



**Town of Marshville
Town Council Meeting**
Monday, December 5, 2016, 7:00 PM
Marshville Town Hall

AGENDA

1. **Call to Order/Invocation/Pledge of Allegiance**
 2. **Adoption of Agenda for the Meeting**
 3. **Public Comment**
Please sign in at the podium. Before speaking, state your name and address and limit comments to two minutes.
 4. **Consent Agenda**
 - Minutes – November 7, 2016 Regular Meeting
 - Budget Amendment 2017-07 – Turrentine Law Firm PLLC
 - Budget vs. Actual Report – October 2016
 5. **Presentation by Marshville Small Town Main Street – Downtown Revitalization Project, Phase II**
 6. **Discussion and possible action regarding the purchase of a table reservation for the 2017 Annual Dr. Martin Luther King, Jr. Prayer Breakfast** (*Tables seat 8 persons for a cost of \$200. Purchasing a table entitles reserved seating, and the Town's name printed on the back of the event program*)
 7. **Discussion and possible action concerning the approval of documents related to the construction of Water System Improvements – 2015 Project No. WIF-1915 (Booster Pump Station and Water Main Extensions)**
 - Agreement to Furnish Engineering Services
 - Capital Project Budget Ordinance
 8. **Discussion and possible action concerning the engagement of Stark Law Group, PLLC to represent the Town of Marshville in the sewer dispute case**
 9. **Discussion and possible action regarding proposed amendments to the town's personnel policy**
 10. **Town Manager's Report**
 11. **Mayor and Town Council Member Comments**
 12. **Adjourn**
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Upcoming Meetings & Events:

- *December 8, 2016 – Planning Board Meeting*
 - *December 22, 23 & 26 – Christmas Holiday*
 - *January 2, 2017 – New Year's Holiday*
 - *January 9, 2017 – Town Council Meeting*
- 7:00 pm
Town Hall Closed
Town Hall Closed
7:00 pm*

- *January 12, 2017 – Planning Board Meeting*
- *January 16, 2017 – Martin Luther King Jr. Day*

*7:00 pm
Town Hall Closed*



Town of Marshville Town Council Meeting

Monday, November 7, 2016, 7:00 PM
Marshville Town Hall

Regular Meeting Minutes

Present: Mayor Deese, Mayor Pro-Tem Morgan, Council Members Bivens, Carpenter, Rowell and Staton

Staff Present: Town Manager, Robyn Stuber; Clerk/Finance Officer, Tonya Johnson; Police Chief, Matt Tarlton; Park & Recreation Director, Eddie Mitchell; Town Attorney, Bobby Griffin

Call to Order/Invocation/Pledge of Allegiance

The regular meeting of the Marshville Town Council was called to order at 7:05 pm by Mayor Frank Deese. Mayor Deese welcomed everyone in attendance. The invocation was given by Council Member Staton. The Pledge of Allegiance was given by everyone.

Adoption of Agenda for the Meeting

A motion to adopt the agenda as presented was made by Council Member Rowell. The motion was seconded by Mayor Pro-Tem Morgan. The motion carried with a unanimous vote.

Public Comment

Mr. Johnny Pigg of 618 Old Pageland Marshville Road, Marshville, NC, provided council members with an update on the Marshville Museum and Cultural Center. Mr. Pigg expressed appreciation to the council for the funds given to the museum to replace the floor and windows and to make other minor repairs. Mr. Pigg commented that the flooring turned out so well that the Museum Committee spent an additional \$3,800 to replace the entire floor. Mr. Pigg welcomed contributions to the museum. Mr. Pigg provided information about the Friends of the Museum fundraiser. Once again, Mr. Pigg thanked the town for its support.

Mr. J.C. Rorie of 930 S. Austin Road, Marshville, addressed the council regarding a tractor trailer truck parking on S. Austin Street. Mr. Rorie prefaced his remarks by stating that he has resided in Marshville for seventy-seven years and that he isn't a complainer. However, Mr. Rorie reported that a resident parks a tractor trailer truck on the street after being told not to park there.

Town Manager Stuber reported that the town's code enforcement officer previously sent a notice of violation and that the truck was removed on June 6, 2016. She added that the town will begin the enforcement process again. Mayor Deese commented that Police Chief Tarlton will look into the situation as well. The mayor and manager assured Mr. Rorie that the situation will be looked into.

Consent Agenda

A motion to adopt the consent agenda and the items thereon was made by Council Member Rowell. The motion was seconded by Council Member Staton and passed by unanimous vote.

Discussion and action regarding acceptance of land from Edwards Wood Products, Inc. for a new pump station site

Attorney Griffin stated that Edwards Wood Products is donating a small portion of land to the Town of Marshville for a new pump station site. Attorney Griffin expressed appreciation to Mr. Jeff Edwards for his generosity to the town. Town Manager Stuber stated that a new pump station is much needed. She added that some site modifications are going to be made to make this beneficial to both parties. Attorney Griffin reviewed the resolution and the conditions requested by Edwards Wood Products, Inc. A motion was made by Council Member Rowell to adopt the resolution as written, to authorize Mayor Deese to sign said resolution, to authorize staff to move forward with the transaction, and to officially express appreciation to the Edwards family for this generous donation to the town. The motion was seconded by Mayor Pro-Tem Morgan and passed by unanimous vote.

Mr. Jeff Edwards commented that his father, Carroll Edwards, loved Marshville and he is glad to do this for the town.

Municipal Records Retention Schedule Amendment

Town Clerk/Finance Officer Tonya Johnson reported that the town adheres to the State of NC Municipal Records and Retention Schedule and that periodically they send revisions/amendments. Approval of this amendment ensures the town's adherence with the state's record keeping requirements. A motion to approve the records retention schedule amendment was made by Mayor Pro-Tem Morgan. The motion was seconded by Council Member Staton and passed by unanimous vote.

Discussion and possible action concerning Personnel Policy Changes

Town Manager Stuber reported that she is reviewing the Personnel Policy and will be proposing amendments on an ongoing basis until the policy is reviewed in its entirety. The first proposed change presented by Manager Stuber is to amend the law enforcement work period from monthly (28 days) to biweekly (14 days). This aligns the police personnel work period to that of the other town employees.

A motion was made by Council Member Carpenter to amend Article VI. Work Conditions and Expectations, Section 1. Work Period and Article IV. The Pay Plan, Section 9. Compensatory Time, as these sections relate to police personnel, amending the work period from 28 consecutive days to 14 consecutive days and allowing for overtime or the accrual of compensatory time after 86 hours of work instead of 171 hours. The motion was seconded by Council Member Rowell and passed by unanimous vote.

Discussion and possible action concerning Planning and Code Enforcement services

Town Manager Stuber reported that the town has three options moving forward with the Planning and Code Enforcement services for the town. Option 1 is a proposal from Centralina Council of Governments, Option 2 is from Benchmark CMR, Inc., and Option 3 is to hire a planning position within the Town of Marshville. Town Manager Stuber stated that she has assurances from CCOG and Benchmark that their proposals can be adjusted according to the services levels needed. Mayor Deese asked if this would be for the remainder of the fiscal year. Town Manager Stuber replied that the contract would be for the remainder of the current fiscal year.

Town Manager Stuber recommended contracting with Benchmark. This proposal provides for a planner and a code enforcement officer weekly. Some discussion ensued regarding various levels of service based upon the town's needs. A motion was made by Council Member Rowell to accept Benchmark's proposal, Option 1, for a planner and a code enforcement officer weekly at \$35,000 and to authorize the manager to execute the agreement. The motion was seconded by Council Member Staton and passed by unanimous vote.

Town Manager's Report

The manager reported that a new Public Works Director, Ricky Bourne, has been hired. Mr. Bourne's start date is December 5, 2016. Also, a Public Works Laborer, Tommy Powell, was hired. Mr. Powell reported to work today.

Town Manager Stuber reported that Park & Recreation Director, Eddie Mitchell, tendered his resignation effective November 30, 2016. Manager Stuber informed the council that an intern has been hired to assume some of the duties. Ashley Proctor begins November 16, 2016 and comes with Park Ranger experience.

Town Manager Stuber reported that some funding was found in the budget to sponsor the M.A.R.S. Basketball program.

Town Manager Stuber reported that she was invited to speak to the Marshville Elementary After-School program participants. During her visit she tasked the students with an assignment to draw what they would like to see at the Marshville Park.

Town Manager Stuber stated that she will get to work immediately on the planning contract as directed.

Town Manager Stuber reported that Mr. Colin Tarrant, representative for ESA Solar, desires to hold a workshop with the council about solar farms. Council Member Staton remarked that she would welcome the opportunity to learn more about solar farms. Council Member Rowell suggested a workshop be scheduled after the first of the year. It was the consensus of the mayor and members of the council to direct the manager to coordinate a workshop in January 2017.

Town Manager Stuber commented that Halloween on Main was a huge success.

Town Manager Stuber reported that the Cowboy Church recently held an event to assist with Hurricane Matthew relief efforts. The town made a donation of toiletry items. Council Member Rowell commented that a thank-you letter should be sent to Isaiah, with the U.S. Chaplain Service, acknowledging his donations.

Town Manager Stuber reported that she will be attending a budgeting class in Chapel Hill, NC from November 8, 2016 to November 11, 2016, along with the finance officer.

Mayor and Town Council Member Comments

Mayor Pro-Tem Morgan commented on the generosity of the Edwards family to the Town of Marshville. She shared the story of the library donation. Mayor Pro-Tem Morgan stated that Mr. Carroll Edwards was very generous to the town.

Council Member Staton thanked Park & Recreation Director, Eddie Mitchell, for serving the Town of Marshville.

Council Member Rowell commented that Halloween on Main was successful. He informed every one of the Veteran's Day event scheduled for Friday, November 11, 2016 at 11 am at the Marshville Cemetery. The event will end at the Veteran's Memorial on Main Street. Council Member Rowell stated that folks will be encouraged to visit the museum and to support the American Legion BBQ. Council Member Rowell reported that the Christmas Parade will be Saturday, November 19, 2016 at 2:00 pm. The Marshville Chamber of Commerce Christmas luncheon will be on Thursday, December 1, 2016 from 11:30 am to 1:00 pm at the Marshville Community Center.

Council Member Carpenter thanked Mr. Mitchell for his service to the Town of Marshville.

Council Member Bivens echoed appreciation to Mr. Mitchell. Council Member Bivens commented that the museum looks good. She ended her remarks by informing staff of several pot holes on Elizabeth Avenue that need to be fixed.

Mayor Deese commented that the Union County Board of Commissioners met this evening. The board's agenda included a study of the Highway 74 corridor from Food Lion to Chambers Street. Mayor Deese also thanked Mr. Eddie Mitchell for his service to the Town of Marshville.

Action resulting from Closed Session

There was no action as a result of the closed session.

