

MINUTES
KITTY HAWK TOWN COUNCIL
Recessed Meeting, April 23, 2018
Kitty Hawk Town Hall, 9 AM

Agenda

1. Call to Order/Recessed meeting from April 9, 2018
2. Review of Fiscal Year 2018-19 Budget and Capital Improvements Plan FY 2018-23
3. Adjourn

COUNCILMEMBERS PRESENT:

Mayor Gary Perry, Mayor Pro Tem Craig Garriss, Councilman Ervin Bateman, Councilwoman Lynne McClean and Councilman Jeff Pruitt

STAFF MEMBERS PRESENT:

Town Manager Andy Stewart, Town Clerk Lynn Morris, Town Attorney Casey Varnell, Finance Officer Liliana Noble, Management Assistant Melody Clopton, Police Chief Joel Johnson, Fire Chief Mike Talley and Public Works Director Willie Midgett

1. CALL TO ORDER

Mayor Perry called this recessed meeting from April 9, 2018 to order at 9 AM.

Manager Stewart introduced Jessica Barnes. She is the town's new Accounting Technician.

**2. REVIEW OF FISCAL YEAR 2018 BUDGET and CAPITAL IMPROVEMENTS PLAN
FY 2018-23**

Manager Stewart reviewed the budget message below and provided a PowerPoint presentation on the highlights of the budget and the capital expenditures and reserves. The questions and answers are presented after this message on page 6.

It is my pleasure to submit the Town Manager's proposed FY 2018-19 balanced budget as required by Section 159-11 of the North Carolina General Statutes. The Town of Kitty Hawk continues to strive to meet the needs of our residents with a focus on core services: public safety, infrastructure investment, and community and economic development. The proposed budget continues to build upon accomplishments in FY 2017-2018 such as the newly constructed Beach Nourishment project, the construction of new stormwater pumping stations along NC 12, removal of vegetative debris from the canal and ditch network, and the early payoff of the Fire Department loan. These accomplishments should be

Kitty Hawk Town Council Minutes: April 23, 2018

Page 2

recognized and acknowledged as the Town begins to prepare for the 2018-2019 fiscal year. The proposed budget continues to focus on superior and affordable service delivery to the residents of the Town while placing a stronger emphasis on funding future capital needs by setting aside operating revenues in the FY 2018-19 budget. Planning financially for large projects combined with carefully monitoring departmental expenditures will continue to place the Town in a strong financial position and reduce the need to finance larger capital projects in the future. Continuing to promote a strong capital reserve effort and a healthy general fund balance will position the Town to better handle any unforeseen economic downturns or unexpected expenditures without placing an additional burden on the residents.

Prepared responsibly and conservatively to ensure accountability to the taxpayers of Kitty Hawk, the budget is balanced with total revenues and expenditures of \$9,703,157.

Budget Highlights:

- The proposed budget is balanced at a tax rate of .34 cents per \$100 valuation and requires **no** tax-rate increase for FY 2018/19. Properties located in Beach Nourishment MSD additional .12 cents.
- Establishes a contingency line item of \$45,709 for unforeseen expenses throughout the year and/or unexpected shortfall in revenue.
- Utilizes no fund balance to balance the budget.
- Maintains the \$3,500,000 emergency reserve.
- The proposed budget provides for no new full-time positions.
- Provides a one-step pay plan adjustment and a one-step increase for all full-time Town employees.
- Funds Moore-Shore Road Living Shoreline project carryover in the amount of \$180,000.
- Funds critical capital needs and reserves consistent with the Town's five-year Capital Improvements Program in the amount of \$893,200. Establishes aggressive future Capital funding in the amount of \$345,000.
- Increases reserve funding from \$20,000 to \$80,000 for a future fire truck purchase.
- Funds an annual beach profile survey in the amount of \$41,058.

The total budget for FY 2018-19 is approximately \$285,457 or 2.8% less than FY 2017-18. A large portion of the budget decrease is attributed to grant revenue & expenditures that were received and budgeted in FY 2017-18 for various projects. It should also be noted that expenditures have decreased as a result of the Town's early payoff of debt service on the Fire Department Loan in the amount of \$281,896.

General Fund:

The General Fund provides the necessary funding for the operations of Public Safety (Police and Fire Departments), Town Council, Administration, Finance, Planning & Inspections as well as, Public Works. The Town of Kitty's Hawks General Fund can primarily be separated into four major spending categories. These categories include Personnel, Departmental Operating Expenses, Capital Purchases and Beach Nourishment.

Personnel:

Personnel expenditures are always the largest expenditure in the Town's General Fund budget. Town employees are considered one of the Town's greatest assets and are responsible for ensuring professional and quality service delivery to our residents. The Town of Kitty Hawk utilizes a step based Position Pay and Classification Plan. The Town's 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 condition of the Town, and other factors.

In an effort to maintain competitive starting salary ranges within the local market and effort to continue hiring qualified employees. The budget reflects adjusting starting salaries by one-step in addition to moving employees one-step within the Town's pay scale. The budget also reclassifies the Management Assistant position to accurately reflect the level of job

Kitty Hawk Town Council Minutes: April 23, 2018
Page 3

responsibilities. The overall increase in payroll and benefits as compared to the FY 2017-18 budget is 2.1%. This is a direct result of attrition and hiring new employees within the minimum pay ranges where applicable.

