

**TOWN OF DUCK  
TOWN COUNCIL  
MID-MONTH MEETING  
June 16, 2021**

The Town Council for the Town of Duck convened at the Paul F. Keller Meeting Hall at 1:00 p.m. on Wednesday, June 16, 2021.

**COUNCIL MEMBERS PRESENT:** Mayor Don Kingston; Mayor Pro Tempore Monica Thibodeau; Councilor Nancy Caviness; Councilor Sandy Whitman; and Councilor Rob Mooney.

**COUNCIL MEMBERS ABSENT:** None.

**OTHERS PRESENT:** Town Manager Drew Havens, Director of Community Development Joseph Heard; Police Chief Jeffrey Ackerman; Fire Chief Donna Black; Town Attorney Robert Hobbs; Director of Marketing and Special Events Christian Legner; Ken Willson of Coastal Protection Engineering; Brian Ley and Dr. Grace Andrews of Project Vesta; Deputy Town Clerk Kristiana Nickens; and Town Clerk Lori Ackerman.

**OTHERS ABSENT:** Public Relations Administrative Assistant Betsy Trimble.

Mayor Kingston called the meeting to order at 1:00 p.m. He noted that this meeting would be a work session and therefore Council would not be taking public comments.

**PRESENTATION/CONTINUED DISCUSSION WITH KEN WILLSON OF COASTAL PROTECTION ENGINEERING REGARDING THE 2022 BEACH RENOURISHMENT PROJECT AND PRESENTATION BY BRIAN LEY AND DR. GRACE ANDREWS OF PROJECT VESTA**

Ken Willson of Coastal Protection Engineering was recognized to speak. Mr. Willson gave a presentation on the potential for additional sand being placed on the beach during the upcoming project, touching on the costs and benefits of the placement to Council and the audience.

Mayor Pro Tempore Thibodeau clarified that there will be more sand than what Ken Willson's last analysis had. Ken Willson stated that the volume did not change his opinion, but depending on the scenario, if the volume is backed off or if the slope has changed, different alternatives were performing better than others, so there was a meshing of all the different simulations and then they took all of that and digested it. He thought putting it in the center would be good. He noted that once they settle on what the volume would be, he would run the volume with what they were recommending to ensure that what they believe was correct in that the model agreed.

Brian Ley and Dr. Grace Andrews of Project Vesta were recognized to speak. Mr. Ley and Dr. Andrews gave a short presentation on partnering with the Town on the possibility of putting free sand in the beach nourishment area as well as what it would involve, to Council and the audience.

Mayor Pro Tempore Thibodeau asked about the 10% olivine in the sand. She noted that it reduces the acidity of the ocean water. She asked if that was permeating up and down the coast. She further asked how it was a good thing for the environment. Dr. Andrews stated that it was good for the environment in that it reduces the amount of CO<sub>2</sub> in the atmosphere, which helps to mitigate climate change, and was good for the ocean as it de-acidifies the ocean.

Mayor Kingston asked how the sand would be put on the beach. Brian Ley stated that they partner with Great Lakes Dredging as well as other dredging companies and coastal engineering companies. He noted that it depended on the project, adding that they were exploring putting it in offshore borrow pits and having the dredge take it from there. He stated that, depending on the scope of the project, it could be trucked in or brought in with a dredge.

Councilor Whitman asked if the olivine would hold the beach on the sand better or if it was equal to the sand. Dr. Andrews stated that it was equal to the sand and was designed to match the fill material, adding that it won't be better or worse for maintaining the coastline.

Mayor Pro Tempore Thibodeau asked how the sand and olivine was mixed. Brian Ley explained that the ocean was a natural mixing machine, but if it was in an offshore borrow pit, the dredge could mix it as it pulls the sand in or if a truck was used, it could be added into the hopper. He noted that mixing wasn't an issue.

Councilor Caviness asked if there was a reason why Dr. Andrews wouldn't want to engineer the sand to stay on the beach longer. Dr. Andrews explained that smaller grain sizes tend to transport further away from the coastline. She stated that the grain size should not be too small because it will take the olivine away. She added that the olivine should not be larger than the grain size which would promote it to stay on the coastline due to sediment sorting. She stated that in order to receive the benefit of removing the CO<sub>2</sub> from the atmosphere, it has to stay mixed in with the sand.

Mayor Kingston asked if the sand was currently being put on a beach in another location. Dr. Andrews stated that they have a pilot trial going on in the Caribbean and were at the negotiation stage with the City of Miami as well as the Hamptons of New York. Mayor Kingston asked about the availability of the product. Brian Ley explained that olivine sand was approximately 10 million tons and was one of the most common minerals on the planet, adding that there was more olivine than coal. He explained that the reason it was only 10 million tons a year was because there wasn't a whole lot of uses for it, which meant that the price could be lower. He added that there would not be a problem getting

the olivine as the existing mining companies were willing to donate a very large amount of the material.

Mayor Kingston asked if the olivine could be put down without needing a nourishment project. Brian Ley stated they would have to understand where Duck might want it and make sure they were scoping it out to their standards. He added that it wasn't out of the realm of possibility to imagine that the percentage of olivine may be higher in a few decades. He noted that they did not want to roll this technology out too fast by increasing the percentage of olivine incrementally rather than starting at 25% or 50%.

Councilor Caviness asked if the mining of olivine had been sufficiently studied for environmental impacts of the mining process. Brian Ley stated that one of the reasons they chose Cebelco to work with was because the mine was based in Norway, adding that they have extremely high environmental standards.

Mayor Pro Tempore Thibodeau asked why Brian Ley and Dr. Andrews were interested in doing a project in Duck. Brian Ley stated that he grew up in North Carolina, adding that Duck and the Outer Banks has a long history of beach nourishment. He noted that there was a lot of data there, which was important to them. He explained that they can look at the historical data as it allows them to better predict what will happen from a sediment transport standpoint when they put the olivine in. He stated that North Carolina was one of the only states in the United States that has approximately 490 million tons of olivine reserves. He pointed out that when they were looking at projects, they were looking for somewhere that has olivine close to a coast that needed sand. He thought Duck was a perfect fit based on their initial analysis.

Mayor Pro Tempore Thibodeau noted that it was exciting for Duck. She asked about other areas, such as Wilmington, that had federal beach nourishment projects, adding that Duck has not benefitted from and had a totally self-sustained beach nourishment project that started with the Town of Nags Head in 2012. She pointed out that Duck was new to the game. Brian Ley understood that Duck's need was very high, so they often look for areas that have a deep need and wanted Project Vesta there. He stated that the vision was not just to focus on the Town of Duck, but the entire east coast as a way to potentially remove a significant amount of carbon emitted by the entire world.