Adjourn

Council Member Rowell made a motion to adjourn the meeting at 8:25 pm. The motion was seconded by Council Member Staton and passed by unanimous vote.

These minutes approved this 7th day of December, 2016.

By: _____
Franklin D. Deese, Mayor

ATTEST:

Tonya D. Johnson, Town Clerk

TOWN OF MARSHVILLE

est. 1877

MEMORANDUM

TO: MAYOR AND ELECTED OFFICIALS
FROM: TONYA JOHNSON
SUBJECT: BUDGET AMENDMENT #2017-07
DATE: NOVEMBER 30, 2016
CC: MANAGER STUBER

The Town of Marshville has retained the legal services of Turrentine Law Firm PLLC to represent the Town of Marshville in the sewer suit with Union County. Turrentine Law Firm bills the town on a monthly basis for legal services rendered.

At the time that the FY2016-17 budget was adopted no appropriation was made for these legal expenses. Therefore, the budget must be amended periodically to encumber funds to cover the legal fees incurred.

This budget amendment provides for an appropriation from the Enterprise Fund Encumbered Fund Balance to the expense line item for Professional Services – Legal (Sewer Operations). This is in compliance with the Local Budget Government and Fiscal Control Act, NCGS 159-8 (a) and 159-13 (a), which authorizes all financial transactions of the local government.

Recommendation: Staff recommends council approval of the proposed amendment to set aside funds to cover the legal fees incurred.

Thank you.

Town of Marshville

AMENDMENT #2017 - 07

2016 - 2017 Budget Ordinance

BE IT ORDAINED by the Marshville Town Council that the 2016 - 2017 Budget Ordinance be amended as follows:

Section 2: Enterprise Fund

Increase	30-3990-0000	Encumbered Fund Balance	\$50,000.00
Total Increase			<u>\$50,000.00</u>
Increase	30-8290-4730	Prof. Services - Legal Sewer Operations	\$50,000.00
Total Increase			<u>\$50,000.00</u>

Adopted this 5th day of December, 2016.

Franklin D. Deese, Mayor

ATTEST:

Tonya Johnson, Town Clerk

This Budget Amendment provides for: Appropriation for legal expenses related to the Union County sewer dispute/lawsuit. This amendment will increase the appropriation for line item #30-8290-4730 Professional Services - Legal. This will cover approximately 2 months of legal expenses incurred by the town to Turrentine Law Firm, PLLC.

2016-2017

FUND 30 REVENUES	
Revenues	
30-1350-0000 Utility Refunds	0.00
30-2290-0100 Contrib. - Spec. Rev.	0.00
30-3290-0000 Interest on Investments	100.00
30-3350-0000 Miscellaneous Income	0.00
30-3350-0100 Sales of Fixed Assets	0.00
30-3350-0300 Donated Assets	0.00
30-3350-0400 Grant Proceeds	0.00
30-3360-0000 Insurance Proceeds	0.00
30-3360-0100 Reimbursements Proceeds	0.00
30-3710-0000 Charges Utilities Water	689,000.00
30-3710-0100 Charges Utilities Sewer	768,000.00
30-3710-0200 Charges-County Sewer Inc.	106,000.00
30-3710-0300 Delinquent Fees	18,000.00
30-3710-0400 Late Fees	28,000.00
30-3710-0500 Returned Check Fee	0.00
30-3710-0600 Service Initiation Fee	3,625.00
30-3710-0700 Service Call Fee	0.00
30-3710-0800 After Hours Reconnect	0.00
30-3710-0900 Tampering Fee	0.00
30-3730-0000 Tap Fees - Water	6,000.00
30-3730-0100 Tap Fees - Sewer	42,000.00
30-3740-0000 Bad Debts	0.00
30-3750-0100 Capacity Fees - Water	7,200.00
30-3750-0200 Capacity Fees - Sewer	39,500.00
30-3800-0000 Capital Contributions	0.00
30-3940-0000 Transfer From Gen Fund	0.00
30-3990-0000 Encumbered Fund Balance	96,700.00
Total Revenues for Fund 30	1,804,125.00

Budget	YTD	Percent
	as of 10/31/16	
0.00	0.00	
0.00	0.00	
100.00	195.36	195%
0.00	289.82	
0.00	0.00	
0.00	0.00	
0.00	0.00	
0.00	0.00	
0.00	0.00	
689,000.00	230,950.31	34%
768,000.00	264,915.62	34%
106,000.00	26,537.11	25%
18,000.00	6,650.00	37%
28,000.00	11,990.00	43%
0.00	450.00	
3,625.00	1,125.00	31%
0.00	0.00	
0.00	20.00	
0.00	0.00	
6,000.00	0.00	
42,000.00	0.00	
0.00	0.00	
7,200.00	0.00	
39,500.00	0.00	
0.00	0.00	
0.00	0.00	
96,700.00	0.00	
1,804,125.00	543,123.22	30%

2015-2016

Budget		YTD	Percent
	as of 10/31/15		
0.00	0.00		
0.00	0.00		
1,500.00	116.35	8%	
0.00	353.00		
0.00	0.00		
0.00	0.00		
0.00	0.00		
0.00	4,021.45		
0.00	0.00		
655,400.00	228,324.36	35%	
759,000.00	265,443.90	35%	
0.00	0.00		
18,000.00	7,500.00	42%	
25,000.00	11,390.00	46%	
0.00	225.00		
3,500.00	1,350.00	39%	
0.00	0.00		
0.00	40.00		
0.00	557.00		
10,800.00	0.00		
31,500.00	3,500.00	11%	
0.00	0.00		
12,900.00	0.00		
29,600.00	3,297.00	11%	
0.00	0.00		
0.00	0.00		
0.00	0.00		
1,547,200.00	526,118.06	34%	

FUND 30 EXPENDITURES	
Expenses	
30-5310 Safety	0.00
30-6601 Contingency	5,000.00
30-7000 Transfer	0.00
30-8280 Water Operations	648,199.00
30-8290 Sewer Operations	1,150,926.00
Total Revenues for Fund 30	1,804,125.00

Budget	*YTD	Percent
	as of 10/31/16	
0.00	0.00	
5,000.00	0.00	
0.00	0.00	
648,199.00	137,798.80	21%
1,150,926.00	257,407.73	22%
1,804,125.00	395,206.53	22%

Budget	YTD	Percent
	as of 10/31/15	
0.00	0.00	
5,000.00	0.00	
0.00	0.00	
700,600.00	173,289.91	25%
841,600.00	132,282.92	16%
1,547,200.00	305,582.83	20%

2016-2017

FUND 10 REVENUES

Revenues	Budget	YTD	Percent
	as of 10/31/16		
10-3010-0000 Ad Valorem Taxes	707,850.00	148,622.72	21%
10-3010-0100 Motor Vehicles	75,877.00	30,998.95	41%
10-3010-0500 Prior Year Tax Collect	12,000.00	7,506.26	63%
10-3170-0000 Tax Penalties & Interest	4,500.00	975.73	22%
10-3250-0000 Privilege Licenses	0.00	10.00	
10-3250-0000 Vehicle Rental Tax	0.00	0.00	
10-3290-0000 Interest on Investments	100.00	177.96	178%
10-3317-0000 Controlled Substance Tax	0.00	0.00	
10-3318-0000 Police Grant	0.00	13,549.87	
10-3318-0050 Pedestrian Planning Gr	0.00	0.00	
10-3318-0200 CMAQ Revenue	0.00	0.00	
10-3319-0000 Police Calendar Sales	280.00	0.00	
10-3319-0100 Police Protection Rev	900.00	1560.00	173%
10-3319-0200 National Night Out Proceeds	0.00	0.00	
10-3350-0000 Miscellaneous	1700.00	905.21	53%
10-3350-0100 Sale of Fixed Asset	4,000.00	2,000.00	50%
10-3350-0200 Cash Short	0.00	0.00	
10-3360-0000 Insurance Proceeds	0.00	0.00	
10-3360-0100 Reimbursement Proceeds	0.00	0.00	
10-3370-0000 Franchise Tax - Utilities	195,000.00	45,505.04	23%
10-3370-0100 Franchise Tax - Cable TV	0.00	0.00	
10-3370-0200 Solid Waste Disposal Tax	1,550.00	396.38	26%
10-3430-0000 Powell Bill Allocation	68,600.00	34,369.48	50%
10-3450-0000 Local Option SalesTax	0.00	0.00	
10-3450-0010 Sales Tax Art. 39	90,000.00	28,242.79	31%
10-3450-0020 Sales Tax Art. 40	55,000.00	19,390.81	35%
10-3450-0030 Sales Tax Art. 42	45,000.00	14,942.02	33%
10-3450-0040 Sales Art. 44	0.00	2,279.38	
10-3450-0050 Sales Tax Hold Harmless	52,000.00	19,705.67	38%
10-3450-0200 Beer & Wine Tax Distr	11,000.00	0.00	
10-3491-0000 Planning/Zoning Fees	3,000.00	440.00	15%
10-3510-0000 Court Cost Fees & Charges	1,200.00	769.54	64%
10-3590-0000 Refuse Collection Fees	198,000.00	66,112.62	33%
10-3610-0000 Cemetery - Sale of Lot	29,250.00	1,250.00	4%
10-3610-0100 Cemetery - Donations	0.00	2200.00	
10-3610-0200 Cemetery - Grave Opening	0.00	0.00	
10-3650-0000 Recreation Activity Fees	16,600.00	387.00	2%
10-3650-0100 Grant for Park	0.00	0.00	
10-3650-0120 Community Development	0.00	0.00	
10-3650-0130 Skatepark Donations	0.00	0.00	
10-3650-0200 Park Concessions	0.00	0.00	
10-3650-0300 Facilities Rental Fee	3,000.00	1,199.99	40%
10-3710-0400 Late Fee	0.00	0.00	
10-3834-0000 Property Leases	49,000.00	19,248.16	39%
10-3984-0000 Transfer From 40 Fund	0.00	0.00	
10-3990-0000 Encumbered Fund Balance	79,441.00	0.00	
10-3990-0100 Encumbered Powell Bill	112,990.00	0.00	
10-3990-0200 Encumbered Cont. Substance	0.00	0.00	
10-3990-0300 Encumbered Solid Waste	1,592.00	0.00	
Total Revenues for Fund 10	1,819,430.00	462,745.58	25%