The budget continues to fund 100% for health, dental, life and vision insurance for full-time employees. The budget includes a ten percent buffer for any premium increases that may arise during the Town's renewal period which typically takes place in late May.

No request for additional employees are proposed and a summary of full-time, part-time, and seasonal positions is provided below.

Budgeted	Full-Time	Part-Time	Seasonal	Total
FY 14/15	41	18	11	70
FY 15/16	41	16	13	70
FY 16/17	47	8	13	68
FY 17/18	47	7	14	68
FY 18/19	47	7	14	68

Operating Expenditures

Operating expenditures provide the means necessary for each Department within the Town to carry out the day-to-day services provided to Town residents. These expenses are reviewed thoroughly each year by Town Department Heads and management to ensure accountability operational efficiency. Operational costs and equipment highlights included the FY 2018-19 budget by Department include:

Non-Departmental

- Funds \$65,000 for third party information technology administration and equipment. This includes all IT hardware and support in all Departments.

Administrative Services

- No highlights

Finance Department

- Reduction to Travel & Training line item

Planning & Inspections

- No highlights

Public Works Department

- Increase to Service and Maintenance line item \$27,500. This increase is a result of a one-time expense for painting the exterior of the Public Works Building.

Police Department

- Reduction to Governor's Highway Safety Grant as a result of required travel time outweighing benefits of program participation.

Kitty Hawk Town Council Minutes: April 23, 2018
Page 4

Fire Department/Ocean Rescue

- No highlights

Capital Expenditures

The budget continues to fund critical capital purchases and focuses primarily on planning for the future. Responsible financial planning by the Town Council has historically eliminated the need to acquire debt in order to make large capital purchases. The FY 2018-19 identifies a total of \$893,200 in capital reserves and expenditures. Of the total capital budgeted, \$548,200 is being expended in the proposed budget year while the remaining \$345,000 is funding future reserves for capital projects. In essence, the Town is setting aside \$345,000 of operating revenues in the FY 2018-19 budget to fund future projects.

The proposed capital purchases and future reserves included in the FY 2018-19 budget consist of the following:

Capital Reserve Funding (Funds set aside for future years):

- Document imaging reserve - \$20,000
- Phone system replacement reserve - \$5,000
- Town Hall improvements/upgrades - \$40,000
- Financial software upgrades - \$5,000
- Land Use Plan Update - \$15,000
- Fuel Storage Tank replacement - \$12,000
- Boardwalk replacement - \$8,000
- Bathhouse upgrades/renovation - \$20,000
- Future Police Department Station - \$125,000
- Fire Department on-site training equipment - \$15,000
- Purchase of future fire truck - \$80,000

Capital Purchases in FY 2018-19:

- Public Works pickup truck - \$32,000
- Living shoreline project on Moore Shore Road - \$180,000
- Road resurfacing (Powell Bill) - \$137,000
- Fire Department Bunker Gear - \$20,000
- Purchase (3) patrol vehicles - \$120,000
- Police Department equipment (Bullet Proof Vests) - \$8,700
- StairMaster Step Mill - \$5,500
- Kitty Hawk Landing Dry Stand Pipes Engineering/Study- \$10,000
- Ocean Rescue replacement truck - \$35,000

Total funded Capital Projects in FY 2018-19: \$893,200

Capital Reserve Overview

The Capital reserve consists of funds that have been set aside in previous budget years for specific future capital purchases. These reserves are "banked" funds and can be utilized when needed to fund capital projects. The largest makeup of the capital reserve are funds that have been collected and set aside for Beach Nourishment. The FY 2018-19 budget continues to aggressively set aside reserves for future capital projects in the amount of \$345,000 and utilizes only \$31,000 from the Powell Bill reserve funds for additional resurfacing to Town maintained roads.

Kitty Hawk Town Council Minutes: April 23, 2018
Page 5

The current chart summarizes the Capital reserve available for future projects:

	<u>FY 15-16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>Budget FY 18/19</u>	<u>Ending Balance FY 18/19</u>
Air Compressor - FD	20,000	-	-	-	40,000
Bath House Upgrades/Renovations	-	-	-	20,000	20,000
Beach Nourishment	926,421	862,039	(241,049)	119,016	1,666,427
Boardwalk Replacement/Repair	-	-	-	8,000	8,000
Broom Tractor	27,700	(55,400)	-	-	-
Document Imaging	-	-	-	20,000	20,000
Fire Department Training Equipment	-	-	-	15,000	15,000
Fire Truck & Equipment	-	-	20,000	80,000	104,161
Financial Software	-	-	5,000	5,000	10,000
Fuel Storage Tank Replacement	-	-	5,000	12,000	17,000
Grapple/Dump Truck	-	20,000	(20,000)	-	-
Information Technology	20,300	-	(27,832)	-	68,271
Land Use Plan Update	-	-	-	15,000	15,000
Laptop Replacement Program	-	3,000	-	-	3,000
Parks and Trails	-	-	-	-	144,735
Phone System Replacement	-	15,000	5,000	5,000	25,000
Police Department Station	-	-	-	125,000	125,000
Storm Damage Reduction (2 cent)	-	(70,000)	-	-	154,904
Town Website Updates	-	2,500	(2,500)	-	-
Town Hall Storage/Improvements	-	-	-	40,000	40,000
Interest (Estimate)	741	741	741	741	3,705
Total Capital Reserve Fund Balance:					2,480,202

Beach Nourishment

In accordance with North Carolina General Statute funds collected and expended for the proposed Beach Nourishment project must be accounted for as part of the Town's General Fund. The Beach Nourishment project was completed in 2017. The Town of Kitty Hawk and Dare County will be required to pay for the debt service of this project until FY 2021-22.