Mayor Kingston asked about the permitting agencies such as the Army Corps of Engineers and the Bureau of Ocean Management and what their perspective was. Brian Ley explained they were involved in an ongoing discussion to figure out the best way to complete some education. He stated that they have heard different things from different people from stating that it won't be a problem to the fact that it's not understood and that they need more information. He stated that they were still trying to figure out how to communicate the project to regulators. He added that they feel confident in the process but there was still a process of figuring out how to communicate it with the first step being that they have the support of local governments.

Mayor Kingston asked if Project Vesta could participate in the Town's renourishment project, why they would want to pick the Town as the project was probably another four to five years out. Brian Ley stated that they were long term relationships, adding that he and Dr. Andrews were interested in helping reduce taxpayer burden by providing some free sand in the future. He thought there may be some opportunity in the short-term to complete a separate pure olivine beach experiment.

Mayor Pro Tempore Thibodeau thought the project was very exciting. Mayor Kingston thought Council and Town staff would be interested in a project like this, but he wasn't sure what commitment the Town could give Project Vesta. Brian Ley stated that Council or Town staff could send an email expressing interest as it would be useful to them since it allows them to continue to raise more resources that can be used to continue to find experiments that may be of benefit to Duck.

Mayor Kingston suggested Council meet with Town Manager Havens and Ken Willson before the Town commits to anything. Mayor Pro Tempore Thibodeau agreed. Mayor Kingston noted that it was a new idea and that it was hard for Council to make a commitment on the spot. Brian Ley stated that he understood and added that he would be sending a sand sample for Council to look at.

Mayor Kingston thanked Brian Ley and Dr. Grace Andrews for their presentation.

Ken Willson stated that he did not see the downside of Project Vesta. He stated that he told Brian Ley and Dr. Andrews that if Council was interested, nothing could derail the current track of the renourishment project to get it built in 2022, adding that they were comfortable with that. He added that he told them that they would be happy to use their relationships with the regulatory agencies and their understanding of how the process works to set up some interagency meetings where he could bring the regulatory and resource agencies together and let Project Vesta give a pitch to the agencies and let the agencies tell them what was needed in order to agree to put the sand down. He understood that everything was still in the experimental phase, adding that he spoke to one of the consultants Project Vesta was working with in the Hamptons, New York, and he was on board with the project and thought it was a good thing. Mayor Pro Tempore Thibodeau stated that it was nice to see a project north of Duck like what is happening in the Hamptons. Ken Willson agreed.

Ken Willson continued his presentation, showing cost estimates and renourishment options for the project, to Council and the audience.

Mayor Pro Tempore Thibodeau understood that that Coastal Protection has been monitoring the entire beach. She added that the sand was being monitored in the entire Town and that the rate in the project area was assumed to be six feet per year but now it was 12 feet. She asked if Coastal Protection was still completing the projections for loss in other areas and if they were different from what has been decided. Ken Willson explained that it started with a relative volume from June or July 2013. He noted that in the northern area, it showed some erosion over the first year into 2015 where some sand

had rebounded by the time the project was constructed. He added that since the project was constructed in 2017, the northern section gained sand. He noted that the southern section was on a similar trend, with some loss after the project started, but since that time up to 2020, Coastal Protection has seen an increase in the volume of the southern section. He stated that similarly to what they saw in the project area, they saw some high-volume losses in the southern section over the last year.

Mayor Kingston clarified that if the beach accreted or stayed the same, then the options that Ken Willson presented would change and the Town would be putting back the design beach. He pointed out that an accretion or gain wasn't shown for future years. Ken Willson stated that Coastal Protection was assuming that the 12 cubic yard per linear foot rate in all of their predictions moving forward. He added that if any of the periods improve, including the period between now and the start of the construction, and they don't see the steep drop off that was seen over the last year, the Town would be at a higher starting point and could essentially design to put the same volume and hit the same mark in the construction, meaning the project volume would decrease.

Councilor Whitman asked if the Town of Nags Head was trying to obtain the same sand that Duck was looking at. Ken Willson stated that they did not use that borrow area for their sand. Councilor Whitman asked if the Town of Nags Head could take sand that's going to be used for the other towns if they needed it. Ken Willson stated that they could, adding that the Town of Nags Head has just as much of a right as the Town of Duck to use the sand.

Mayor Pro Tempore Thibodeau clarified that borrow area A, there originally was 12 million cubic yards and when the Town borrowed it, 200,000 was used. Ken Willson disagreed, explaining that there was originally around 16 million cubic yards with the first project taking approximately 4 million cubic yards. He stated that at the end of 2017, 12,800 cubic yards were left, and the new data showed 12,560 cubic yards.

Mayor Kingston thanked Ken Willson for his presentation.

Town Manager Drew Havens was recognized to speak. Town Manager Havens gave a short presentation on the beach nourishment project to Council and the audience, showing how the sand was eroding since the project was completed. He noted that Ken Willson had laid out three options for the upcoming project with Option 3 being one where the Town utilizes a maintenance plan for an \$8 million project. He added that the project comes out to approximately \$545,000 per year in debt service. He stated that Option 2 was \$1,098,798 per year of debt service and Option 1 was \$1,790,982 per year. He pointed out that the Town's current debt service was approximately \$1.4 million. He pointed out that Option 1 would put the Town significantly ahead of the current debt service load on which the current MSD rates have been calculated. He went on to review the three options with Council and the audience.

Mayor Pro Tempore Thibodeau asked why Option 1 and 2 were being shown in years 2019, 2020 and 2021. She didn't understand the historical value. Town Manager Havens

stated that it was the beach fund as it was and was unaffected by anything in the future. Mayor Kingston noted that it was a starting point. Mayor Pro Tempore Thibodeau stated that when the Town went to revenue neutral and changed the tax, it meant no additional tax for any residents in Town. She asked how the Town adjusted the MSD rate, further asking if it was left revenue neutral or if it decreased. Mayor Kingston explained that the Town took it to revenue neutral and in the new budget it was revenue neutral at the same rate. Mayor Pro Tempore Thibodeau clarified that the residents in the MSD areas have been paying the same amount since the project started. Mayor Kingston stated she was correct. Town Manager Havens pointed out that the only thing that will change in revenue assumption was a small change in assessed value, with some escalation in sales tax revenue because 20% of the sales tax revenue is restricted and goes into the beach fund.