2015-2016

FUND 10 REVENUES

Revenues	Budget	YTD	Percent
	as of 10/31/15		
10-3010-0000 Ad Valorem Taxes	670,384.00	133,378.23	20%
10-3010-0100 Motor Vehicles	69,550.00	26,971.56	39%
10-3010-0500 Prior Year Tax Collect	11,000.00	6,048.77	55%
10-3170-0000 Tax Penalties & Interest	4,500.00	2,067.63	46%
10-3250-0000 Privilege Licenses	0.00	15.00	
10-3250-0000 Vehicle Rental Tax	0.00	0.00	
10-3290-0000 Interest on Investments	3,800.00	133.86	4%
10-3317-0000 Controlled Substance Tax	0.00	0.00	
10-3318-0000 Police Grant	0.00	0.00	
10-3318-0050 Pedestrian Planning Gr	13,549.00	0.00	
10-3318-0200 CMAQ Revenue	0.00	0.00	
10-3319-0000 Police Calendar Sales	0.00	0.00	
10-3319-0100 Police Protection Rev	300.00	0.00	
10-3319-0200 National Night Out Proceeds	900.00	972.00	108%
10-3350-0000 Miscellaneous	0.00	0.00	
10-3350-0100 Sale of Fixed Asset	1,650.00	1,680.50	102%
10-3350-0200 Cash Short	0.00	533.38	
10-3360-0000 Insurance Proceeds	0.00	0.75	
10-3360-0100 Reimbursement Proceeds	0.00	0.00	
10-3370-0000 Franchise Tax - Utilities	185,000.00	47,892.23	26%
10-3370-0100 Franchise Tax - Cable TV	0.00	0.00	
10-3370-0200 Solid Waste Disposal Tax	1,600.00	365.31	23%
10-3430-0000 Powell Bill Allocation	69,500.00	34,830.46	50%
10-3450-0000 Local Option SalesTax	0.00	0.00	
10-3450-0010 Sales Tax Art. 39	80,000.00	26,745.25	33%
10-3450-0020 Sales Tax Art. 40	55,000.00	19,077.80	35%
10-3450-0030 Sales Tax Art. 42	42,000.00	14,182.71	34%
10-3450-0040 Sales Art. 44	0.00	2.25	
10-3450-0050 Sales Tax Hold Harmless	52,000.00	19,309.71	37%
10-3450-0200 Beer & Wine Tax Distr	10,500.00	0.00	
10-3491-0000 Planning/Zoning Fees	2,000.00	1,280.00	64%
10-3510-0000 Court Cost Fees & Charges	1,100.00	596.53	54%
10-3590-0000 Refuse Collection Fees	183,500.00	66,730.84	36%
10-3610-0000 Cemetery - Sale of Lot	3,750.00	0.00	
10-3610-0100 Cemetery - Donations	0.00	0.00	
10-3610-0200 Cemetery - Grave Opening	0.00	0.00	
10-3650-0000 Recreation Activity Fees	500.00	255.32	51%
10-3650-0100 Grant for Park	0.00	0.00	
10-3650-0120 Community Development	0.00	0.00	
10-3650-0130 Skatepark Donations	0.00	0.00	
10-3650-0200 Park Concessions	0.00	0.00	
10-3650-0300 Facilities Rental Fee	0.00	0.00	
10-3710-0400 Late Fee	2,500.00	1,065.00	43%
10-3834-0000 Property Leases	0.00	0.00	
10-3984-0000 Transfer From 40 Fund	65,000.00	22,509.19	35%
10-3990-0000 Encumbered Fund Balance	0.00	0.00	
10-3990-0100 Encumbered Powell Bill	142,734.00	0.00	
10-3990-0200 Encumbered Cont. Substance	62,800.00	0.00	
10-3990-0300 Encumbered Solid Waste	0.00	0.00	
Total Revenues for Fund 10	1,735,430.00	426,644.28	25%

2015-2016

	Budget		Percent
		YTD	
		as of 10/31/15	
	73,100.00	25,161.24	34%
	258,500.00	75,450.96	29%
	151,725.00	49,083.11	32%
	24,150.00	4,234.00	18%
	688,075.00	235,211.44	34%
	127,350.00	34,420.46	27%
	62,800.00	18,838.90	30%
	252,680.00	90,260.96	36%
	87,050.00	23,902.89	27%
	10,000.00	0.00	
	0.00	0.00	
	0.00	0.00	
	1,735,430.00	556,563.96	32%

2016-2017

	Budget		Percent
		YTD	
		as of 10/31/16	
	88,775.00	25,875.78	29%
	271,600.00	91,169.17	34%
	143,375.00	38,575.76	27%
	30,050.00	14,593.70	49%
	721,150.00	280,238.72	39%
	130,105.00	39,137.35	30%
	112,990.00	38,131.47	34%
	212,585.00	46,859.82	22%
	98,800.00	31,380.19	32%
	10,000.00	0.00	
	0.00	0.00	
	0.00	0.00	
	1,819,430.00	605,961.96	33%

FUND 10 EXPENDITURES	
<u>Expenses</u>	
10-4100 Governing Body	
10-4200 General Government	
10-4500 Community Development	
10-5000 Public Buildings	
10-5100 Police	
10-5600 Streets & Highways	
10-5700 Powell	
10-5800 Sanitation	
10-6200 Parks & Recreation	
10-6600 Contingency	
10-9800 Transfer to Enterprise Fund	
10-9840 Transfer to 40 Fund	
Total Expenses for Fund 10	10

TOWN OF MARSHVILLE

est. 1877

MEMORANDUM

TO: MAYOR AND ELECTED OFFICIALS
FROM: TONYA JOHNSON
SUBJECT: DR. MARTIN LUTHER KING, JR. ANNUAL PRAYER BREAKFAST
DATE: NOVEMBER 30, 2016
CC: MANAGER STUBER

Each year the Dr. Martin Luther King, Jr., Committee, Inc. holds events in honor of the holiday. The attached flyer provides an outline of the various events that are scheduled.

The highlight of the MLK holiday weekend is the annual Prayer Breakfast. This event will be held at **6 am on Monday, January 16, 2017, at Wingate University's Laverne Banquet Hall**. In the past you have purchased a table and attended this event.

The cost of a table is \$200 and the reservation deadline is January 5, 2017. A table seats 8 persons and entitles you to reserved seating and the organization's name printed on the back of the program.

Please review the attachments for more information regarding the MLK holiday events.

Thank you.

DR. MARTIN LUTHER KING, JR. COMMITTEE, INC.

Post Office Box 1263
Monroe, North Carolina 28111-1263

TO: Monroe and Union County Ministers, Businesses, Organizations, and Other Interested Parties

FROM: Dr. Martin Luther King, Jr. Committee, Inc.
President, Ms. Curley Trull

SUBJECT: **Purchasing of Table(s) for Annual Prayer Breakfast**

DATE: November 1, 2016

The Dr. Martin Luther King, Jr., Committee is busy putting together plans for the countywide observance of this national holiday. We are planning several events (see the enclosed flyer) so that everyone, regardless of work schedule, can participate and enjoy this annual community celebration.

The highlight of the MLK holiday weekend is our **annual Prayer Breakfast, which will be held at 6:00am on Monday, January 16, 2017, at Wingate University's Laverne Banquet Hall.** Please consider purchasing a table for this exciting and inspirational event. Tables seat eight (8) persons for a total cost of **\$200**. Purchasing a table entitles you to reserved seating, and your name (or your church/business/organization name) will be printed on the back of the program.

A limited number of **\$25** individual tickets are available, with seating on a first-come, first-served basis.

NOTE: To alleviate seating problems, tickets are color-coded for tables and individual seating. We hope that this will help with seating arrangements. *Every person must present a ticket at the door to enter the banquet hall.*

Your purchase of a table for the Prayer Breakfast helps the MLK Committee to

- Award scholarships to two (2) Union County High School Seniors
- Offer honoraria for speakers at the events
- Provide a youth-oriented MLK Day celebration with refreshments for the 200+children and adults who attend and prizes for winners of the oratorical and talent contest winners
- Print programs for the events

We look forward to seeing you at the Prayer Breakfast and our other MLK Holiday festivities. With your support, these activities will be successful.

The deadline for purchasing table(s) is **Thursday, January 5, 2017.** Please make checks payable to Dr. Martin Luther King, Jr. Committee, Inc., and mail them to the address at the top of this letter.

*Ms. Curley Trull	980.210.3409	*Mr. Alexander Rorie	704.385.9766
*Mrs. Edith Covington	704.296-5594	*Mrs. Mary Harrell	704.624.6404
*Mr. Allen Morrison	704.843.3514		

(OVER)

DR. MARTIN LUTHER KING, JR. COMMITTEE

POB 1263

MONROE, NORTH CAROLINA 28111-1263

TO: Monroe and Union County Ministers and Churches
Monroe and Union County Businesses & Organizations

FROM: The Dr. Martin Luther King, Jr. Committee, Inc.
Curley Trull, President

DATE: November 1, 2016

SUBJECT: 2017- Dr. Martin Luther King, Jr. Parade

The 23rd Annual Dr. Martin Luther King, Jr. Parade will be **Sunday, January 15, 2017 at 3:00 p.m.** in downtown Monroe. Line-up begins at 1:00 p.m. at Walter Bickett Stadium. Parade officials will be on site for assistance.

We need your help in the following areas:

- Being a participant, visible, and/or attending the parade.
- To enter your cars, trucks, and vans in the parade.
- To volunteer as parade officials

THERE IS NO COST TO PARTICIPATE!!!!

Please complete the attached entry form and return by **January 5, 2017**. For further information, please contact Edith Covington at (704) 296-5594 after 5:00 p.m. or Curley Trull at (980) 210-3409 after 3:00 p.m.

OPTIONAL: If you are interested in entering a float, please contact Edith Covington at (704) 296-5594 by **January 2, 2017**.

The continuation of the parade will depend on person(s) like you---the key participants.

**THE 2017 UNION COUNTY
DR. MARTIN LUTHER KING, JR.
HOLIDAY FESTIVITIES**

24TH ANNUAL MLK COMMUNITY SONGFEST

6:00PM Saturday, January 14, 2017

Mount Olive AME Zion Church

119 E. East Avenue, Monroe, NC

THE MLK PARADE

3:00PM Sunday, January 15, 2017

Downtown Monroe

INTERDENOMINATIONAL WORSHIP SERVICE

FOR PEACE AND RECONCILIATION

6:00PM Sunday, January 15, 2017

Benton Heights Presbyterian Church

2701 Concord Highway, Monroe, NC

DR. MARTIN LUTHER KING, JR.