The budget continues to dedicate .04 cents of the .34 cents town wide tax to the Beach Nourishment Project. Properties located in the Municipal Service District will continue to pay an additional .12 cents that is restricted specifically for Beach Nourishment.

The second debt service payment (Payment 2 of 5) in the amount of \$2,132,787 is due in FY 2018-19. Of this payment the Town will receive \$1,207,677 from the Dare County Occupancy Tax Fund while the remaining balance will be paid from the annual collection of property taxes restricted for Beach Nourishment. Revenues generated for Beach Nourishment in excess of the yearly debt service payment will remain restricted and can be utilized for beach maintenance and other costs related to beach nourishment.

A new expenditure in the Beach Nourishment Fund in the amount of \$41,058 is being budgeted for the one year post construction beach profile survey. Surveying will include a topographic survey of the dune, berm and foreshore section of the beach while a bathymetric survey is conducted for the offshore portion of the beach profile. The survey will also be utilized in updating the Town's Maintenance Plan that is required by FEMA to receive Disaster Assistance Recovery funding.

Kitty Hawk Town Council Minutes: April 23, 2018
Page 6

The budget also continues to fund routine maintenance and repair such as beach grass plantings and sand fencing where appropriate.

Financial Stability

The FY 2018-19 budget maintains the Emergency Fund in the amount of \$3,500,000 and in accordance with Council fund balance policy. The FY 2018-19 budget utilizes no fund balance to balance day to day operating expenditures in the budget and funds a contingency in the amount of \$45,709. The contingency will only be utilized if there are any unexpected expenditures or revenue reductions during the fiscal year.

As of FY June 30, 2017 the audited unrestricted fund balance totaled \$2,555,482. It is projected that the unrestricted fund balance as of June 30, 2018 will be approximately \$1,430,961. A large portion of this decrease is a direct result of the payoff of the Fire Department loan in FY 17/18.

Conclusion

The budget document remains the same in format, layout and content as the previous two years budgets. At the broadest level, it remains easy to read so everyone has a better idea of how taxpayer dollars are being used. The budget is presented utilizing the highest principles of governmental budgeting in accordance with the Government Finance Officers Association.

With input from all Town Departments, a balanced budget for FY 2018-19 is hereby submitted to Town Council for consideration and approval. The proposed budget will continue providing our Staff the resources to provide the very best service delivery to our residents. I would like to thank the Mayor and Council for their continued support and all Town employees for the outstanding job they continue to do on a daily basis.

The theme of this year's budget is "***Paving the Way for Future Generations***" as a result of the FY 2018-19 budget placing emphasis on the long range planning for the Town of Kitty Hawk. The budget emphasizes financial responsibility by setting aside funds for future projects, facilities, and capital that will affect generations to come.

It is with great pleasure I submit to the Mayor and Town Council the balanced FY 2018-19 budget document.

(Clerk's Note: Under "Personnel" in the above budget message there is a proposal to reclassify the Management Assistant from Grade 62 to Grade 66, Step 1)

Stewart: *Priorities change and the money that is set aside can be reallocated for different needs. With regards to a **phone system**, money has been set aside for the last two or three years and more money may not be needed after this year. As technology enhances it is going to be a lot less than the original \$40,000 we had projected. Shoshin Technologies has some options and ideas when we are ready to upgrade the Town's phone system.*

*The **Town Hall improvements** are needed as the building is coming up on 30 years. New carpet and things of that nature is needed. Maybe we could expand and create some additional storage for our records here at the Town Hall.*

*With regards to the **Land Use Plan update**, the funds are earmarked in case there is a need. We are still researching this. It has been quite a while since our plan has been updated and there have been some changes ...*

Kitty Hawk Town Council Minutes: April 23, 2018
Page 7

Perry: *Braxton Davis, NCDCM Director, talked with us and said they have taken out a lot of things that were considered unnecessary. It looks like we might be able to do most of the update in-house. We need to look at it to see what can be taken out and is no longer germane. We were holding off with our update knowing they were re-writing something. The other thing is we were waiting, and still kind of hoping, for money for an outside consultant to do the work like has happened before. That is not dead, but it is not hopeful either.*

Stewart: *If there is a complete revision of the plan needed we may not have the time or the resources to do the update.*

Document imaging is important because as we continue to age our files continue to grow. Thirty years of files. There are also better ways to store and retrieve documents. Our town clerk does a great job of finding where all the records are but as we continue to add more and more it would be very helpful for our employees to have the tools to find the records themselves. A document imaging system allows that to happen and it reduces the amount of file cabinets. The time saving and the records retention part of it is something that I feel will be important for the town moving forward and will save money over the long haul. The systems are not cheap running around \$30,000. This is a reserve and will allow staff to investigate a little more if it is something the council is interested in.

At this time the manager played a Laserfiche video.