Mayor Kingston explained that the project cost the Town almost \$15 million to complete; maintenance was projected at \$5 million; Hurricane Dorian added close to \$3 million but FEMA was reimbursing the Town for it. He added that the state gave the Town a grant but there was no future in that. He stated that the Town's objectives were to save property with regard to the dunes while putting the beach back in place. He pointed out that the Town has not lost any property or pools, and there was a significant dune with the exception of the escarpment. He stated that Option 3 would put the Town back to where it was in 2017, adding that it was unknown if the beach would get the decrease or increase in sand over the next 12 months. He stated that the Town could maintain the rate and build a reserve because there will most likely be another renourishment project in four to five years as well as further into the future. He noted that the Town would have a capital fund that would build if the tax rate was kept the same offsetting the cost that may not be available from other sources in the future.

Mayor Kingston stated that even though the Town was collecting money from the beach nourishment fund each year through occupancy tax, there were now seven beaches competing for it. He stated that all five coastal towns as well as Avon and Buxton were competing for it, adding that there may be more over the next couple of years. He pointed out that it could limit what the contribution would be from Dare County, adding that there was no guarantee from Dare County for the future. He thought that building the reserve was important.

Mayor Pro Tempore Thibodeau pointed out the if the Town built the reserve, it would only be good for the nourishment area and could not be used in any other place, so the reserve would only fund the existing project. She reiterated that the Town could not spend the money on a different project.

Mayor Kingston clarified that Council needed to make a decision on which option they favored so the Town could move forward with the plan that Ken Willson presented. Town Manager Havens stated he was correct, noting that Mr. Willson needed direction. Mayor Kingston asked Council for their thoughts on which option they favored.

Councilor Whitman thought it should be left as is and go back to what the Town started with and see what happens in five years. Mayor Pro Tempore Thibodeau clarified that Councilor Whitman was in favor of Option 3. Councilor Whitman stated she was correct. Mayor Pro Tempore Thibodeau asked for an elaboration on Councilor Whitman's choice. Councilor Whitman explained that Duck had a storm that caused a lot of damage and in the next five years the Town may not have a storm that does that much damage, so the Town will be back to where it should have been presently. Mayor Pro Tempore Thibodeau asked if the 12 per year average was not a concern. Councilor Whitman stated that it currently was, but it was an unknown that may keep happening. He stated that Council thought it was only going to be six, but he was willing to gamble that it will stay the same. He reiterated that the Town put back what it had and hoped that in five years the Town would have to complete a small nourishment project.

Mayor Pro Tempore Thibodeau stated that she saw the advantage of what Councilor Whitman was stating from a fiscal standpoint because the Town was not carrying as much debt. She pointed out that the Town has been able to protect the property, adding that it was a scary time for Duck when homes and pools were threatened. She stated that she was concerned that Council had this data and needed to figure out what would be considered good enough protection. She stated that she was not convinced that Option 3 was the right choice and was more in favor of Option 2 or some portion of it because Option 2 was improving the design beach and not replicating it. She stated that it was making it that there would be more resiliency. She believed that things would get worse, adding that in five years it was a gamble since it was a long-term problem the Town was facing. She noted that she did not object to having a reserve fund for the community that was putting their money into it but didn't think there was an appetite for higher taxation for the MSD areas. She stated that her mind was not made up yet and that she wanted to hear what the other Council members had to say.

Councilor Caviness stated that after Ken Willson's presentation at the June 2, 2021, meeting, she was certain that she wanted things to stay status quo because she felt the project had met its goals. She stated that while the projections could be bad, it seemed that if the Town stayed status quo, it could be funding a project that was sufficient. She stated that, in looking at the additional information where it shows the impacts, she was more in favor of Option 3. She thought building a fund and the reserves would put the Town in a better position. She noted that if it was found in three to five years that it has been insufficient, the Town will have reserves, adding that if the Town was not insufficient and the trends improve, then she agreed with Mayor Pro Tempore Thibodeau that there is not an appetite for increasing the MSD rate. She thought it could be decreased in the future. She stated that she was in favor of a status quo and trying to maintain the project. She added that she was more convinced on a status quo project. She appreciated Option 2 but there was quite a bit of difference between the reserves that could be built in Option 2 versus Option 3.

Councilor Mooney asked what the difference was between Option 2 and 3 with regard to the reserves. Town Manager Havens explained that the debt service would double. He stated that under Option 2, it looks a lot like it does presently with the fund staying static.

He added that the other option was a little over \$1.5 million and a little over \$4 million in the fifth year of the project.

Mayor Pro Tempore Thibodeau stated that if the rates stayed the same, it was almost too much to have. She stated if the Town had another FEMA reimbursement, it was based on the volume of sand lost, which FEMA calculated. She added that FEMA did not care what the design beach was to begin with because they were looking at the sand that was lost for purposes of reimbursement.

Councilor Mooney didn't think Council should be concerned about too much because in five years, the cost of the project was going to increase. He thought being prepared to do that with more money in the fund was the smart thing to do. Town Manager Havens stated that, year to year as Council decides what their budget is and what their budget ordinance looks like, they can adjust the MSD rates down. He noted that if the appetite wasn't there to have a reserve where the projections are to Council's comfort level, the MSD rate could be calculated to move it in the other direction.

Mayor Pro Tempore Thibodeau pointed out that that was what was going to happen after year five based on everything that was planned. She stated that the public in the MSD area would need to understand that the beach would not be built back to where it was in 2017. Mayor Kingston stated that in four-and one-half years, it would be back to where it was in 2017. Mayor Pro Tempore Thibodeau agreed. She added that it was the same but with the knowledge that it could erode faster than was expected previously. She noted that there was no change to the MSD for the foreseeable future if the Town chooses Option 3 because the MSD rate would be the same while building the fund to be ready for anything that happens in five years. She noted that Duck was not doing the project in three years because they had to join in with the other towns to save on the mobilization costs.

Mayor Kingston stated that if one looked at the chart that Ken Willson had shown, the Town was having normal erosion off of the original plan because it was planned to sacrifice much of the sand. He stated that the Town then started to accrete sand, but Hurricane Dorian hit in 2019. He clarified that the Town was on the normal cycle of what was planned to be lost going into the renourishment project. He pointed out that the sand accreted one year. Ken Willson agreed, adding that they would not have surveyed the beach before Dorian and would have surveyed it in the summer, causing the low number of sand lost. He hesitated to give too many options since it would confuse things, but he had discussed with Town Manager Havens the scenario that Option 3 brings the Town a little lower than what it may end up with if the erosion rate keeps up over the next year. He pointed out that when they bid the projects out, the specifications allow for them to adjust the volume up or down, up to 25% of the volume, without the contractor being able to change the unit cost. He stated that if they were to better the rate between now and when the project happens, they could adjust the volume down while trying to stay neutral of whatever they thought the erosion rate would be five years from the start of the project.