34TH ANNUAL PRAYER BREAKFAST

6:00PM Monday, January 16, 2017

Wingate University – Laverne Banquet Hall

The Rev. Dr. Haven O. Anderson, Speaker

YOUTH ORATORICAL AND TALENT COMPETITION

with Special Performance by The Beast

12:00 NOON Monday, January 16, 2017

Winchester Gymnasium

Sponsored by the Dr. Martin Luther King, Jr., Committee of Union County

TOWN OF MARSHVILLE

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MEMORANDUM

TO: MAYOR AND ELECTED OFFICIALS
FROM: TONYA JOHNSON
SUBJECT: WATER SYSTEM IMPROVEMENTS – 2015 /PROJECT NO. WIF-1915
DATE: NOVEMBER 30, 2016
CC: MANAGER STUBER

On September 8, 2015, the council approved Resolution 15/16-04, Town of Marshville Resolution Requesting State Loan Assistance for Water System Improvements. An application for funding in the amount of \$1,104,240.00 was approved by the council, signed by Mayor Deese on September 23, 2015, and submitted to the funding agency. The project name is Water System Improvements – 2015 and is described as follows:

Install a new duplex booster pump station to replace an aged pump station, a permanent generator, remote terminal units for the SCADA system, approximately 5,000 LF of 6-inch water main to replace a 2-inch water main, and approximately 1,700 LF of 6-inch water main to replace an aged 8-inch water main.

On February 1, 2016 the town received a Letter of Intent to Fund from the Drinking Water State Revolving Fund program. The total loan amount is \$1,104,240, repayable at a maximum interest rate of 1.84%. The town will have to pay a 2% loan fee (once bids have been received).

LKC Engineering, PLLC has prepared the project Engineering Report and Environmental Information Document, which were approved by NCDEQ on August 18, 2016. At this time, in order for the town to be reimbursed for the engineering costs, the council needs to approve an Agreement to Furnish Professional Engineering Services. A Project Budget Ordinance also requires council approval.

Mr. Bill Lester communicated in an email dated November 4, 2016, that he has a lot of the project design completed. At its November meeting, the council approved a

resolution for the acceptance of land from Edwards Wood Products for the new pump station site.

Recommended Action: Town Council approval of the Agreement to Furnish Engineering Services and approval of the Project Budget Ordinance for Project No. WIF-1915 Water System Improvements – 2015.

Thank you.

AGREEMENT TO FURNISH PROFESSIONAL ENGINEERING SERVICES

TOWN OF MARSHVILLE, NORTH CAROLINA WATER SYSTEM IMPROVEMENTS – 2015 (WIF-1915) BOOSTER PUMP STATION & WATER MAIN EXTENSIONS

This AGREEMENT made this _____ day of _____, 2016, by and between the TOWN OF MARSHVILLE, NORTH CAROLINA, hereinafter called the OWNER, and LKC ENGINEERING, PLLC, hereinafter called the ENGINEER.

WHEREAS, the Owner intends to construct the Water System Improvements – 2015 Project (Booster Pump Station and Water Main Extensions) as described in Marshville's application for assistance and Preliminary Engineering Report as submitted to the North Carolina Department of Environmental Quality (NCDEQ) and designated as Project No. WIF-1915, hereinafter called the PROJECT; and

NOW, THEREFORE, the OWNER and ENGINEER, for the consideration hereinafter named, agree as follows:

The ENGINEER agrees to perform the following tasks obligated under this Agreement:

SECTION I - PRELIMINARY ENGINEERING REPORT

- a) Engineer shall complete the Preliminary Engineering Report in accordance with NCDEQ Guidelines as established by NCDEQ for the program.
- b) Coordinate necessary meetings with Owner and NCDEQ Staff as required to gain approval of Preliminary Engineering Report.

SECTION II - ENGINEERING AND DETAILED DESIGN

- a) Review preliminary infrastructure facilities plan and cost estimate.
- b) Meet with Project ENGINEER, as required, to discuss and clarify any changes, special circumstances and/or topics of importance which may arise during the project.
- c) Verify the location of all utilities, existing and planned, within fifty feet (50) of the proposed construction.
- d) Verify any and all existing right-of-way within the project area.
- e) Prepare applications for, and secure, any and all required regulatory permits and/or approvals including those necessary but not limited to encroachment, construction, the environment, adjacent utilities, and/or local government agencies.
- f) Prepare complete construction plans and specifications in accordance with applicable regulations.

- g) Prepare detailed cost estimate for all proposed construction.

SECTION III- BID AND AWARD

- a) Prepare complete bid package including all required documents for NCDEQ project.
- b) Provide all necessary information for the preparation of the project bid advertisements.
- c) Manage competitive bidding process including the preparation of bid packages for prospective bidders, respond to bidder inquiries concerning the technical aspects of the project, prepare any and all necessary addenda to the bid packages, attend bid opening to answer any questions as may arise, review bids for accuracy, investigate bid documents for eligibility and completeness, make recommendation to the Owner regarding the acceptance of the lowest eligible bid, and other technical assistance as may be requested by the Owner during the bidding process.

SECTION IV - CONSTRUCTION MANAGEMENT AND INSPECTION

- a) Prepare formal contract documents, including any and all documents required for NCDEQ project, for execution of the construction contract.
- b) Provide construction inspection and construction management services as necessary to expedite construction in a timely fashion, insuring that total compliance with general and technical specifications are met by the successful bidder, and that construction is in strict accordance with the plans such that the Owner receives FIRST-CLASS workmanship and materials, and maintain accurate inspection files.
- c) Inspection services shall be sufficient to insure compliance with the contract documents and detailed drawings, however, it is not intended to be full-time inspection services unless otherwise agreed to by all parties. Compensation for additional services will be at the established hourly rates and approved by the Town.
- d) Prepare and issue necessary change orders, and review any and all request for change orders from the successful bidder.
- e) Investigate any and all requests for partial and final payments prior to approval to insure payment to bidder is in accordance with the contract documents as executed and/or amended.
- f) Conduct final inspection of construction upon completion of work by the successful bidder, and accompany the Owner on courtesy inspection prior to approval of final payment to successful bidder.

SECTION V – CERTIFICATION AND RECORD DRAWINGS

- a) Upon final inspection of the project, completion of all work such that the proposed improvements are substantially complete and ready to be placed into operation, prepare all necessary documentation required for certification of the project with all funding and regulatory agencies.

- b) Prepare "AS-BUILT" record drawings and provide two (2) sets to Project ENGINEER along with certification of completion and satisfaction of project requirements and recommendation of final acceptance by the Town.

SECTION VI – SURVEYING

- a) Complete the necessary field survey necessary to design the project and as required for any additional right-of-way, permanent easement and/or temporary/construction easement.

Any necessary plats shall be prepared in accordance with G.S. 47-30 as amended for legal plats of record (or as directed by OWNER) and contain at least the following information: Property lines in the vicinity of the improvements, all proposed right-of-way and/or permanent easements and/or temporary/construction easements, courses and distances for the above, area of taking for each easement or right-of-way on each parcel, right-of-way and/or easement width, and any other information as may be requested by the Town's attorney, County Registrar of Deeds, and/or the Project ENGINEER.

SECTION VII – LOAN ADMINISTRATION

- a) Coordinate all project requirements in support of project completion in accordance with NCDEQ regulations. Administrative activities will also include verification that all program guidelines are met, assist with all reimbursements and coordination with Town finance officer, attend meetings with Town Board as required to gain approval of technical and financial revisions to the project, and all other tasks necessary to assist in executing the project and closing out the project.

The ENGINEER'S services as stated herein shall not include (1) preparation of detailed wetlands or biological surveys or assessments, (2) preparation of an environmental assessment or environmental review document, (3) design and construction administration of the electrical upgrades, (4) negotiations with property owners for real property or easement acquisition, (5) payment of permit fees, (6) design of electrical upgrades or additions. These services, if required, may be arranged for and furnished by the Engineer and separately paid for by the Owner for a price to be subsequently agreed upon if the need for these services arises.

PAYMENT

The OWNER agrees to pay the ENGINEER for services noted in Sections I - VII above for the following not to exceed fees:

I) PRELIMINARY ENGINEERING REPORT	\$3,500.00
II) ENGINEERING & DESIGN	\$67,000.00
III) BID AND AWARD	\$4,200.00
IV) CONSTRUCTION MANAGEMENT	\$56,000.00

V) CERTIFICATION & RECORD DRAWINGS	\$4,800.00
VI) SURVEYING	\$7,500.00
VII) ADMINISTRATION	\$15,000.00

It is agreed by the parties hereto that the appropriate adjustments in any fixed and/or lump sum payments shall be made in the event that the physical scope of the PROJECT, time for completion, or services required are materially increased or decreased beyond that contemplated at this time.

The ENGINEER shall receive progress payments based on monthly estimates as submitted to the OWNER by the ENGINEER.

Should the ENGINEER be required to render "additional services" in connection with related work upon which the work scope does not apply, the ENGINEER shall receive additional compensation for such additional services at the hourly rates as specified on the fee schedule attached hereto as Exhibit "A" for the hours actually worked by the appropriate classification of employee.

TERM OF SERVICE

The Term of Service shall be defined as the length of time elapsed between the execution of this Agreement by all parties and the Final Certification of the construction and the closeout of the project with the NCDEQ Division of Water Infrastructure.

TERMINATION

This Agreement may be terminated by either party on the basis of performance or for convenience. The terminating party shall notify the terminated party in writing a minimum of 30 days before the date of termination. Upon termination, the Engineer shall turn over all records, files, and other pertinent information to the Owner, and the Engineer shall be fairly compensated for services provided prior to termination. The OWNER and ENGINEER hereby agree to the full performance of the covenants contained within this Agreement

IN WITNESS HEREOF, they have executed this Agreement, the day and the year first above written, which is the effective date of this Agreement.

LKC ENGINEERING, PLLC

TOWN OF MARSHVILLE

By: _____
Bill Lester, Jr., P.E.

By: _____
Mayor

Witness: _____
Sharon McDuffie

Attest: _____
Town Clerk

**EXHIBIT A
HOURLY RATE STRUCTURE**

LKC ENGINEERING offers a competitive rate structure to provide the highest quality of engineering services with controlled overhead. The rates below cover all expenses including travel time.

MANAGING PARTNER	\$120.00/HOUR
PROJECT MANAGER	\$ 90.00/HOUR
PROJECT ENGINEER	\$ 80.00/HOUR
SENIOR DESIGNER	\$ 80.00/HOUR
DESIGNER	\$ 70.00/HOUR
SENIOR CONSTRUCTION MANAGER	\$ 80.00/HOUR
CONSTRUCTION MANAGER	\$ 70.00/HOUR
FUNDING ADMINISTRATOR	\$ 70.00/HOUR
ADMINISTRATOR	\$ 50.00/HOUR

TOWN OF MARSHVILLE

**CAPITAL PROJECT BUDGET ORDINANCE
WATER SYSTEM IMPROVEMENTS -2015
PROJECT NO. WIF--1915**

BE IT ORDAINED, by the Town Council of the Town of Marshville, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital Project Budget Ordinance is hereby adopted:

Section 1: The project authorized is the Town of Marshville Water System Improvements-2015, Project No. WIF-1915, to be financed by a State Revolving Loan. The scope of work for this project will booster pump station replacement and water main extension.