Stewart: *From what I have seen at other municipalities it is a good tool. It allows you to pull up history. You could sit at home and search for documents by dates, words, anything you think may have happened at a meeting and then all the documents containing that pop up if they are scanned properly and put into the system.*

Perry: *Two questions. And I think you just answered one. This would go to a cloud or something. It would not be held in-house on a server here?*

Stewart: *I believe it is cloud based, no server.*

Perry: *Then you have to worry about somebody stealing it or holding you hostage. The other question is if you had something like this to go ahead and commence doing your document imaging reducing your paperwork would that forestall having to renovate this building? In order to store the paper you are concerned about.*

Stewart: *Yes and no. The improvements I think need to be done. Document imaging will help reduce files but there are some files you must keep the originals. We will be able to reduce the amount of file cabinets we have.*

Perry: *The basic question for council is do we spend the money to renovate this building? Never mind the carpet and work on the stairs, I understand that, and I think everybody here does. What I am trying to say would it be cheaper, less disruptive and not change the appearance of the*

Kitty Hawk Town Council Minutes: April 23, 2018
Page 8

building to do the document imaging instead of spending money on an architect and all those sorts of things.

Stewart: *It would be nice to have a larger building department office. We have two employees in one office and it would be nicer and more customer friendly if some changes could be made there. Provide more space for them. I do not think it needs to be a major expansion but if you look on the south side of the building there may be an opportunity to build a little enclosure there. Original plans were for an enclosure in the back between the administrative offices and the council room.*

Perry: *I had asked you earlier about the Code Enforcement Officer being able to operate out of the fire station. They have several empty offices. I got some push back on that but if he moved then you have another whole office do you not?*

Stewart: *Yes.*

Perry: *You could have two offices for the building department and he could operate out of the fire department. Tell us why that is not a good idea.*

Stewart: *I have many questions for Ben related to code enforcement. He and Rob work together to interpret some of them and they both work closely with the building inspector and the administrative zoning tech. We would lose cohesiveness. I think the ability to meet face to face about certain issues is important. If he was just a fire inspector that is where he should be, but he has CAMA and code enforcement duties. Many people come here to get those questions answered.*

Perry: *They can go there. Council what do you think?*

Bateman: *I have a separate question. What is the time limit on retaining files and some can be purged can they not?*

Stewart: *We are purging and it takes time. Part of the budget amount would be for somebody to come in and assist to catch us up with the thousands of documents we have. We have eliminated some of the weight that is up in our current storage room.*

Bateman: *I can see in planning you would want to hold onto those files forever but how about other documents. Is there a limitation?*

Morris: *It varies. Some personnel files you must keep thirty years. Mostly it is three, seven and ten years. We can eventually get rid of things.*

Garriss: *I see your point Andy about Ben and Rob working together but to be honest I have always wondered why Ben operated out of this building and not the fire department. If there is room down there for him and it would help you out here ... if I am not mistaken he also still responds to fire calls, right?*

Kitty Hawk Town Council Minutes: April 23, 2018
Page 9

Talley: *Yes sir.*

Perry: *And he is a fire inspector too.*

Bateman: *I agree with that and I will tell you why. If you have a question just pick up the telephone and talk to him or email. You can get an answer within five minutes.*

Perry: *And he has a town truck to drive. I do not want to spend the money to change this building if we have an alternative. If we did not have alternative that would be a different story.*

McClellan: *With some of the documents that need to be retained for thirty years, if they are scanned and imaged, the chances of us needing to touch them again are minimal. Why can't they be stored at the fire or police department?*

Perry: *Or the building that is soon going to be unoccupied.*

McClellan: *They do not have to be in the Town Hall taking up space that could be used for other more productive uses like the equipment needed to make the images.*

Perry: *Are you suggesting that instead of an architect to redesign the Town Hall we should spend that money to towards the imaging process at the current time?*

McClellan: *I think that would be my preferred way of doing it unless someone really has a burning, legitimate need to change Town Hall.*

Garriss: *I think we still need some storage room. No matter if we do the imaging. Is there something within the building already that we can do?*

Stewart: *The Coastal Reserve staff may be moving out of that building. I don't know if the building could be relocated and put somewhere beside the Town Hall and used for storage.*

Perry: *Relocate the whole building?*

Stewart: *Yes.*

Perry: *The document imaging. We want you to continue looking at it. The question right now that I want to get answered is does the Code Enforcement Officer move back to the fire station freeing up a room that can then be used by the building inspector or whomever you decide.*

Garriss: *Chief is there room for him there without inconveniencing you or your staff?*

Talley: *Yes.*

Bateman: *I say yes then.*

Kitty Hawk Town Council Minutes: April 23, 2018
Page 10

Garriss: *I say yes.*

Pruitt: *I say yes but I would like it to be a trial. Let's see if it disrupts what is going on here. If Andy comes back and says this is really becoming ... people are getting grumpy waiting for Ben to show up. If we have a problem we can relook at it.*

With regards to a storage facility I think a relatively newer construction somewhere here is better than moving old construction. Perhaps you could go around here somewhere and punch out and build a little storage room for files down the road if we need to instead of redesigning the whole Town Hall to fit them.

Bateman: *I think the first thing you need to do is determine how much square footage you need for storage and then you decide.*

Perry: *But do you need to hire an architect?*

Councilmembers said no.