Mayor Kingston clarified that the initial assumption was that 50% of sand is lost over five years. Ken Willson stated he was incorrect, explaining that it depended on what the initial volume was. He pointed out that the projects further south were performing better because they were contiguous. He stated that if the design was only to place 20 cubic yards per linear foot and then put 50 cubic yards on top of it to account for advanced fill, then 70% or 80% of the volume would be lost.

Mayor Pro Tempore Thibodeau stated that when compared to the southern beaches, Duck's project was unique in that the dunes were built. She asked what would happen to the dunes if the Town decided on Option 3. Ken Willson explained that the escarpments would level off. He stated that when the dry sand beach was added in the first two or three years, the Town would install sand fencing so there would be some build up of the dune over the next few years with the dry sand beach. He added that as the beach becomes more narrow, there was potential that the Town would start back to where it was today.

Councilor Whitman pointed out that the Town has completed beach plantings in addition to the installation of sand fencing. He clarified that the dune was stabilized even when the sand was put in front of it. He added that the dune would grow from putting the new sand on the beach, noting that the dune will become higher or wider. Ken Willson stated he was correct.

Mayor Kingston asked Council which option they favored. Councilor Caviness stated that she was in favor of Option 3. Councilor Whitman stated he was in favor of Option 3. Councilor Mooney stated that he was in favor of Option 2. Mayor Pro Tempore Thibodeau stated that she saw the benefit of doing Option 3 but thought public education was needed as to what the public could expect. She stated that if it was about the money, then she was in favor of Option 3 but not totally convinced it was the best option. Mayor Kingston stated that he was in favor of Option 3. He thought it put the Town back where it started and would not be more of a burden on the taxpayers. He thought by building a reserve, the Town has the flexibility with the MSDs each year. He pointed out that if the Town built too big of a reserve that Council felt that the dunes and beach were not going to degrade, they could always adjust the MSD rates. He thought the Town would have more money coming in over the next four to five years with the renourishment project. He pointed out that seven beaches were looking at renourishment and not the original four. He reiterated that he was in favor of Option 3.

Mayor Pro Tempore Thibodeau stated that she wanted to expand on the conversation because the money in excess would only be for the project area and nowhere else. She stated that the monitoring that was completed showed the whole beach, which was a great service, because people are asking about their beach. She thought Council needed to be communicating this to the entire Town. She noted that the monitoring report will be extremely important, adding that in the future if another area was interested in doing a beach nourishment project, the Towns will be ready to discuss it with them.

Mayor Kingston asked Mayor Pro Tempore Thibodeau what option she favored. Mayor Pro Tempore Thibodeau knew it would be Option 3 based on what she was hearing from Council as well as seeing where the Town will be in five years, but she was afraid of the fact that the science was saying it could be a lot worse. She stated that she was fearful that the Town was not doing enough.

Mayor Kingston pointed out that the Town was dealing with estimates and have no idea what the dredge companies would come back with. He stated that Council has no idea what the cost of sand will be, adding that everything else was escalating. He stated that Option 3 could grow from the standpoint of the bid process. Mayor Pro Tempore Thibodeau asked Council how they felt about Option 3.1 with the \$9 million price tag. Mayor Kingston stated that he was not in favor of it. Mayor Pro Tempore Thibodeau asked Ken Willson to explain the 25% variable cost. Ken Willson explained with the 424,000, the Town could still go up to 25%, which was well over 100,000 cubic yards. He added that once Council sees what the actual unit cost was as well as the Town's portion of the mobilization, the cost could be increased while decreasing the volume up to 25% and it would not affect the unit cost. He hoped to have the fixed costs in hand by end of July or mid-August.

Councilor Whitman clarified that the mobilization cost would be the same if the Town went with the increase of 25%. Ken Willson stated he was correct. He explained that when the bid is put out, there will be a table that contractors will have to bid on and will have to provide the mobilization cost. Councilor Whitman asked how far the north end taper in Southern Shores went into Duck. Mr. Willson stated it was 1,000 feet.

It was *consensus* of Council to choose Option 3.

Mayor Kingston thanked Ken Willson for his presentation.

### **DISCUSSION/CONSIDERATION OF FISCAL YEAR 2021-2022 BUDGET ORDINANCE AND CAPITAL IMPROVEMENT PLAN**

Town Manager Havens stated Council had the budget ordinance in their agenda packet. He pointed out that the budget ordinance included the tax rates, the ad valorem, and two MSD tax rates. He added that the budget ordinance included the beach nourishment capital reserve fund, the schedule of rates and fees, and the Position and Classification Schedule.

Mayor Kingston asked if the ARP funds would be an input to next year's budget and would not be required in the budget or a budget amendment for the following year. Town Manager Havens stated that it would come in two disbursements of approximately \$60,000. He noted that there may need to be Council action once he knew what the dollar amount was. Mayor Kingston stated that if the money came in during the next fiscal year, it would go into a restricted fund. He asked if the Town would need to increase the bottom line in the budget. Town Manager Havens stated that it would likely increase the bottom line for revenues and expenditures and would have to be restricted.

Mayor Pro Tempore Thibodeau stated that there have been a few public comments from concerned citizens about the budget. She stated that the increased budget reflects the increased debt service that the Town would have to handle for beach renourishment as well as the BRIC grant. She noted that if the Town receives the funding for the BRIC grant, it will save the Town money as well as having a good project. She stated that with regard to the expenditure on personnel, Council has heard for years from the Public Safety Department that they needed to increase the personnel for safety and coverage. She pointed out that she will be standing behind the need for additional personnel. She stated that on the Administrative side, there was a need for redundancy and backing each other up. She stated that Town staff have done amazing things over the years but checks and balances were needed as well as backup. She thought the increase in personnel will save the Town money and was a good thing. She added that even though there was a big jump in personnel, she didn't think the Town would need to go any further and she wouldn't look for any further personnel.

Mayor Pro Tempore Thibodeau stated that another public comment she heard was regarding decreasing some costs. She saw volunteer parties was listed and thought it wasn't a big amount from the budget, but maybe some people thought the party was too much to spend. She suggested that Council look at the costs as the Town moves forward. She noted that the Town's 20-year anniversary was coming up and thought it was important to celebrate that. She didn't want the public to think that the Town was being frivolous, adding that she would be asking questions about costs of different things. She stated that the Town has a lot of events which was unusual, but it draws people to the Town as they were fun and a nice thing for people to do. She pointed out that the Town does not make a profit on the jazz festival, but it was a great event. She added that the budget allows for the events, which she was in favor of, but if people wanted to save money, then the events were low hanging fruit, and she was willing to listen. She stated that she would be voting in favor of the budget as presented.