Section 2: The officers of this unit are hereby directed to proceed with the Project within the terms of the resolution adopted by the governing body accepting the loan offer and making the applicable assurances contained therein, and in accordance with the Offer and Acceptance Document and the Standard Conditions and Assurances Document.

Section 3: The following amounts are proposed to be appropriated for the Project:

EXPENDITURES:

Project Construction	\$ 859,400.00
Contingency	\$ 85,940.00
Survey	\$ 7,500.00
Engineering Design	\$ 70,500.00
Bid Management	\$ 4,200.00
Construction Admin/Inspection	\$ 60,800.00
Permitting	\$ 900.00
Project Administration	\$ 15,000.00
2% Closing Fee	<u>\$ 22,085.00</u>
TOTAL	\$1,126,325.00

Section 4: The following revenues are anticipated to be available to complete this project:

REVENUES:

Loan Proceeds – NCDNR	\$1,104,240.00
Town Proceeds	<u>\$ 22,085.00</u>
TOTAL	\$1,126,325.00

Section 5: The Finance Officer is hereby directed to maintain within the capital project budget ordinance sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and federal regulations.

- Section 6: Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.
- Section 7: The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in section 3 and on the total loan revenues received or claimed.
- Section 8: The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this board.
- Section 9: Copies of the capital project budget ordinance shall be made available to the Finance Officer, if different from the Clerk, and to the Budget Officer for direction in carrying out the project.

ADOPTED, this the 5th day of December, 2016.

Franklin D. Deese
Mayor

Date

(Town Seal)

ATTEST:

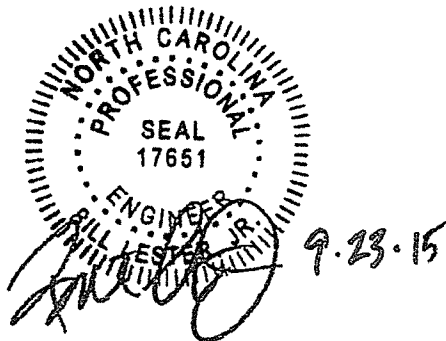
Tonya D. Johnson
Town Clerk



Engineering
Landscape Architecture
Planning

**Town of Marshville DWSRF Project Application
Water System Improvements - 2015
Project Cost Summary**

Construction Costs:	
• Booster Pump Station Replacement	\$427,500.00
• US Highway 74 Water Main Replacement	\$136,400.00
• High Road Water Main Extension	<u>\$295,500.00</u>
Subtotal Construction Costs:	\$859,400.00
Contingencies:	\$85,940.00
TOTAL Construction Costs:	\$945,340.00
Survey:	\$7,500.00
Engineering Design:	\$70,500.00
Bid Management:	\$4,200.00
Construction Administration & Inspection:	\$60,800.00
Permitting:	\$900.00
Project Administration:	\$15,000.00
Total Loan Request:	\$1,104,240.00



TOWN OF MARSHVILLE

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MEMORANDUM

TO: MAYOR AND ELECTED OFFICIALS
FROM: MANAGER STUBER
SUBJECT: NEW RETAINER AGREEMENT FOR STARK LAW GROUP
DATE: DECEMBER 1, 2016

The primary attorney retained for Marshville's legal dispute with Union County over sewer, Mr. S. Chuck Kitchen, has moved from the Turrentine Law to Stark Law Group, following the dissolution of Turrentine Law Firm PLLC. As such, Town Council will need to re-execute the retainer agreement with the new law group. Terms of the retainer agreement stay the same, with the only difference being in Ms. Karlene Turrentine's involvement with the case, as she is leaving private practice.

Stark Law Group, PLLC
Attorneys and Counselors at Law

Thomas H. Stark, Esq.
S.C. Kitchen, Esq. *Of Counsel*
Seth A. Neyhart, Esq. *Of Counsel*

David M. Lomas, Sr. Law Clerk
(1951-2004)

November 28, 2016

Dr. Robyn Stuber
Town Manager
Town of Marshville
201 W. Main Street
Marshville, NC 28103

Re: Representation of Marshville

Dear Dr. Stuber:

This letter will confirm the engagement of this firm with the Town to represent the Town of Marshville in the case of *Union County v. Town of Marshville*, including all appeals.

We will undertake to represent your interests on an hourly basis. The hourly rate for S. C. Kitchen and is \$300.00; and paralegal time is billed at \$75.00. Billing will be done in tenths of an hour. Any changes in these rates will not be effectuated prior to giving you thirty days notice of our intent to do so. As this representation is with a local government entity, the above rate for the attorney will be reduced. Therefore, the rate for S. C. Kitchen \$255.00. Karlene Turrentine of the Turrentine Law Firm, PLLC will continue to be associated with the Stark Law Group, PLLC for the defense of the Town. The hourly rate for Karlene Turrentine will be \$255.00.

It is agreed and understood that Karlene Turrentine is in the process of winding down her private practice, and will not be available after a certain date. The Town consents to the withdrawal of Karlene Turrentine from representing the Town in this matter at the conclusion of the winding down of the Turrentine Law Firm. The Stark Law Group, PLLC will continue with the representation after the withdrawal of Karlene Turrentine from representation.

As I am sure you are aware, in addition to attorney and paralegal fees, costs may be incurred including filing fees, court reporter fees and transcripts, travel expenses, fax and long distance telephone charges, copying charges, possibly expert witness fees, computer research time, and other out-of-pocket expense incurred in the representation of your interests.

We will bill fees and costs on a periodic basis. Payment of your bill is due within 30 days of the date of the invoice. Interest will accrue thereafter at the rate of 18% per annum. Objections to any fees or costs charged must be made in writing within ten days of receipt of our statement or will be conclusively presumed to be undisputed.

We reserve the right to cease work on your matter, within the bounds of the North Carolina Rules of Professional Conduct, if we do not receive payment on your bill within 30 days of the date of the invoice. We reserve the right to withdraw from the matter if no payment has been made within 7 days of a request for payment or for any other reason. Interest will continue to accrue at the rate of 18% per annum on delinquent accounts. You agree that you will pay court costs incurred in the collection of past due balances on your account.

Should you dispute the fees or expenses, you may request resolution of the dispute by contacting the fee dispute coordinator at the North Carolina State Bar in Raleigh, North Carolina, at (919) 828-4620. She can provide you with more information about the fee dispute resolution program and a petition to be used in requesting resolution. Participation by an attorney in fee dispute resolution proceedings is mandatory when requested by a client. We are required, pursuant to the North Carolina State Bar's Rules of Professional Conduct, to advise you of the existence of the State Bar's program of fee dispute resolution at least 30 days prior to initiating legal proceedings.

Our law firm currently complies with Article 2 of Chapter 64 of the North Carolina General Statutes. During this representation, our law firm agrees to continue to comply with said Article. Pursuant to N.C. Gen. Stat. § 147-86.59, and by its execution below, our law firm hereby certifies that, as of the date of this Agreement's full execution, the law firm is not listed on the Iran Final Divestment List created by the NC Treasurer, and that the signatory is authorized by the law firm to make the foregoing certification.

This Hourly Fee Agreement is executed in and shall be construed by and governed under the State of North Carolina, and no conflict of law provisions shall be invoked to permit the laws of any other state or jurisdiction to apply. Any lawsuit brought under the terms of this Hourly Fee Agreement or services provided hereafter shall have the exclusive venue in the state and federal courts of Durham County, North Carolina.

If this letter is in accord with your understanding, please approve this arrangement by signing below and returning an executed copy to me. Please note that this agreement represents a novation of the prior retainer agreement, and signing this agreement will void the prior retainer agreement.

Thank you for choosing our law firm to represent your interests. Although we cannot guarantee an outcome for you or make any other promises in that regard, we will make every effort to obtain a positive result. We appreciate the confidence that you have shown in our firm by entrusting this matter to us and we greatly look forward to working with you.

If you have any questions, please do not hesitate to call.

Sincerely,



S. C. Kitchen
Attorney at Law

APPROVED:

DATED this ___ day of November, 2016.

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Finance Officer

TOWN OF MARSHVILLE

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MEMORANDUM

TO: MAYOR AND ELECTED OFFICIALS
FROM: MANAGER STUBER
SUBJECT: PERSONNEL POLICY UPDATES
DATE: DECEMBER 1, 2016

In continuation of Marshville's Personnel Policy review, I have completed a comprehensive review of Articles I through VII. While there may be general grammatical changes in Articles I, II, III, and V, these articles are not attached for review at this time.

The only substantive changes have been included in Article IV. The Pay Plan, Article VI. Work Conditions and Expectations, and Article VII. Leaves of Absence. These articles are attached, with tracked changes highlighted, for your review.

- Changes in Article IV refer to the establishment of part time hours, updating FLSA standards as per state code, and the inclusion of language describing the Town's safety bonuses.
- Changes in Article VI refer to alternative schedules, travel and expense reimbursement, and the inclusion of sections for social media use and cell phone usage.
- Changes in Article VII refer to leave accrual and previous sick leave credit.

As we move forward, the rest of the personnel policy will be reviewed and changes suggested will be brought before the Town Council in January. Additionally, I am working on putting together a classification plan with pay scale for review in the Spring of 2017.

ARTICLE IV. THE PAY PLAN

Section 1. Adoption

The schedule of salary ranges and class titles assigned to salary ranges, as amended from time to time, is hereby adopted as the pay plan for the Town.

Section 2. Maintenance of the Pay Plan

The Town Manager shall be responsible for the administration and maintenance of the pay plan. The pay plan is intended to provide equitable compensation for all positions, reflecting differences in duties and responsibilities, the comparable rates of pay for positions in private and public employment in the area, changes in the cost of living, the financial conditions of the Town, and other factors. To this end, the Town Manager shall from time to time make comparative studies of all factors affecting the levels of salary ranges and shall recommend to the Town Council such changes in salary ranges as appear to be warranted.

Section 3. Use of Salary Ranges

Salary ranges are intended to furnish administrative flexibility in recognizing individual performance among employees holding positions in the same class by rewarding employees for meritorious service. The following general provisions will govern the granting of increases within the pay range:

- (a) The minimum rate established for the class is the normal hiring rate, except those cases where unusual circumstances appear to warrant appointment at a higher rate. Appointment above the minimum rate may be made on the recommendation of the department head and approved by the Town Manager when deemed necessary and in the best interest of the Town. Above-the-minimum appointments will be based on such factors as the qualifications of the applicant being higher than the desirable education and experience for the class, a shortage of qualified applicants available at the minimum rate, and the refusal of qualified applicants to accept employment at the minimum rate, or other relevant factors.
- (b) Pay rates above the minimum are reserved to reward employees for meritorious service. Each year, the Town Manager may require department heads to consider the eligibility of employees to receive salary increases and to recommend such advancement or retention at the same rate. Department heads shall consider all factors affecting employee performance and shall submit their recommendations in writing, giving the reasons to advance or retain the employee at the same rate. All such advancements and retentions must be recommended to and approved by the Town Manager.