Perry: *So, the Code Enforcement Officer moves down to an empty spot.*

Bateman: *And have him research the imaging. I think that is a good idea.*

Perry: *And hold any architectural redesign of the building until we see how things work out.*

Bateman: *But I am in favor of sprucing up and looking good.*

Perry: *Absolutely.*

Stewart: *I will bring that back into the final budget. Now the department heads will speak about their capital outlay.*

PUBLIC WORKS:

Middett: *Good morning. The **fuel storage tank replacement** is a reserve and not for purchase this year. What we have now is military surplus that has been there at least 15 years. Each one holds 900 gallons and is located inside of a cofferdam. The tank itself is aluminum and is just starting to get some surface corrosion. The biggest issue are the frames that hold the tanks. We are looking at replacing it with a 2000-gallon concrete tank that does not require a cofferdam. It will have power to it and vehicles will be able to pull up and fuel in emergency situations.*

Perry: *Do we still have a contract with RPC or somebody for emergency fuel use?*

Middett: *We do have a key to his fuel station should we need it in an emergency. In Hurricane Irene he was wet as well. We were all in trouble.*

Kitty Hawk Town Council Minutes: April 23, 2018
Page 11

Perry: *The diesel. You have to treat it routinely right?*

Midgett: *I treat it and then every other year we use it and then refill. I use it in my vehicles and my equipment.*

Bateman: *What is the elevation there?*

Midgett: *It is probably about 7 feet and we are supposed to be at 9 according to the current regulations. But with the concrete involved we will not have to worry about elevation at all.*

*The next item is our **2008 Dodge Dakota** we would like to replace. It has fairly low miles, only 60,000, but it is rusting out. Almost all the door panels have through holes, the tailgate and bed are rusted and the frame that holds the radiator is almost completely gone.*

Perry: *How many storms have you been hauling pumps and stuff ...*

Midgett: *Quite a few storms but we cannot haul a pump with that. It is too low.*

Perry: *Still you were having to run in salt water to do your job.*

Midgett: *Absolutely. And we wash them down after every time. We plan on replacing it with a heavier vehicle, a heavy half ton or $\frac{3}{4}$ ton that can tow our tractors because we lost that ability when we got rid of the dump truck and went with the grapple truck. The grapple truck does not have the ability to tow like it needs too because it is so long.*

Boardwalk replacement for Sandy Run Park, Windgrass and our dune walkovers. Sandy Run Park is going to be the most expensive one when the time comes especially that first phase. We would just like to try to start getting a little ahead of the game for when we need to do it.

Councilman Bateman asked about using Polywood for boardwalks and PW Director Midgett replied composite boards are nice, but the cost is very high. He uses it for small jobs now and will run the numbers for using it in a park when the time comes.

*The **Bath House** was built in 2004, about 15 years old, and it is starting to show some age. The floor has issues. It has an epoxy poured floor and underneath it is starting to rot out. The floor is going to have to be replaced. It was plumbed with CPVC which has been found not to be the best piping. Every year we seem to have to tear the walls down and replace leaks. The roof is cedar shake and it is starting to get to the point where we are going to have to replace it. I don't know if I am going to go back with shake or if we want to use regular asphalt shingles. We will see when the time comes.*

Mayor Perry said he thought the Bath House was built before '04 and PW Director Midgett said '04 was the rehab year.

POLICE DEPARTMENT:

Johnson: *Good morning. I want to start with the **bullet proof vests**. The vests have a rotation of 5 years. We make sure everyone has one and our policy is a mandatory vest wear. There are only two exceptions: a doctor's note, which is rare, and the other is heat. Not many agencies have a mandatory vest wear. We hold ourselves to a higher standard to protect our employees. We have \$8,700 budgeted for them and we will get back about 80% of that through the League of Municipalities and the federal government grants that we apply for.*

*I brought the new **Ford utility vehicle** to a council meeting for you to see and that is what we are going to start buying. It is a very dependable vehicle and has been around for a while now. I was talking to a friend of mine with the West Virginia State Police and about 70% of their fleet is going to be this vehicle. It was very dependable during the snow we had because it is all wheel drive. We have budgeted for two of the Ford's and one sedan for the narcotics officer.*

Andy and I met with Shoshin and discussed computers for the vehicles. Instead of buying the basic laptop they suggested a patrol PC. It is a computer that is a tablet with a keyboard and will stay with the life of the vehicle. It has a 7-year warranty.

Showing pictures of the current police department, Chief Johnson said *there is money in reserve for a **new police department building**. The bathroom is the original '60's bathroom with a shower stall. After heavy rains it usually floods up 4 to 5 parking spaces, the septic field has had continuous issues and there is not much parking. We have added approximately 5 officers since moving into the building.*

Talking about storage and files. I am feeling the Town Hall's pain on this. I have personally crawled on my hands and knees in the eaves of the roof and pulled out files for the records clerks. A felony case file can literally be two full boxes of paper. Dispatch calls we must retain for two years. We currently have three or four filing cabinets full of personnel files that we must retain. The scanning will not help us other than for searching files because we must have the originals.

Perry: *The picture on the lower right is that your idea of where you want to see a police station?*

Johnson: *There was a plan at one time to have the police building near the Town Hall.*

Perry: *I think all of us on council know that Hurricane Irene flooded the police station. I have long recognized that it is in the wrong place and I do not have a problem with planning for a new station.*

One of the reasons we are finding ourselves with the ability to plan for and pay for fire stations and police stations and things of this nature is not because the economy is so robust, it is because we made some changes. We make you ride the cars longer instead of buying five and six cars every year and things of that nature. It is a tradeoff. That is the reason we are in the position we are in and I want us to stay that way.

