff was not taking over the process.

Mr. Whitson stated that there needed to be credit for the citizens that have put in input through other ways than just the Committee. The committee wanted to have greater weight than other citizen input and that was not the intent. The committee was to overview the plan and cover issues that may be missed. The consultant was hired to create a plan. The Committee was created to get citizen input, equal to other public input means.

Commissioner Murry stated that the input needed to be notated as to whether it came from the Committee or the Citizens.

Mr. Whitson stated that was intended initially.

Mr. Hitchings stated that one of the problems was the different opinions from each of the Committee members, which could be brought together and presented as a whole or a diversity of opinions.

Mr. Whitson stated that the product would go to the Planning and Zoning Board with unresolved issues to be worked out.

Commissioner Snyder asked about the Centex lawsuit.

Mr. Gray stated that it was in very initial stages.

12. Adjournment

ACTION: *Commissioner Lyons* made a motion to adjourn. *Commissioner Murry* seconded the motion, which passed unanimously.

Mayor Faulkner adjourned the meeting at 10:32 pm.

Adopted this the 27th day of May, 2008.

Jan Faulkner, Mayor

<SEAL>

Diana R. Davis, Town Clerk