Councilor Whitman reminded Council that in the revenues, \$2.4 million was for the BRIC grant and \$1.4 million in transfers was for beach nourishment. He stated that the Town's budget was down to approximately \$10 million. He noted that Council was counting those two figures that were not taxing everyone but a certain group. He added that last year there were 600 volunteer hours, and the state figures it as \$29.58 as consideration of worth for volunteer hours. He stated that it came to approximately \$18,000. He pointed out that it may be a reason that people volunteer in Duck as the goal was to be able to attend a party. He stated that he would be voting in favor of the budget as presented.

Councilor Caviness stated that she would be voting in favor of the budget as presented. She stated that she wanted to emphasize what has already been shared, she felt it was a budget that reflected the importance of what the Town has completed and was looking forward. She stated that it was supporting the Town's most important resource, which was the Town's human resources, Town staff, the volunteers and the people that help the community. She thought the jazz festival, Town events and the opportunity to volunteer

builds social fabric and community, adding that Council could not put a price on that. She thought it was great that the state has an hourly figure for volunteers and shows a lot of value, but she thought that the people that work for local government, non-profits, and public safety were grossly underpaid and overworked in her opinion. She thanked Town staff for their service as it was a service to work for government, public safety and the non-profit sector. She stated that the community could not survive without people willing to do that.

Councilor Mooney stated he had no comments about the proposed budget.

Mayor Kingston agreed with the other comments. He pointed out that the budget process was a four-month process, starting with the annual Retreat and a lot of open discussion, work sessions as well as the public hearing. He thought there were some public responses, but thought it was troubling that Council had a public hearing on the budget and only one public comment was heard. He thought the budget a good and responsible one and he would be voting in favor of it. He understood the increased complexity of the budget as well as the need for additional personnel to take the stress off the existing personnel.

Mayor Pro Tempore Thibodeau moved to approve the budget ordinance and Capital Improvement Plan as presented.

Motion carried 5-0 via roll call.

Mayor Kingston called for a 10-minute recess. The time was 3:03 p.m.

Mayor Kingston reconvened the meeting.

### **DISCUSSION/CONSIDERATION OF ADOPTION OF THE TOWN OF DUCK PERSONNEL POLICIES**

Town Manager Havens gave a short presentation on the Town's updated personnel policies to Council and the audience. He stated that Council had the draft personnel policies with highlighted changes in it. He went on to review the changes with Council and the audience.

Mayor Pro Tempore Thibodeau asked if the employee's sick time was capped. Town Manager Havens stated that there was no cap on sick time; adding that the benefit to the employee with regard to sick time was that it was used for creditable service toward their retirement. Mayor Pro Tempore Thibodeau asked if it would carry from municipality to municipality. Town Manager Havens stated that the Town would have a transfer provision so an employee could transfer their sick time from one municipality to another.

Councilor Caviness clarified that the accumulation of compensatory time was very different for Police and Fire as well as other types of Administrative staff. She further clarified that it may be easier for some positions to take compensatory time but not easy

for Public Safety. Town Manager Havens thought it became easier with the vote that Council just passed with the budget. He explained that adding additional personnel would allow staff to take time off if they needed to while maintaining minimum coverage, especially with Public Safety.

Mayor Kingston asked how Council should address the changes. He asked Town Manager Havens if he wanted Council to give him an option on them. Town Manager Havens thought he could work through the personnel policies sequentially and if there were things that Council thought needed to be looked at further, it could be held until the next meeting.

Councilor Caviness asked if there was any guidance for staff with regard to taking compensatory time. Town Manager Havens stated that they try to flex it out within the current week as opposed to the current pay period. Councilor Caviness pointed out that it was not always possible, especially during the summer. She understood the problem when the compensatory time starts to accumulate. Town Manager Havens noted that something like six weeks of vacation would not be approved.

Councilor Whitman asked if it would affect the summer event staff. He further asked how it was currently being handled. Town Manager Havens stated that it was flexed, noting that the Police Department getting additional personnel will allow officers to take time off instead of paying them overtime.

Councilor Caviness clarified that Town Manager Havens was suggesting that employees reach a threshold and once they reach that threshold, it rolls to their sick time. Town Manager Havens explained that it would roll into the employee's vacation time, adding that vacation has a 240-hour cap to it. He added that if an employee does not use all of their vacation time by December 31 of each year, the hours over 240 hours would be rolled to their sick time.

Mayor Pro Tempore Thibodeau thought capping the time was a good recommendation and proposed implementing the recommendation. She recommended modifying Paragraph 7 using Town Manager Havens' recommended language. Mayor Kingston clarified that Council was agreeing unless they wanted to defer something for further discussion. Town Manager Havens stated he was correct.

Town Manager Havens reviewed Professional Leave and Longevity Pay with Council and the audience. Mayor Kingston wasn't sure why the Town needed Longevity Pay for employees. He stated that it wasn't a matter of money, but the Town's employees receive a merit increase as well as an annual bonus. He noted that Longevity Pay should be made up on the bonuses. He added that he did not agree with Longevity Pay because most organizations have recognitions, certificates and gift certificates. He wasn't sure why the Town needed the Longevity Pay. He pointed out that it was pretty insignificant for the first 10 years of employment.

Councilor Mooney thought the difference was that Longevity Pay helped with the employee's pension. Town Manager Havens stated that it was considered compensation. Councilor Mooney clarified that the annual bonus was not considered compensation. Town Manager Havens stated that it was, adding that any compensation was taxed and benefited.

Mayor Pro Tempore Thibodeau clarified that Longevity Pay would be an additional thank you around the holidays in addition to an annual increase that may be more on the employee's annual evaluation. Town Manager Havens stated she was correct.

Councilor Whitman asked what the annual cost would be. Town Manager Havens stated that it was \$12,400 and was included in the budget that Council adopted. He noted that if Council did not approve the Longevity Pay as part of the personnel policies, the money will not be spent.

Councilor Caviness stated that she was in favor of Longevity Pay. She stated that with regard to continuity of services, institutional knowledge and longevity, it was all very important. She felt that people that work for the public good were often not paid the same as corporate America and anything the Council could do to reward the employees for working for the public good was appropriate. She noted that she would like to have the employees paid a little more, adding that some would see it as an insignificant amount of money, but thought it could be a significant amount of money as well as being a nice thing.

Mayor Pro Tempore Thibodeau stated that she didn't have an issue with it but was confused about the years of service. She asked for a clarification of the yearly service timeframe. Town Manager Havens stated that he would clean it up and make it more clear in the final copy of the personnel policies. Mayor Pro Tempore Thibodeau agreed with Councilor Caviness' comments and thought it was a nice way to thank employees around the holidays. She didn't think it was anything too extravagant.