Kitty Hawk Town Council Minutes: April 23, 2018

Page 13

Maybe if the economy continues to improve and the beach doesn't wash away we can do it a little sooner. You need to be thinking about a location. Would that location work? Or if we do a land swap would that work. You need to be thinking along those lines so that maybe next year you can give us some feel for it.

Pruitt: *I think the police department is in a terrible geographic location. It is right in the middle of the two main flows of water in a storm. I am all for trying to find a better place and more room. You guys are jammed in and need more parking.*

Johnson: *One last thing. The Governor's Crime Commission Grant. It is usually \$24,000 to upgrade our portable radios which are very expensive. They give it to the states for distribution. The Attorney General is holding it up at Trump's order to make the states work on their immigration laws. Our share was held up last year. We have reapplied this year, but it does not look like we are going to get it again. We had money in the CIP last year and I went ahead and used it to purchase the amount of radios we could, but that other money was supposed to get all the radios. The Police Chief's and Sheriff's Associations are sending information in to Sessions and flooding him trying to get our money. Hopefully they will come around. Thank you.*

Bateman: *Last weekend we had four individuals that had to be brought back and some of them did not make it. The Sheriff's Office used their supply of naloxone in that one weekend span and they had to replenish it. The concern we voiced at the Saving Lives Task Force meeting was if that same thing happened here where are you going to get it from? I suggested we put a line item in the budget for the purchase of that product in the future. Kill Devil Hills has done that, and they have appropriated I think \$2,000 for the fire department and \$2,000 for the police department. Is that something we can do Andy?*

Stewart: *I believe we already budget for it.*

Johnson: *Every officer has one in the glove box. We have a training model that we use, and we have used it numerous times. I just do not broadcast it as often as other agencies will. Our line item for it is a special investigations fund. The money we bring in from drug seizures I use it to go back to that program. We do not need to budget for it as we have plenty of money in there.*

Bateman: *How about the fire department? Do you have it in your budget?*

Talley: *We are up to speed on that.*

Garriss: *Andy, the 10-year, 100,000 miles replacement on our vehicles. I know that is our policy, but I would like to look at 8 years, 80,000 miles. We are looking at mileage but as you know these vehicles for police, fire, EMS, public works also have a lot of idling time involved. Could we look at if we got more on resale of the vehicle at the end by having less miles on it. Two years newer.*

I realize we have a vehicle out there right now that does not have 100,000 miles on it. It makes sense to sell a vehicle that has 80,000 miles and needs a new motor and transmission.

Kitty Hawk Town Council Minutes: April 23, 2018

Page 14

I have driven these vehicles and I have had it sit stationary for 15 minutes and I have had it sit stationary for 12 hours straight.

Perry: *I will remind you what I just said to the chief. The reason we can do the things like look for a new police station and other things is because we made those changes. Not spending money on rolling stock and those sorts of things. If the rolling stock stops working bring it to us and we will work it out. Right now, we can do things we have never been able to do before.*

Garriss: *I understand but do we need to look at it again. If we get more money on the resale.*

Perry: *I don't think so. The rest of you?*

Pruitt: *To me that is Andy's decision. It has been working and if we have one particular car, everybody gets a lemon, then we can deal with it.*

McClellan: *The rule of waiting is a good one to let us be able to do the things we are doing. But if an individual vehicle is not reliable, isn't performing, that needs to be addressed on an exception basis to the guidelines.*

Garriss: *I am outnumbered. I get it. I am the only one up here that has driven one of those vehicles.*

Bateman: *And that is why I appreciate your opinion. If it's not broke don't fix it.*

FIRE DEPARTMENT:

Talley: *One of the big deficiencies I have seen is preparation for the fire fighters and training is a big part of that. Ensuring their safety and the public's safety. We must have people that are trained to do the job. The closest facility we have in terms of providing these types of resources is in Buxton. And that is really a long way to go to try and get these resources on a daily basis. I plan on going to Buxton at least yearly for their in-service training. They are going on air and they are experiencing heat and it is a live fire training event. But going beyond one time a year ... that is going to cost a lot of money to send the trucks down there plus it takes us away from protecting the community.*

Showing pictures, Chief Talley continued: *these are just some very basic foundational **training props**. Some are purchased and some are constructed to be able to give us some of that foundational training we need. Some of the props were built as the result of a fire fighter dying. One of them is called the Denver Drill. A Fire Captain died because they could not get him out of the house. He had low air, he had fallen, he started having a cardiac issue and they just could not get him out. That simulated prop goes through the motions of how we would get a downed fire fighter or a victim out of a structure.*

Another one is a forcible entry prop that is purchased. Something that slows down fire crews from getting in a building is most often just trying to force their way into a building. That is a prop that

Kitty Hawk Town Council Minutes: April 23, 2018

Page 15

can be forced over and over again. You really cannot break it. You just keep resetting it and it is great for training.

