

The regular meeting of the Murphy Town Council was held on September 4, 2018 at 5:00 pm in the City Hall building with the following present:

Town Manager: Chad Simons
Attorney: Mack Cowan

Mayor: Rick Ramsey
Council: Barry McClure Frank Dickey
Karen Watson Gail Stansell
Barbara Hughes Noland Smith

WKRR: Tim Radford
Cherokee Scout - Matthew Osbourne

Public Comment

No person spoke during the public comment period.

Approval of the minutes

Motion was made by Stansell, seconded by Hughes to approve the August 6 and August 24, 2018 meeting minutes as presented. Motion carried unanimously.

Water and Sewer & Tax releases & Refunds

Motion was made by McClure, seconded by Smith, to approve the water and sewer adjustments of \$1,540.33. Motion carried unanimously.

Personnel Policy Adoption - Town Manager Chad Simons

Motion was made by Hughes, seconded by Stansell to adopt the Personnel Policy as presented. Motion carried unanimously.

Rates for Fire Cost Recovery Fee Ordinance - Fire Chief Al Lovingood

Fire Chief Al Lovingood explained the rationale for the cost recovery fee ordinance, which was approved in September of 2016. Chief Lovingood stated that it would allow the Town to bill insurance companies for costs the department incurs when they provide certain services. Mr. Lovingood explained that they could not move forward until the fee schedule was approved.

Mr. Frank Dickey said the charges scared him, because he did not see how the Town could charge insurance companies and not individuals. Mr. Dickey said residents might be afraid to call the fire department because of the exorbitant charges, and Mr. Dickey also explained that his insurance policy would not cover some of the charges.

Fire Chief Lovingood stated that the typical North Carolina home owner's insurance policy has a \$500 endorsement surcharge to what people are paying on their premium, and he also said the Town would be unable to collect if the insurance company did not cover such charges.

Mr. Dickey asked how the Town could bill insurance companies and not individuals, and questioned how it could be legal. Chief Lovingood stated that the program was designed to get

reimbursed from insurance companies, and if any insurance policy did not cover such charges the billing company would write those charges off. Chief Lovingood said most of the revenue would come from automobile accidents.

Mr. Dickey said he could see the logic behind automobile accidents, but worried about other charges in the fee schedule. Mr. Dickey said he was worried about individuals getting billed. Mr. Dickey stated that he could not vote for it because of those concerns.

Noland Smith asked Town Attorney Mack Cowan if he had reviewed the policy. Mr. Cowan stated that he reviewed and drafted the ordinance when it was adopted in the fall of 2016.

Chief Lovingood said the ordinance was already in place and simply lacked a fee schedule, explaining that the presented fee schedule was the only thing that was missing. Chief Lovingood said it would allow the department to generate more revenue for exorbitant services, and the fees were derived by national standardized rates for such services. Mr. Dickey said taxpayers already pay for those services when they pay their taxes.

Town Manager Chad Simons said he could get the Town Attorney to review the fee schedule if the Board felt comfortable with it. Mr. Dickey stated that he did not speak for the Council. Mr. Simons asked Chief Lovingood how much revenue it would generate. Chief Lovingood stated that based on last year's call volume the fee schedule would have generated about \$20,000, if the insurance companies paid the full amount in the proposed fee schedule.

Mr. Dickey asked how the Town would get rid of a bill if insurance companies denied it. Mr. Lovingood said it would never go to an individual and that the company would write it off. Mr. Dickey asked why it wouldn't go to an individual, explaining that insurance companies are simply a third party for individuals, and worried that the Town couldn't just dispose of a bill. Chief Lovingood said he couldn't answer that question. Mr. Dickey said he didn't think it was legal, and that a bill was a bill.

Town Manager Chad Simons read the existing ordinance, stating that he interpreted the law to allow only for the billing of insurance companies. Mr. Dickey stated that when the ordinance was adopted he thought it would give the Town the authority to pursue damages for criminal acts.

Barry McClure asked Mr. Simons if they could fix potential issues if they were to arise. Mr. Simons said they could terminate the services agreement if problems emerged from its implementation.

Motion was made by McClure, seconded by Hughes to adopt the rates for the Fire Cost Recovery Fee Ordinance as presented. Motion carried: Vote 5 to 1, with Council Member Dickey voting against the motion. A copy of the fee schedule is attached.

Budget Amendment - Train Promotion

Mayor Rick Ramsey explained the Town's efforts to get the railroad back in operation from

Andrews to Murphy, stating that he had asked the NCDOT Rail Director to provide the latest cost estimate to see if the 2015 cost analysis was still accurate. Mayor Ramsey said various organizations and individuals were working on the effort to bring the train back to Cherokee County. Mayor Ramsey said the train's operation would create jobs and offer a return on investment of three to one. Mayor Ramsey said the Town needed everyone to participate in the October 5, 2018 train promotion event, with the aim of breaking the Guinness Book of World Records. Mayor Ramsey said getting the train back will require a very loud, organized voice. Mayor Ramsey asked for the Town to appropriate \$2,500 from fund balance to pay for the train promotion efforts.

Motion was made by Watson, seconded by Stansell to appropriate \$2,500 from General Fund balance and to increase 10-420 Special Projects Fund by \$2,500 to pay for train promotion efforts. Motion carried unanimously.

ABC Board Member Reappointment

Motion was made by Hughes, seconded by Smith to reappoint Ms. Sandy Sumpter to the ABC Board for another three (3) year term, which would run from September 4, 2018 to September 4, 2021. Motion carried unanimously.

U.S. 64 Engineering Budget Agreement - Town Finance Officer Chad Simons

Town Finance Officer Chad Simons stated that this would be a project fund, and was not included in the budget ordinance. Mr. Simons stated that the NCDOT is paying the Town to have the utilities designed as part of the road widening project.

Motion was made by Smith, seconded by Stansell to approve the \$73,152.20 project fund for utility designs services for the NCDOT Project R-5735. Motion carried unanimously.

Monthly Reports

Motion was made by McClure, seconded by Watson to approve the monthly reports as presented. Motion carried unanimously.

Closed Session - Pursuant to N.C. G.S. 143-318.11

Motion was made by McClure, seconded by Watson to enter into closed session at 5:26 p.m. pursuant to N.C.G.S. 143-318.11 in considering the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective employee. Motion carried unanimously.

Town Manager Chad Simons and the Council discussed the retention of certain employees within the water and sewer department. Mr. Simons explained that there was a possibility that the Town could lose three (3) employees within the next several weeks, two (2) to the NC. Department of Transportation. Mr. Simons wanted explicit permission from the Council to

increase their wages should it be necessary to retain certain water/sewer employees.

Motion was made by McClure, seconded by Smith to enter back into open session at 5:42 p.m. Motion carried unanimously.

Motion was made by McClure, seconded by Stansell to authorize the Town Manager to negotiate higher wages to retain water/sewer employees if necessary for retention purposes. Motion carried unanimously.

Adjourn

Motion was made by McClure, seconded by Hughes to adjourn the meeting at 5:44 p.m. Motion carried unanimously.

Clerk: Signed Chad Simons

Mayor: Signed David Rick Ramsey