Mayor Kingston asked how common Longevity Pay was in local, county, state and federal sectors. He thought it wasn't common. Town Manager Havens stated that it was very common. He noted that the Town of Kill Devil Hills, the Town of Manteo, Currituck County and Dare County all do it as a percentage of the employee's salary. He stated that the Town of Southern Shores and the Town of Nags Head do it as a fixed amount. He stated that the Town of Kitty Hawk does not give Longevity Pay.

Councilor Caviness pointed out that Duck didn't want to be lagging behind the other towns as it needed to stay competitive. She thought it was nice for Duck to be leading the way or doing what other municipalities were doing so employees will stay.

Mayor Kingston stated that he was not used to seeing Longevity Pay, adding that it was never done in corporate America. He stated that he would agree with whatever Council agreed to.

Councilor Mooney stated that he liked it and thought it was something that Council should use.

Mayor Pro Tempore Thibodeau stated that she was accustomed to that practice in her company and was in favor of Longevity Pay.

Mayor Kingston stated that since the majority of Council was in favor of it, then it should be implemented.

Town Manager Havens reviewed Outside Employment and Harassment with Council and the audience. Mayor Pro Tempore Thibodeau clarified that anyone could go to the Town Attorney to report harassment, adding that it did not have to go through the department head. She thought it was a good thing. She added that she didn't have a problem if it was a choice. Town Manager Havens explained that if the Town Attorney was the recipient of the complaint, the Town Attorney would have to notify his client, which was all of Town Council. He added that if a member of Council received the complaint, they were not obligated to inform the others.

Town Attorney Robert Hobbs was recognized to speak. Town Attorney Hobbs pointed out that it was up to the employee to decide who they want to go to file a complaint. He stated that Attorney John Leidy had stated the following: "...experience has also shown that the ability of an employee to make a complaint to a member of the governing Council can also be very important for successfully defending harassment claims..." He stated that Town Manager Havens made a good point in that if the Town Attorney receives a complaint, then they answer to the Town Council and there was a duty to inform Council of complaints. He thought they were valid points, adding that no matter how it was worded, it was up to the employee to decide who they want to notify. He thought having the attorney in the policy was good because the attorney answers to Council and no one else.

Councilor Mooney thought it was good but suggested changing it from just the Mayor to any member of Town Council that could be approached in confidence and handle it accordingly. Mayor Kingston thought Attorney John Leidy perceived it as if a claim came to the Mayor, the Mayor would then go to the Town Attorney, or any Council member should go to the Town Attorney for direction. Town Manager Havens stated that it certainly could be any member of the elected body. Mayor Pro Tempore Thibodeau stated that she liked that. Councilor Mooney thought the more people available to receive a complaint, the better. Mayor Pro Tempore Thibodeau agreed.

Councilor Caviness asked if a complaint comes before Council, there was an obligation to go to the Town Attorney. Town Attorney Hobbs stated that there wasn't. Town Manager Havens stated that it was not stated in the policy. Councilor Caviness thought it should be. She thought if the complaint goes to the Town Attorney, it would then go to Town Council and if the complaint came to any member of Council, it should then go to the Town Attorney who would advise all of Council. Mayor Kingston thought it made sense. Councilor Mooney pointed out that the way the policy was written was that

anyone that receives the complaint would need to go to the Human Resources Officer who then would conduct or direct an investigation into the complaint. He noted that it was an important piece that was missing previously, adding that this new policy covers that. Mayor Pro Tempore Thibodeau pointed out that a huge piece was missing previously as it wasn't written in the policy. Councilor Mooney agreed, adding that it was in the new policy.

Town Manager Havens confirmed that Council wished to change the policy from Mayor to member of the elected body. Town Attorney Hobbs stated that it did not need to be limited to just the Mayor and could read as follows: "...any one or more members of the Town Council..." He explained that an employee could notify every member of Council or just one. Councilor Whitman thought it would be better if an employee went to every Council member. Town Attorney Hobbs agreed.

Mayor Kingston pointed out that Council has one employee, the Town Manager. He thought if Council received a complaint, it should go to the Town Attorney and let the Town Attorney set the direction on where the complaint goes from there. He thought that should be part of the policy. Councilor Mooney pointed out that the policy clearly stated that the complaint, regardless of who received it, has to be directed to the Human Resources person, who was responsible for the investigation. He noted that it may include the Town Attorney depending on what the complaint was about. Mayor Kingston thought that the Town Attorney should have knowledge of the complaint. Councilor Mooney suggested having language in the policy that the Human Resources person has to notify the Town Attorney.

Town Manager Havens stated that his understanding of the additional layers was that he was obligated to conduct the investigation as the Human Resources Officer. He stated that if he was the offending party, no one would come to him to file a complaint against him. He stated that Council needed to be sure that there was somewhere else an employee can go, other than the Human Resources Officer. He thought it was one or more members of the Town Council or the Town Attorney. Councilor Mooney pointed out that it could be the Department Head.

Mayor Kingston felt that if any member of Council had gotten involved by receiving the complaint, then they needed to take it to the Town Attorney for direction. He thought that was the best thing to do since Town Council should not be working on the complaint. Mayor Pro Tempore Thibodeau clarified that anyone receiving the complaint would make the Human Resources Officer and the Town Attorney aware of the complaint. Mayor Kingston stated she was correct. Councilor Caviness agreed.

Councilor Mooney asked if the complaint was against the Human Resources Officer, if that person should be notified that they would be the subject of an investigation or if Council should notify the Town Attorney. Mayor Pro Tempore Thibodeau pointed out that the policy had the following language: "...or may file the complaint directly with the Human Resources Officer, Department Director, Town Manager, Mayor, elected officials, or Town Attorney..." She noted that the complainant did not have to go to the



Human Resources Officer. Councilor Mooney stated that anything that was reported to Council was supposed to go to the Human Resources Officer. He added that if the complaint was against the Human Resources Officer, then it would go to the Town Attorney. Councilor Caviness noted that the complaint could be against the Town Attorney. Mayor Pro Tempore Thibodeau suggested the following language: "...unless the person is the subject of the harassment complaint..." She thought it made sense since it was laid out as to who would be contacted. Town Manager Havens asked if staff should work with Attorney Leidy on the language. Mayor Kingston thought it was a good idea.

Town Attorney Hobbs thought the goal of the policy was to be a little more expansive about recipients so that the employee can make a decision as to who they felt like the complaint should be given to. He noted that there were a fair amount of options as well as flexibility in the new policy, which was on purpose so the employee would have the flexibility if the circumstances warranted such. He stated that he liked the idea of keeping it flexible but was up to Council to decide if they wanted to add or subtract potential recipients.