Perry: *Do you use the double wide trailer for training?*

Talley: *Yes, and some of the funds we are requesting is to do some repairs to that building because of water damage. We are going to utilize that as much as we can and I think what we have there is great for what we need.*

*The future **fire truck reserve**. There is a different approach that I am taking as far as our fleet is concerned. I am going to talk about the fire truck fleet and then support vehicles. Truck 13 is going to be removed from the fleet and we are going to go down to a four-vehicle fleet at that point. We are not going to seek to replace that truck. I feel that moving forward we can actually make do with those four vehicles, three engines and one aerial ladder, providing everything remains the same. Call volume wise, none of those go through the roof or anything like that. I think four vehicles should be able to supply what we need to do here. This is going to save us a lot on upkeep and replacement costs. The Reserve Fund we have set up is going to replace Engine 131. I want to say it is a 1990 and we are starting to experience issues with it right now. Per recommendations of the National Fire Protection Association 25 years is usually a life span of a fire truck. We are above that now in the 30-year range. It is still providing service and we are still able to maintain it, but those costs are going to start creeping up. We are putting this fund aside so hopefully in the next five or six years we can get it replaced.*

Perry: *Is that the 12 man that was bought by the Volunteer Fire Department?*

Talley: *Yes.*

Perry: *That's the one that has issues overheating?*

Talley: *It has had issues overheating since day one. It was accepted not operating properly.*

Perry: *That was my understanding. If I understand what I am hearing, and I think I like it, instead of having something like the one you are removing from the fleet sitting there as a back up because we might need it, we are going to get rid of it. Then we are going to have 4 vehicles that are useable vehicles and not considered backups is that right?*

Talley: *Correct.*

Perry: *That makes sense to me.*

Talley: *Just know though that if something catastrophic happens to these vehicles we are going to have to do something. We can make do for the short term but long term ... say the ladder truck gets T-boned, it bends the frame and is not useable. We are going to need an aerial truck soon, within four, five, six months. We can limp it along for a while.*

Kitty Hawk Town Council Minutes: April 23, 2018

Page 16

Perry: *You also have mutual assistance. We will deal with it when we have to.*

Talley: *We are stripping this vehicle down now and all the equipment we will reuse or repurpose it.*

Garriss: *I wonder how much you can get for that truck?*

Talley: *Some collector might put some money into it but from what I have seen a thousand dollars. Not much.*

The support vehicles include Rescue 13, Chief's vehicle, and two Ocean Rescue vehicles. We have a five-vehicle support fleet. Here again I am going to eliminate one of the vehicles from the support fleet. It is going to be the Crown Vic. The Crown Vic is used as a backup for the rescue truck and the chief's vehicle. There is one ocean rescue pickup truck as a reserve.

I view it as all one department, so I am going to have one reserve for all those pieces instead of having two reserves. What we are asking to be replaced is the Chevy 1500. It has a lot of rust issues and I believe it is twelve years old.

Eventually what is going to happen is all the vehicles are going to be on the same chassis so any of these vehicles can be interchanged. If a rescue vehicle goes down, you will have one reserve that can be used for it. If an ocean rescue vehicle goes down, we have a reserve that can fill in.

Perry: *It makes a lot of sense. I was going to argue with you why you needed a second ocean rescue vehicle, but you just pushed that argument aside.*

Talley: *They are all going to be considered rescue vehicles across the board. We are not breaking it down to fire and ocean rescue it is just a support vehicle and it is going to be on the same chassis, same platform and they are all going to be interchangeable. We are going to reduce one vehicle out of that fleet. Overall two vehicles will be eliminated.*

Perry: *Last year in ocean rescue, and the year before, there was a duty person on call that took that truck out of town to Kill Devil Hills. Is that still the way you are operating?*

Talley: *That is the way they intend to operate yes. I am going to evaluate and see if that is ... my point of view is if they are on call and they are 15-20 minutes away they are not going to do us any good being that far away. When a call out comes for ocean rescue it is our duty crew at the station that is going to make the rescue. I cannot really say a whole lot because I have not been here to evaluate it for myself. By the time those folks get in town with that truck the event is most likely clearing up.*

Perry: *I have seen that happen during the beach nourishment last year. It took that truck long enough that the incident was already cleared up. Council do you like the idea that our ocean rescue truck goes out of town at night. Does anybody like that?*

Kitty Hawk Town Council Minutes: April 23, 2018

Page 17

Pruitt: *Do we just have one truck and is it going to be out of town? Is that what you are saying?*

Perry: *No, there is going to be a second all-purpose truck, but it is going to be the duty people at the station that will take that call and use it.*

Pruitt: *Does that truck have the jet ski and everything in the back? Is that truck leaving with the equipment?*

Talley: *In the past yes, it has gone with it.*

McClellan: *The equipment is out of town, so no one can use it?*

Talley: *So I have been told. Now that is not always the case. There are some folks that are in town that are on call, or I should say maybe Kill Devil Hills or relatively close, but there are times when it has gone across the bridge.*

Pruitt: *I think our safety equipment would need to stay in Kitty Hawk.*

Perry: *I would like the council to instruct the fire chief to look very closely and I would rather not have it out of town.*

Talley: *That has already been addressed.*

Johnson: *We have had calls in the evenings of people falling off the pier, running from us into the ocean, and when we put a call out the fire fighter may not be an ocean rescue personnel and not know how to operate the jet ski or go out and help these people. In the sound it is the same.*

Pruitt: *Do you think it would be to your advantage to have this equipment here in Kitty Hawk instead of him having it at home across the bridge?*

Johnson: *I don't know who or where it is ...*

Stewart: *Mike is going to look at it this year and will realize what the best life safety procedure is for the town. We recognize your concerns. I do not want to make any decisions today that would affect something with regards to providing the best quality of service. Once Mike has had a chance to look at it I will get back to the council and let you know of any policy change.*

Pruitt: *Sounds good.*

Talley: *The intent is, and I have already got the ball rolling, we are starting next month to train with the Coast Guard. They are going to give us not only the policies but also training programs and standards that we can adopt to where everybody that is in the fire house is going to be able to utilize a jet ski, is going to be able to get on a boat and operate it safely. Knowing the correct PPE*

Kitty Hawk Town Council Minutes: April 23, 2018

Page 18

and all those things so it will not be just somebody on ocean rescue that is going to be trained in these things. It is going to be the whole department.