Section 4. Payment at a Listed Rate

All employees covered by the salary plan shall be paid at a listed rate within the salary range established for their respective job classes except for employees in a "trainee

status,” or employees whose present salaries are above the established maximum rate following transition to a new pay plan.

Section 5. Salary of Trainee

An applicant hired or an employee promoted to a position in a higher class, who does not meet all the established requirements of the position, may be appointed at a rate in the pay plan below the minimum established for the position. In such cases, a plan for training, including a time schedule, must be prepared.

The Town Manager shall establish trainee salaries for the position for which the person is being trained. An employee will remain a trainee until the Town Manager determines that the trainee is qualified to assume the full responsibilities of the position. The department head shall review the progress of each employee in a trainee status monthly, or more frequently as required by the Town Manager, to determine when the trainee is qualified to assume the full responsibilities of the position.

Section 6. Pay Rates in Promotion, Demotion, Transfer, Reclassification, and Completion of Probationary Period

When an employee is promoted, demoted, transferred, or reclassified, the rate of pay for the new position will be established in accordance with the following rules:

- (a) Promotion: An employee who is promoted may, at the discretion of the Town Manager, receive a pay increase in base salary or an increase to the minimum rate of the new pay range.
- (b) Demotion: The salary of an employee who is demoted may be adjusted up or down by the Town Manager.
- (c) Transfer: An employee transferring from a position in one class to a position in another class assigned the same pay range shall continue to receive the same salary.
- (d) Reclassification: An employee whose position is reclassified to a class having a higher salary range may, at the discretion of the Town Manager, receive a pay increase. If this position is reclassified to a lower pay range and the employee is receiving a salary above the maximum rate established for the new class, the salary of the employee shall be maintained at that level until such time as the employee's pay range is increased above the employee's current salary.
- (e) Probationary Period: An employee who successfully completes the probationary period may receive a pay increase. The Town Manager shall be responsible for approving any pay increase. A probationary increase for Police Officers may, at the discretion of the Town Manager, be granted at the 6 month point rather than at the end of the required 12 month probation. (See Article V, Section 10)

Section 7. Pay Rates in Salary Range Revisions

When the Town Council approves a change in salary ranges, the salaries of employees whose positions are allocated to that class shall be affected as follows:

- (a) When a class of positions is assigned to a higher pay range, employees in that class shall receive a 5% pay increase or an increase to the minimum amount of the new range, whichever is higher.
- (b) When a class of positions is assigned to a lower pay range, the salaries of employees in that class will remain unchanged. If this assignment to a lower pay range results in an employee being paid at a rate above the maximum rate established for the new class, the salary of the employee shall be maintained at that level until such times as the employee's pay range is increased above the employee's current salary.
- (c) When an adjustment is made to a pay range to reflect market changes, employees in classes within that pay range may or may not receive the adjustment, depending on the Town's financial condition.

Section 8. Pay for Part-Time Work

The pay plan established by this policy is for full-time service. An employee appointed for less than full-time service, designated as 20-31 hours per week, will be paid an amount determined by the Town Manager. Part-time employees shall not be eligible for benefits (i.e., sick time, vacation, health insurance, retirement, etc.) until they have worked for five years. After a part-time employee has tenure of five continuous years of employment, he or she shall be eligible to receive the same holiday leave, sick leave, and vacation leave that is given to full-time employees with less than five years of service with the Town. The manner of accrual of each of the leaves shall be computed according to Article VII, Section 6.

Section 9. Compensatory Time

To the extent that local government jurisdictions are so required, the Town will comply with the Fair Labor Standards Act (FLSA).

- (a) The Town Manager, following FLSA regulations, shall determine which jobs are "non-exempt" and are therefore subject to the Act in areas such as hours of work and work periods, rates of overtime compensation, and other provisions. Non-exempt employees will be paid at a straight time rate for hours up to the FLSA established limit for their positions (usually 40 hours in a 7 day period); hours beyond the FLSA established limit will be compensated in the appropriate manner as determined by current FLSA standards. In determining eligibility for overtime in a work period, only hours *actually worked* shall be considered.
- (b) Department heads shall arrange the work schedules of their employees so as to accomplish the required work within the appropriate work periods. Employees

shall be required to work overtime only in emergencies and the department head may order extensive overtime in excess of forty-four hours only with the approval of the Town Manager. Overtime shall be distributed as equitably as practicable among employees in the same job class and in compliance with the Town's EEO policy. All overtime practices shall comply with the FLSA of 1983 as amended in 1985. Whenever practical, departments shall schedule time off on an hour-for-hour basis within the applicable work period for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked shall be paid by giving compensatory time or overtime pay at a time-and-one-half rate, in accordance with FLSA regulations.

- (c) Employees in positions determined to be "exempt" from FLSA (as Executive, Administrative, or Professional staff) will not receive overtime for hours worked in excess of their normal work periods. These employees may be granted occasional leave by their department heads where the convenience of the department allows.
- (d) The following work periods shall be established for the purpose of calculation of compensatory time and overtime earned:
 - 1. Law enforcement personnel shall be assigned to a 14 day work period with a fluctuating work schedule and a maximum of 86 work hours before accruing overtime or comp time.
 - 2. All other non-exempt Town employees shall be assigned to a 7-day work period with a maximum of 40 work hours before accruing overtime pay or comp time.
- (e) Employees required to work hours over the maximum allowed in the assigned work period shall be compensated for such overtime hours worked subject to the following provisions:
 - 1. The position does not involve administrative, professional, managerial or other types of work exempt from coverage by FLSA.
 - 2. All overtime shall be earned at a rate of one-and-one-half hours for each hour of overtime worked. All overtime shall be earned at a rate of one-and-one-half times the employee's hourly rate of pay.
 - 3. The maximum compensatory time that may be accrued by any non-exempt employee shall be 50 hours in all Town positions. Once an employee has attained a balance of 50 hours of compensatory time, all additional overtime will be paid at the appropriate rate as specified in paragraph (e) – 2 of this section.

4. Department heads may, with prior approval of the Town Manager, pay employees for overtime work when it is not feasible to permit their absence for the purpose of taking compensatory time off.
 5. Annual, compensatory, sick, and other types of paid leave shall not be counted as time worked for computing overtime during a work period.
 6. A non-exempt employee whose employment is terminated shall receive pay for all compensatory time earned, but not taken.
- (f) Supervisors shall be responsible for maintaining the appropriate and accurate time and attendance records detailing hours worked each day and total hours worked each work period. All time records must be approved by the department head and delivered to the employee preparing the town payroll. All payment of salaries and wages shall be by direct deposit. In no instance will an employee be paid at a rate other than the one set forth on their currently approved personnel forms.

Section 10. Payroll Deductions

The Town Council may authorize payroll deductions other than those specifically mandated or authorized by Federal or State Act.

Section 11. Merit Increase System

When the quality of an employee's performance is worthy of special recognition, the employee may be rewarded with a merit increase. Merit pay raises shall be granted by the Town Manager and shall be based on the quality of the individual's work performance.

Following successful completion of an employee's probationary period, the quality of his or her performance shall continue to be reviewed and appropriate instruction and counsel shall be provided in methods for improving job performance.

Merit increases will not be awarded automatically. When an employee's productivity, behavior, attendance or quality of work need to be improved, the Town Manager shall deny a merit increase, and the employee shall be told where improvement needs to be made.

The Town Manager may grant merit increases to deserving, full-time employees in accordance with the following provisions:

- (a) When a new employee has completed the initial probationary period.
- (b) Merit increases may be in the form of an increase to an employee's base salary, a one-time, lump-sum payment above an employee's base salary, or a combination of the two. Merit increases will be above any cost of living adjustments.

All regular, full-time employees of the Town are eligible for merit increase payments. Merit increases will be awarded based on the performance of the employee.

Section 12. Safety Bonus

It is the policy of the Town to ensure that all employees work in a safe environment at all times and follow safety procedures while performing their assigned duties. Employees will be eligible for a quarterly lump sum bonus, based on safety practices and the lack of accidents resulting with the loss of time or equipment to the Town. Recommendations shall be submitted by the department heads to the Town Clerk for processing. Such safety bonus shall be in addition to general increases, merit bonus as stated above.

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ARTICLE VI. WORK CONDITIONS AND EXPECTATIONS

Section 1. Work Period

The work period is defined as seven (7) consecutive days. Full-time, non-exempt, employees (other than public safety shift employees) normally work five (5), eight (8) hour days per work period and are subject to the overtime provisions set forth in Article IV, Section 9 of these policies. Public safety employee's work schedule(s) will be established and maintained in accordance with FLSA and work periods will be set as 14 consecutive days. Non-exempt police officers, regardless of rank, are subject to overtime after 86 hours of work over 14 consecutive days.

Exempt employees in administrative, professional or managerial positions shall work the number of hours necessary to assure the satisfactory performance of their duties.

When the activities of a particular department require some other schedule to meet work needs, the Town Manager may authorize a deviation from the normal schedule.

(a) Many of the services performed by the Town employees are essential and some must be provided day and night, every day of the year. Therefore, Town employees may be required to work changing shifts and the number of hours per day may differ.

(b) Weekly hours of work are generally as follows:

General Government Employees	40 Hours per Work Period (8:00 AM – 5:00 PM)
Police Personnel	86 Hours per Work Period (Average of 42 Hours per Week)

(c) The Town Manager may approve alternative schedules for general government employees, such as flex time, 4-day workweeks, or another established work schedule as deemed appropriate and at the employee's request. Consideration includes the case of extended hours on certain days of the week/month that are necessary, overall coverage of the department's needs, and at the recommendation of the department head.

Section 2. Volunteer Service

The Town encourages and shall permit employees to participate as members of a volunteer emergency service to the extent that such volunteer activities do not interfere with the employee's responsibilities in the Town service. However, no employee will be required or will be allowed to volunteer his or her time to the Town to perform the same or similar work performed as a regular employee.

Section 3. Safety

It is the intent of the Town to provide for an ongoing program that assures a safe, healthy work environment for all employees and complies with all safety laws and regulations. To that end, each supervisor shall be responsible for:

- (a) Providing safe work procedures and environments;
- (b) Implementing safety policies and programs;
- (c) Informing and training employees in safe work habits;
- (d) Detecting and correcting unsafe practices and conditions;
- (e) Investigating accidents and preparing accident reports;
- (f) Encouraging employees to report unsafe conditions and to submit practical safety suggestions.

Likewise, each Town employee shall be responsible for:

- (a) Developing and maintaining safe work habits;
- (b) Promptly reporting all accidents and injuries;
- (c) Pointing out what are believed to be dangerous practices and working conditions;
- (d) Assisting with investigations of accidents;
- (e) Taking proper care of safety equipment;
- (f) Wearing proper clothing and avoiding loose sleeves, cuffs, rings, bracelets and long hair around moving machinery; and
- (g) Knowing the location and use of fire extinguishers, the location of fire exits and the best method for reporting a fire.