Councilor Mooney thought that Council was trying to eliminate the fear factor if someone had a complaint that feels that they can't complain if they think the person they are complaining against would retaliate. Town Attorney Hobbs stated that it was helpful to have the Town Attorney listed because the attorney only responds to Town Council. Mayor Pro Tempore Thibodeau added that the Town Attorney has the legal guidance and knows the right way to handle things appropriately. Town Attorney Hobbs stated that the attorney was more independent than anyone else. Mayor Pro Tempore Thibodeau agreed.

Mayor Pro Tempore Thibodeau thought that all of Council liked the idea of expanding the language, so the employee feels they have options. She thought the line about making the Human Resources Officer aware needed to be changed to the Town Attorney.

Councilor Caviness stated that she would like to see that the employee has the option of going to the Human Resources Officer, the Town Attorney or anyone on Council. She noted that just as the Town Attorney has the obligation to inform Council, whoever the recipient was of the complaint has the obligation to go forward to the Town Attorney or the Human Resources Officer. She added that the Town Attorney has a legal obligation to tell Council and she wanted to see something imposed that an elected official has an obligation to go forward to the right source, whether it was the Town Attorney or the Human Resources Officer. Mayor Pro Tempore Thibodeau agreed.

Town Manager Havens stated that he would go back and talk to Attorney Leidy about the revised language.

Town Manager Havens stated that with regard to Tuition Assistance, he asked that Council defer until he could give them more information about it regarding whether or not to add it to the policy. It was *consensus* of Council to defer the item until a future meeting.

Town Manager Havens reviewed Retiree Health Insurance with Council and the audience. Councilor Whitman asked what it would cost for the number of employees the Town currently has. Town Manager Havens stated that it was a liability of approximately \$1.5 million per year. He noted that it wasn't an annual check the Town would be writing as it was an accrued liability. Councilor Whitman clarified that it was like the Town's retirement plan in that it has to be filled ahead of time. Town Manager Havens stated he was correct. Mayor Kingston pointed out that it has gotten local governments in trouble financially and suggested it be deferred for further discussion. Town Manager Havens stated that with his prior employer, he advocated for removing this as a benefit to the employees since it was a \$41 million liability for a staff of 500. Councilor Mooney thought the percentages were pretty generous. Town Manager Havens agreed, adding that it was a very common benefit on the Outer Banks. It was *consensus* of Council to defer the item to a future meeting.

Town Manager Havens reviewed Holidays with Council and the audience. Councilor Caviness asked what happens with staff that have to work on a holiday. Town Manager Havens explained that they get paid eight hours or the eight-hour equivalent. He noted that Public Safety was different due to the schedule they work. He explained that if an employee works the holiday, they are paid time and one half for the time they were working on the holiday. Councilor Caviness clarified that the employee receives the holiday off as well or if they can defer the day off to another day. Town Manager Havens stated that they will have the opportunity to put it into compensatory time. Mayor Pro Tempore Thibodeau stated that she didn't have a problem with the change.

Town Manager Havens reviewed Vacation Leave with Council and the audience. Mayor Pro Tempore Thibodeau asked if employees will feel like they are losing their time. She asked what the ramifications will be. Town Manager Havens stated that he did not know the answer. Mayor Pro Tempore Thibodeau clarified that from a practical standpoint, it would be one less thing to track. Town Manager Havens stated she was correct, adding that it would align the Town with best practices with regard to modernizing the policies.

Mayor Kingston asked if the Town needed the additional tier of vacation leave for employees. Town Manager Havens explained that it dealt with the last 10 years of a 30-year service for a career employee in that it gave the employee two additional vacation days. He wasn't sure how to define it as a need. Councilor Caviness and Mayor Pro Tempore Thibodeau stated they were in favor of it. Councilor Whitman asked how many employees were close to their 20<sup>th</sup> year of employment. Town Manager Havens stated that there were three employees. Councilor Mooney stated that he liked it. Councilor Whitman asked how many employees were in the next five years. Mayor Pro Tempore Thibodeau pointed out that it was two additional days. Town Manager Havens thought it was two employees. Councilor Whitman noted that he was asking about how many more employees it would include in the next five years.

Town Attorney Hobbs pointed out that the new table with the timeframes for vacation needed to be clarified. Town Manager Havens stated that he interpreted it as 0 through 5

years of service was the first year and 5.0001 would be the next year. Town Attorney Hobbs asked if this was different than a full year such as 6 years. Town Manager Havens thought it needed to be restructured so it was more clear.

Town Manager Havens reviewed Sick Leave with Council and the audience. He pointed out that the recommended change was changing from a tiered system to a day per month for every employee independent of length of service which would be more in line with practices that are seen through the state. He stated that if Council was in agreement to do this, then he recommended an option that would accept the change but grandfather in all current employees that were employed with the Town as of July 1<sup>st</sup> to stay in the tier they currently were in. It was *consensus* of Council to choose the option that grandfathered existing employees in the tier they were currently in.

Town Manager Havens reviewed Bereavement Leave with Council and the audience. Mayor Kingston suggested adding in second, third or additional occurrences would be at the option of the Town Manager so the manager could override the policy if needed. Town Manager Havens stated that while he appreciated the suggestion, he thought there needed to be some sort of objective standard rather than leaving it to the Town Manager. He pointed out that Council could choose the number of days allowed. Mayor Kingston suggested the following language: "...unused days could be moved forward in the same year..." Town Manager Havens stated that he was trying to avoid tracking the days. Councilor Whitman noted that an employee could also use their vacation time. Mayor Kingston agreed. Town Manager Havens noted that the employee could use sick or compensatory time as well. He stated that Council could leave it the way it currently existed, which was three days per occurrence. Mayor Kingston stated that he was in favor of leaving it as is.

Mayor Pro Tempore Thibodeau clarified that it wasn't defined on what type of family member it was. Town Manager Havens stated that it did define it in the policy. He asked if it should be left as is with three days per occurrence. Councilor Mooney stated he was in favor of five days and allowing the employee to use whatever other time they would need. Mayor Pro Tempore Thibodeau stated she was fine with five days. Mayor Kingston suggested changing it to five days and see if any issues come up with it.

Town Manager Havens reviewed the School/Volunteer Leave and the Name Clearing Hearing with Council and the audience.

Town Manager Havens reviewed the Grievance Procedure with Council and the audience. Town Attorney Hobbs stated that he discussed with Becky Veazey of The MAPS Group the original draft she had prepared. He noted that her draft discusses that the Town Manager may wish to utilize a neutral outside party for mediation between the grieving department director and the Town Manager or to consider an appeal and make recommendations back to the Town Manager concerning the appeal using someone like a Human Resources professional who was outside of the Town or an attorney outside of the Town that was trained in mediation. He noted that there would be a somewhat similar process, but it was left fairly broad and generic to suit the circumstances. He added that

with a panel, it was an optional process and not mandatory, and would utilize people that Council appointed, should the Panel ever become necessary.