Garriss: *We trust you to make the right decisions chief.*

Talley: *Thank you. **Bunker gear replacement.** To this point there really has not been a rotation schedule established and in viewing some of the gear we are at the end of the life which is 10 years. We need to get an inspection program started and that is something that is going to take place over this year. We are sending folks away for three courses where they are going to learn how to inspect gear thoroughly.*

Air Compressor: *The replacement was basically going to increase the pressure we could carry in our air tanks. Going from a 30 minute tank to a 60 minute tank. That is not the direction I am going to continue going in. We have sent somebody to learn about this compressor, they are a technician now. They have already serviced it and basically it is a brand-new compressor for us just by replacing some parts. If they keep making replacement parts, which they advise me they will do, there is no intent to change this compressor and it should work for many years to come. Forty thousand is in Reserve now but we are not going to continue putting more money aside. I think one of these goes for around \$120,000 so we are going to make use of this one.*

Stewart: *The money will just be in Reserve until ...*

Perry: *We had been told it needed to be replaced because of age and other conditions but in fact there was also a plan to have a different compressor that would put more air in the bottles for longer?*

Talley: *That is what I was told. I have not seen anything in writing.*

Bateman: *You do not see a need to go to an hour tank?*

Talley: *Going to an hour tank would mean we must purchase all new SCBA tanks and three of them cost about \$20,000. And I do not want them in there that long.*

StairMaster Step Mill *is one item I would like to add to our exercise equipment. It will replace an exercise bicycle that was purchased in January of '04. It is still functional, but I can say it is highly under-utilized. The fire service has gone to utilizing this type of equipment because it kind of mimics being on the job as far as going up stairs and using body weight.*

Bateman: *Are other town employees still using the fire station exercise equipment?*

Talley: *I know some of police are still going there.*

Midgett: *I go over once a year.*

RECREATION COMMITTEE:

Stewart: *The Recreation Committee has made a recommendation for improvements to Sandy Run Park this year. They would like to recoat, restripe and seal the basketball court. They would also like to install three fit stations; one being a stretching station at the beginning of the park. Made of logs, three different sizes to stretch and maybe a pull up bar along the trail.*

They also made a recommendation to eliminate the putting green and the horseshoe pits. They are never used. Their idea is to replace them with some type of nature playground. Climbing rocks, balance beam, no major type of playground equipment like at the Paul Pruitt Park. We have \$13,000 in the budget for the improvements.

Perry: *When you make changes to any of these parks that were PARTF funded we must get permission.*

Midgett: *I have the information and have spoken with the individual in charge. There should not be an issue.*

Stewart: *I appreciate the work our department heads and the Finance Director has done. We work hard during this time of year to get a balanced budget. There is no tax rate increase, it maintains an exceptional level of service for our residents and there is a strong emphasis on planning for the future. The budget is \$285,000 less than FY 17-18 and has to do with revenues, not expenditures.*

Perry: *I think it was last year that the county went up 4 cents on their ad valorem tax. How did that factor into your budget revenues?*

Stewart: *It takes a year, so it will affect us next year.*

Perry: *Have you heard about the other towns? Whether anybody is planning to raise their taxes?*

Stewart: *I have not.*

Bateman: *I got a call from an individual last week in Raleigh that said they are looking at playing with the Occupancy tax again. They are going to supposedly take 25% of the 50% that the Tourism Board gets. It will be positive for the towns in one aspect.*

Perry: *Are they going to give it to the towns?*

Bateman: *I think it reverts to the towns for beach nourishment, jetties and so forth.*

Garriss: *Andy thank you for what you are doing, you and the staff. I especially want to thank you for the 2%, plus the step for the employees. I wish we could do more. You and your staff are the*

Kitty Hawk Town Council Minutes: April 23, 2018
Page 20

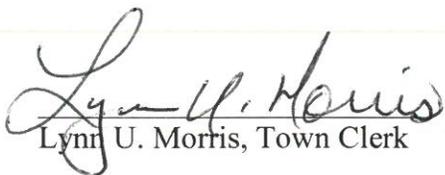
ones that do the good things for this town. I will not be bringing up the 8 year, 80,000 miles anymore this year. I may mention it again next year.

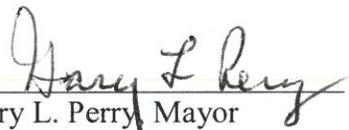
Perry: *I have one more thing for you. We got the beach nourishment surveys from the engineer and they are too small. Can you get them enlarged so we can see them better and see what changed?*

3. ADJOURN

Mayor Perry made a motion to adjourn. Councilman Pruitt seconded and it passed unanimously, 5-0. Time was 10:37 a.m.

These minutes were approved at the June 4, 2018 council meeting.


Lynn U. Morris, Town Clerk


Gary L. Perry, Mayor