In addition to the above provisions, the Town will maintain a safety manual that details safety-related procedures and responsibilities. Employees shall be expected to comply with those provisions.

Section 4. Gifts and Favors

No official or employee of the Town shall accept any gift, whether in the form of service, loan, thing, or promise from any person who, to the employee's knowledge, is interested directly or indirectly in any manner what-so-ever in business dealings with the Town.

No official or employee shall accept any gift, favor, or thing of value that may tend to influence that employee in the discharge of duties.

No official or employee shall grant in the discharge of duties any improper favor, service, or thing of value.

Section 5. Political Activity Restricted

Each employee has a civic responsibility to support good government by every available means and in every appropriate manner. Each employee may join or affiliate with civic organizations of a partisan or political nature, may advocate and support the principles or policies of civic or political organizations in accordance with the Constitution and laws of the State of North Carolina and in accordance with the Constitution and laws of the United States of America. However, no employee shall:

- (a) Engage in any political or partisan activity while on duty;
- (b) Use official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office;
- (c) Be required as a duty of employment or as a condition for employment, promotion, or tenure of office to contribute funds for political or partisan purposes;
- (d) Coerce or compel contributions for political or partisan purposes by another employee of the Town;
- (e) Use any supplies or equipment of the Town for political or partisan purposes;
- (f) Be solicited, coerced or compelled, whether on or off duty, by any candidate for Mayor or Town Council to assist them in their campaigning efforts by asking, or compelling, them to give of their time, energy, property, or money. However, employees may volunteer their assistance to any candidate if they so desire; or
- (g) Be a candidate for the Town Council or partisan election. However, if the employee is a candidate for non-partisan election, (except the Town Council), the employee must take a leave of absence without pay 30 days prior to the primary election. If successful in any primary election, the leave without pay must be extended until the day after the general election. If successful, the NC General Statutes concerning dual office holding shall apply.

Any violation of this section shall subject such employee to disciplinary action up to and including dismissal.

Section 6. Outside Employment

The work of the Town will take precedence over other occupational interests of employees. All outside employment for salaries, wages, or commission and all self-employment must be reported to the employee's department head and Town Manager. Outside employment causing or perceived as a conflict of interest shall be disapproved. The Town Manager is accountable for issuing a final interpretation. Conflicting outside employment will be grounds for disciplinary action up to and including dismissal.

Section 7. Limitation of Employment of Relatives

- (a) Members of an immediate family shall not be employed at the same time if such employment would result in an employee directly or indirectly supervising a member of the immediate family. No immediate family member of an elected official of the Town may be employed at the same time that the elected official is serving the Town.
- (b) This policy shall not be retroactive, and no action will be taken concerning those members of the same family employed in conflict with (a) above prior to the adoption of this policy.
- (c) Immediate family is defined as spouse, children, brother, sister, parent(s) of the employee or of the spouse, in-laws of the employee and anyone living as a part of the employee's household.

Section 8. Conformance to Immigration Law Requirements

All employees are required to furnish proof of citizenship or other required documents indicating a legal right to work in the United States. Copies of the completed I-9 form shall be a permanent part of their personnel file.

Section 9. Confidential Information

No appointed official or employee shall, without approval of his department head, disclose confidential information concerning the property, government, or affairs of the Town. Nor shall they, under any circumstance, use such information to advance the financial or other private interest of themselves or others.

Section 10. Drug Free Workplace Environment

It is the policy of the Town of Marshville to ensure a safe and drug-free workplace environment for its employees.

No employee shall use intoxicating beverages or non-prescribed controlled drugs of any kind while on duty. Nor shall an employee report for duty while under the influence of an intoxicant or non-prescribed controlled drug. Any employee using medication or a controlled drug by prescription that may affect job performance or safety shall notify their supervisor. The Town will conduct random employee drug testing according to the adopted procedures.

Any violation of this section shall subject such employee to disciplinary action up to and including dismissal.

Section 11. Use of Town-Owned Equipment

The Town Council specifically forbids the personal use of any Town-owned equipment or supplies by any employee, elected or appointed official or individual unless authorized by the Town Manager. Should authorization be granted, use will be limited to the use specified in the authorization.

Use of Town-owned vehicles is governed by the following:

- (a) Vehicles owned by the Town may be provided to one or more employees in connection with Town business and shall be used only on Town business. When the vehicle is not used for Town business, it is kept on the Town's business premises. Pursuant to Federal and state law, neither the employee, nor any individual whose use would be taxable to the employee, may use the Town vehicle for personal use.
- (b) For bona fide non-compensatory business reasons, the Town may require certain employees to commute to and from work in Town vehicles that are not exempted by IRS regulations. In accord with federal and state law, an employee may not use the Town-owned vehicle for personal use other than commuting. Under these conditions the Town will account for commuting use as specified and required in IRS regulations.

Section 12. Travel and Expense Reimbursement

Employees, elected, and appointed officials will, from time to time, be involved in out-of-town travel to attend schools, business meetings, conferences, etc. All reasonable expenses for overnight travel (e.g., meals, lodging, etc.) shall be reimbursed at actual costs, while travel in a personal car will be reimbursed at a mileage rate consistent with prevailing IRS limits for non-taxable reimbursements authorized by the Town Council.

Reimbursement for meal expenses shall be limited to \$62 per day, broken out by meal. Meal expenses shall ordinarily be reimbursable only when incurred on out-of-town travel or when the meal itself is the occasion of a business meeting. Should the event include breakfast or lunch for participants, those expenses are not reimbursable, only dinner is eligible.

All travel claims must be supported by detailed documentation, usually in the form of receipts or similar vouchers. The Town Manager, upon the recommendation of the Finance Director, may deny reimbursement of any questionable, unsupported, or excessive expense claims submitted by employees.

Any violations of the provisions in this section shall be deemed improper conduct and may subject the employee to discharge or other disciplinary action.

Section 13. Discrimination/Sexual Harassment

No discrimination shall be exercised, threatened, or promised against or in favor of any applicant or employee because of his/her race, religion, color, creed, national origin, age, political beliefs, sex or disability.

Harassment in any form shall not be tolerated and may lead to dismissal of the offender(s). The Town expressly prohibits any form of sexual harassment and seeks to guarantee all employees the right to work in an environment free from such harassment.

Section 14. Surrender of Property

An employee who is suspended or discharged shall be required to return all items of equipment and supplies, including uniforms, owned by the Town. Return of such equipment must precede the issuance of such an employee's final paycheck.

Section 15. Improper Use of Computer and Electronic Equipment

No employee shall use Town-owned computer equipment for personal use or enjoyment. This shall also apply to internet access. Town-owned computer equipment and town-sponsored internet access shall only be used to carryout an employee's required duties.

Specifically, any employee found accessing inappropriate material via the internet, world wide web, or electronic mail will be immediately suspended and subject to termination. Inappropriate material shall include, but not limited to, internet sites, World Wide Web sites, and electronic mail that has:

- (a) Pornographic content or shows any material of a sexual nature. This shall include, but not be limited to pictures or drawings that show figures in either partial or full nudity; or
- (b) Offensive language or wording that is of a sexual, violent, vulgar, racial, or religious nature. This shall include, but not be limited to jokes, puns, and riddles that may offend others by creating a hostile working environment;

No employees shall use the town's electronic mail account(s) to send personal electronic mail. If any employee receives electronic mail that is personal or inappropriate (see definition above), then he or she should immediately notify his or her supervisor. The inappropriate material will then be removed, and a request to the sender will be made requesting that they not send any more electronic mail.

Electronic mail and internet access are tools that the town chooses to provide its employees so that they may function more productively. These are privileges that can be suspended or removed from all town computers if the privilege is abused.

Section 16. Social Media Use

Personal use of social media is defined as the use of social media by an employee speaking as an individual. Personal use of social media by a Town employee is permitted for social or professional networking purposes. In personal use, the employee is speaking

as an individual and not on behalf of the Town. An employee's use and comments made on social media sites are subject to First Amendment protections.

As a public employee, use of social media is considered an extension of the workplace as it relates to employee conduct. As a Town employee, personal use of social media is subject to these guidelines:

- (a) Where personal use is related to a matter of public concern, it must be conducted in such a manner that a reader would not think the employee is speaking for or on behalf of the Town.
- (b) Employees must comply with Town policies, including, but not limited to, the Town's ethical standards.
- (c) Employees should exercise sound judgment and discretion so as to not reflect adversely on the Town in contributing to social media sites.
- (d) Employees should not use social media to publically condemn and/or state adverse comments about/or regarding public officials, employees, or the Town.
- (e) Personal use of social media may not violate or infringe upon the right of any other person or entity or constitute a criminal offense or create civil liability.
- (f) Personal use of social media while on duty, including during breaks, must not be excessive such that it interferes with the employee's work or the work of others.

Any violations of the provisions in this section shall be deemed improper conduct and may subject the employee to discharge or other disciplinary action.

Section 17. Cell phone usage

Town employees may be granted a cell phone for use for Town purposes only. Once granted a cell phone, it is the employee's responsibility to care for that property. Should the cell phone be lost or damaged, the Town will repair/replace the cell phone at no cost to the employee. Upon a second instance of damage or loss, due to employee negligence, the cell phone will be repaired/replaced at the employee's cost.

Any employee's use of cell phones, whether Town or personal, for personal use, must not be excessive such that it interferes with the employee's work or the work of others.

Any violations of the provisions in this section shall be deemed improper conduct and may subject the employee to discharge or other disciplinary action.

ARTICLE VII. LEAVES OF ABSENCE

Section 1. Holidays

The following days, and such other days as the Town Council may designate, are holidays with pay for employees and officers of the Town working the basic workweek.

New Year's Day	Veterans Day
Martin Luther King Day	Thanksgiving Day and the day after
Good Friday	Christmas Eve
Memorial Day	Christmas Day
Independence Day	Christmas – day after
Labor Day	

When Christmas falls on:

Saturday or Sunday
Monday
Tuesday
Wednesday
Thursday, Friday

The Town observes:

Thursday, Friday and Monday
Friday, Monday and Tuesday
Monday, Tuesday and Wednesday
Tuesday, Wednesday and Thursday
Wednesday, Thursday and Friday

When a holiday, other than Christmas Day, falls on Saturday, Friday shall be observed as a holiday. When a holiday, other than Christmas Day, falls on Sunday, Monday shall be observed as a holiday.

For employees having a workweek with greater or fewer hours than the basic work week, holiday leave shall be granted in the same proportion as their work week is to a forty (40) hour work week. (See Article VII Section 6 of these policies.)

In order to be eligible for holiday pay, an employee must have been in pay status for a full regularly scheduled workday before and after the holiday, unless excused by the Town Manager.