Mayor Kingston felt that the Grievance Panel should be eliminated since it served no good to the Town from the standpoint of having outsiders from outside of the Town, along with elected officials and attorneys play a role in a grievance. He thought the Town needed to strengthen what The MAPS Group provided. He didn't think one of the steps should be an outside grievance panel, adding that he thought it also followed the recommendation of the League of Municipalities. Mayor Pro Tempore Thibodeau suggested that Council keep what was in place until they could have a work session on it. She thought it was important, pointing out that Attorney John Leidy had a recommendation that was completely contrary to what was suggested. She stated that she would like to hear what Attorney Leidy had to say.

Councilor Caviness stated that she was surprised that Attorney Leidy took such a contrary position. She stated that her preference would be that, if this was a process and procedure that every employee was entitled to, it should be in the hands of professional mediators and not individuals of the community. She thought it was an untenable position for staff and community members to be involved in what could be something that was highly confidential or difficult. She stated that she would rather see professionals handle it, whether they were legal mediators or Human Resources mediators. Councilor Whitman pointed out that it was a personnel matter. Councilor Caviness agreed.

Councilor Caviness asked what happens right now. She asked if the issue was deferred, staff would be in limbo. Mayor Pro Tempore Thibodeau thought what was currently in place would be sufficient in the interim. Town Manager Havens explained that he would end up deferring back to the current policy. Councilor Caviness suggested that this issue be a top priority for Council if a decision was not going to be made at this meeting. Mayor Pro Tempore Thibodeau felt that she needed more information but didn't disagree with Councilor Caviness' comments. Councilor Mooney stated that he didn't think the Grievance Panel was necessary any longer as he thought there was a mechanism in place that Council had discussed thoroughly. He added that whether it was what was previously in place or anything that was in the new policy, there was a method for employees that wished to file a grievance. He reiterated that Duck did not need to have a grievance panel as he felt it was extraneous. Mayor Pro Tempore Thibodeau thought there may be enough information to override her concerns.

Mayor Kingston thought the consensus was to defer for further discussion. Mayor Pro Tempore Thibodeau wasn't sure. Mayor Kingston didn't think the Grievance Panel was needed anymore. Councilor Whitman thought the League of Municipalities had suggested that the Town eliminate the Grievance Panel. Councilor Caviness stated he was correct. Mayor Kingston asked if there was a danger of implementing the suggestion by The MAPS Group while awaiting further review with Attorney Leidy. Town Manager Havens thought Council could adopt the policy with The MAPS Group procedure in it

and then direct him to have Attorney Leidy attend Council's July 7, 2021, meeting to discuss it further.

Councilor Caviness thought there would be value in Attorney Leidy coming to the July 7, 2021, meeting to discuss things that Council wanted more information about. Mayor Kingston and Mayor Pro Tempore Thibodeau agreed. Mayor Pro Tempore Thibodeau stated that it was an issue for her when Attorney Leidy had indicated that the policy should stay as is, adding that she wanted to hear from him. Mayor Kingston pointed out that the majority of towns and cities have moved away from a grievance panel. He thought the Town of Nags Head was the only one that still used one. Town Attorney Hobbs wasn't sure if they did.

Mayor Pro Tempore Thibodeau stated that if all of Council was comfortable with removing the Grievance Panel and having Attorney Leidy come to the July 7, 2021, meeting to discuss it, she was fine with it.

Mayor Kingston asked if there would be an issue with Council adopting the new personnel policy at their July 7, 2021, meeting. Town Manager Havens explained that it was tied to the budget and the upcoming holiday. He added that it would be a clean break. He stated that he would go back through and make the changes to the policy for Council to review.

Mayor Pro Tempore Thibodeau moved to approve Resolution 21-05, establishing an updated personnel policy with the identified reserved areas for further refinement.

Motion carried 5-0 via roll call.

### **BUDGET AMENDMENTS**

Town Manager Havens reviewed the budget amendments with Council and the audience.

Councilor Caviness moved to approve Budget Amendment #8 as presented.

Motion carried 5-0 via roll call.

Mayor Pro Tempore Thibodeau moved to approve Budget Amendment #9 as presented.

Motion carried 5-0 via roll call.

Councilor Caviness moved to approve Budget Amendment #10 as presented.

Motion carried 5-0 via roll call.

### **TIMELINE FOR MANAGER'S PERFORMANCE EVALUATION**

Mayor Kingston stated that per Town Manager Havens' contract, his first review is due from Council by July 31, 2021, and then annually. He stated that there have been

preliminary discussions, adding that he had given Council a timetable for the review. He went on to review the timetable with Council and the audience, noting that Town Manager Havens' review will be held at Council's August 4, 2021, meeting during a closed session.

Councilor Caviness moved to approve the timeline as presented.

Motion carried 5-0 via roll call.

### **CLOSED SESSION**

Mayor Pro Tempore Thibodeau moved to enter closed session pursuant to North Carolina General Statute 143-318.11(5) to establish or instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract or the acquisition of real property for any public purpose located at 1165 Duck Road owned by Larry Heron, Thomas Heron, Deborah Heron, Vicky Heron and Catherine Heron, by purchase, option, exchange, or lease.

Motion carried 5-0 via roll call.

The time was 4:48 p.m.

Upon return from closed session, Town Attorney Hobbs stated that Council discussed the subject matter and gave instructions to the Town Manager and Town Attorney.

Town Manager Havens stated that with regard to financing for the Town property, he had contacted BB&T Bank to ask about lowering the interest rate and they agreed to lower it from 3.21% to 1.25%. He asked Council if they were in favor of refinancing the property. It was *consensus* of Council to direct the Town Manager to move forward with refinancing the property.

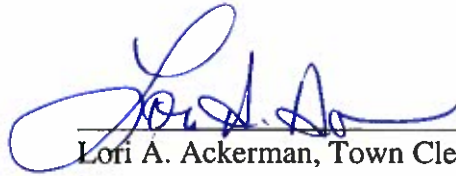
Mayor Kingston noted that the next meeting would be the Regular Meeting on Wednesday, July 2, 2021, at 6:00 p.m.


### **ADJOURNMENT**

Councilor Whitman moved to adjourn the meeting.

Motion carried 5-0.

The time was 5:33 p.m.

  
Lori A. Ackerman, Town Clerk

Approved: August 4, 2021  
  
Don Kingston, Mayor