Section 2. Effect of Holidays on Other Types of Leave

Regular holidays, which occur during a vacation, sick or other leave period, of any appointed officer or employee of the Town, shall not be considered as vacation, sick or other leave.

Section 3. Holiday – When Work is Required

Employees required to perform work on regularly scheduled holidays may be granted “holiday compensatory time off” or paid at their hourly rate for the hours actually worked in addition to any holiday pay to which they may be entitled. “Holiday compensatory time” shall be granted whenever feasible and taken within three (3) months from the time it is earned.

Section 4. Vacation Leave

Vacation leave shall be used for rest and relaxation, and may be used for medical appointments.

(a) Initial Appointment

Probationary Employees serving a probationary period following initial appointment may accumulate annual leave but shall not be permitted to take annual leave during the probationary period unless the denial of such leave will create an unusual hardship. Annual leave may be taken during this period only with the prior approval of the appointing authority.

(b) Annual Leave – Manner of Accumulation

Any employee working the basic workweek of 40 hours shall earn annual leave at the following rates:

<u>Years of Service</u> <u>Earned/Year</u>	<u>Days Earned/Month</u>	<u>Total</u>
Less than three	1.00	12
Three but less than ten	1.25	15
Ten but less than fifteen	1.50	18
Fifteen but less than twenty	1.75	21
Over twenty years	2.00	24

Annual leave earned by employees having a workweek with greater or fewer hours than the basic workweek shall be determined in accordance with the formula set forth in Section 6 of this article.

At the discretion of the Town Manager, incoming employees may be placed in a years of service category other than "Less than three," if the new employee has had substantial public years of service with another public entity and it is deemed to be part of the employment offer.

(c) Annual Leave – Maximum Accumulation

Annual leave may be accumulated without any applicable maximum until the pay period containing December 31 of each calendar year. However, if the employee separates from service, payment for accumulated annual leave shall not exceed 30 days. During the pay period containing **June 30**, any employee with more than 30 days shall have the excess accumulation converted to sick leave so that only an accumulation of no more than 30 days is carried forward to **July 1** of the next **fiscal** year.

Employees are cautioned not to retain excess accumulation of annual leave until late in the **fiscal** year. Due to the necessity to keep all Town functions in operation, large numbers of employees cannot be granted annual leave at any one time. If an employee has excess leave accumulation during the latter part of the fiscal year and is unable to take such leave because of staffing demands, the employee shall receive no special consideration either in having

annual leave scheduled or in receiving any exception to the maximum accumulation rule.

(d) Annual Leave – Manner of Taking Leave

Vacation leave may be taken as earned by a regular employee subject to the approval of the supervisor.

(e) Annual Leave – Previous Leave Credit

Annual leave credit accumulated by each employee as of the adoption of these personnel administration policies (that are adopted as a resolution) shall be retained as of the effective date of these policies.

(f) Annual Leave – Terminal Pay of Annual Leave

An employee who is separated shall be paid for annual leave accumulated to the date of separation not to exceed a maximum of 30 days. Employees who do not give proper notice (2 weeks for most employees) will not be paid for their accumulated annual leave upon termination.

(g) Annual Leave – Payment for Accumulated Annual Upon Death

The designated beneficiary of an employee who dies while employed by the Town shall be entitled to payment for all of the accumulated annual leave credited to the employee's account, not to exceed a maximum of 30 days, at the time of death.

Section 5. Sick Leave

Sick leave with pay is not a right that an employee may demand but a privilege granted by the Town Council for the benefit of an employee when sick. Sick leave shall be granted to an employee absent from work for any of the following reasons: sickness, bodily injury, required physical or dental examinations or treatment, or exposure to a contagious disease when continuing to work might jeopardize the health of others. Sick leave may be used for death in the employee's immediate family but may not exceed three (3) days for any one occurrence, except by special permission from the department head.

Immediate family shall be deemed to include spouse, father, mother, guardian, children, sister, brother, grandparents, grandchildren plus various combinations of half, step, in-law and adopted relationships that can be derived from those named.

Notification of the desire to take sick leave should be submitted to the employee's supervisor prior to the leave or not later than two (2) hours after the beginning of a scheduled workday.

(a) Sick Leave – Manner of Accrual

Each full-time regular and probationary employee working the basic workweek of 40 hours shall accrue sick leave at a rate of 12 days annually (8 hours on the first of each month).

Sick leave accrued by employees having a workweek with greater or fewer hours than the basic workweek shall be determined in accordance with the formula set forth in Section 6 of this policy.

(b) Sick Leave – Maximum Accrual

Sick leave shall accumulate with no maximum accumulation, and may be used as credit for service under the NC Local Governmental Employees' Retirement System.

(c) Sick Leave – Physician's Certificate

The employee's supervisor or department head may require a physician's certificate concerning the nature of the illness and the employee's physical capacity to resume duties for each occasion on which an employee uses sick leave to insure the employee is healthy enough to resume work responsibilities and/or there is no abuse of sick leave privileges.

(d) Sick Leave – Previous Leave Credit

Sick leave credits accumulated by each Town employee shall be retained as of the effective date of this policy; however, no retroactive rate shall be calculated to grant current employees a new higher rate of accrual. Sick leave accrued while working for another public entity may be transferred, at a maximum determined by the Town Manager, as part of the offer of employment, with proper documentation from previous employer. Any sick time transferred from one employer to the Town is not eligible for reimbursement upon termination or retirement of employee.

Section 6. Calculation of Holiday Leave, Annual Leave, and Sick Leave

Holiday leave, annual leave, and sick leave earned by regular employees having a workweek with greater or fewer hours than a 40 hour workweek or 8 hour work shift, shall be determined proportional to the 40 hour employee. This is done so that the same percentage in time off with pay is granted. Calculations are made as follows:

- (a) The number of hours granted annually to 40-hour employees shall be divided by 2080 hours (the number of hours annually in a 40-hour workweek). This percentage of time off is then applied to the annual number of hours worked by employees with greater or fewer hours than 40 hour per week employees.
- (b) The proportion obtained is earned and deducted from the employee accrual on an hour for hour basis.

Example: A 40 hour per week employee with 4 years of service is entitled to 96 hours of vacation leave annually (12) days which is 4.62% of their total time. An employee working 2912 hours annually with 4 years of service is entitled to $(2912 \times 4.62\% = 135)$ 135 hours of vacation leave annually.

Section 7. Leave Without Pay – Policy

To the extent that local government jurisdictions are so required, the Town will comply with all applicable provisions of the Family Medical Leave Act as provided by law.

A regular or probationary employee may be granted a leave of absence without pay for up to one (1) year by the Town Manager. The leave shall be used for reasons of personal disability after both sick leave and the desired amount of annual leave has been exhausted, continuation of education, special work that will permit the Town to benefit by the experience gained for the work performed, or for other reasons deemed justified by the Town Manager.

The employee shall apply in writing to the Town Manager for leave. The employee is obligated to return to duty within or at the end of the time determined appropriate by the Town Manager. Upon returning to duty after being on leave without pay, the employee shall be entitled to return to the same position held at the time leave was granted or to one of like classification, seniority and pay. If the employee decides not to return to work, the supervisor should be notified immediately. Failure to report at the expiration of a leave of absence, unless an extension has been requested, shall be considered a resignation.

An employee ceases to earn leave credit on the date leave without pay begins. The employee may continue to be eligible for benefits under the Town's group insurance plans, subject to any regulations adopted by the Town Council and the regulations of the respective insurance carriers.

Section 8. Workers' Compensation Leave

- (a) An employee absent from duty because of sickness or disability covered by the North Carolina Workmen's Compensation Act will be compensated in accordance with the provisions of the Act. The employees may elect to use accumulated annual or sick leave during the first seven days of absence due to sickness or disability covered by the Act. Upon reinstatement, an employee's salary will be computed on the basis of the last salary earned plus any increment or other salary increase to which the employee would have been entitled during the disability covered by Workers' Compensation.
- (b) Temporary employees will be placed in a leave without pay status and will receive all benefits for which they may be adjudged eligible under the Workers' Compensation Act.
- (c) The North Carolina Worker's Compensation Act will cover any first responder that receives the small pox vaccination in accordance with the Homeland Security Act. Whether the vaccination is voluntary or involuntary; anyone having an adverse medical reaction will still have the benefits of sick leave and salary continuation that apply for any other type of incident subject to worker's compensation under the following circumstances.

1. The absence is due to an adverse reaction arising from a smallpox vaccination incident to 42 U.S.C. § 233 (p) when:
 - i. The employee received such vaccination in employment; or
 - ii. The reaction was caused by exposure to a person who received such vaccination in employment and in whose home the employee is temporarily or permanently living.
2. A health care provider certifies the need for any such leave greater than 24 hours; and
3. The leave does not exceed 480 employment hours
4. If necessary the Town will make up the difference between the worker's compensation 66 2/3 % of salary and the employee's regular salary.

Section 9. Death Leave

An employee may have up to three (3) days leave at full pay granted when attending the funeral of an immediate family member as defined in Article VII, Section 5 of these policies. Additional time to settle affairs of the family may be taken with the approval of the department head and should be charged to vacation or sick leave. Leave to attend funerals of other than the immediate family may be granted by the department head and charged to vacation or sick leave.

Section 10. Temporary Disability Leave

Accumulated sick leave is available to employees for the period of a temporary disability in the same manner as for any other illness.

Leave without pay may be used by the employee before, during or after the disability ends as long as a doctor's certification continues to support the disability.

The employee may elect to use accumulated annual leave (1) before going on sick leave, (2) after accumulated sick leave has been exhausted, and/or (3) after the temporary disability has ended. If an employee is temporarily disabled and has exhausted all accumulated sick leave, that employee may be eligible to receive leave without pay for personal disability under the provisions of Section 7 of this Article.

Reinstatement to the same position or one of like classification, seniority and pay shall be made upon the employee's return to work.

Section 11. Military Leave

Regular employees who are members of the National Guard or Armed Forces Reserve will be allowed two (2) calendar weeks military training leave annually. This is leave without pay.

The employee may elect to use annual leave to cover part or all of the military leave.

If such military duty is required beyond this two (2) calendar weeks period, the employee shall be eligible to take accumulated vacation leave or be placed in a leave without pay status. While taking military leave with partial pay or without pay, the employee's leave credits and other benefits shall continue to accrue as if the employee physically remained with the Town during this period. Regular employees who are guardspersons and reservists have all job rights specified in the Veterans Readjustment Assistance Act.

Section 12. Civil Leave

A Town employee called for jury duty or as a court witness for the federal or state governments or a subdivision thereof shall receive leave with pay for such duty during the required absence without charge to accumulated vacation, sick or petty leave. Any court fees paid to the employee are allowed to be retained by the employee.

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