

Holly Springs Town Council Minutes

Regular Meeting May 5, 2009

MINUTES

The Holly Springs Town Council met in regular session on Tuesday, May 5, 2009, in the Council Chambers of Holly Springs Town Hall, 128 S. Main Street. Mayor Pro-Tem Tim Sack presided, calling the meeting to order at 7 p.m. A quorum was established as the mayor pro-tem and four council members were present as the meeting opened.

Council Members Present: Councilmen Vinnie DeBenedetto, Parrish Womble, Chet VanFossen, and Hank Dickson and mayor pro-tem Tim Sack.

Council Members Absent: Mayor Sears.

Staff Members Present: Carl Dean, town manager; John Schifano, town attorney; Joni Powell, town clerk (recording the minutes); Drew Holland, finance director; Len Bradley, director of parks and recreation; Gina Clapp, director of planning and zoning; Scott Brummond, IT technician; Mark Andrews, public information officer; Michelle D'Antoni, publications specialist; John Herring, police chief; Stephanie Sudano, director of engineering; and Kendra Stephenson, senior engineer.

2 and 3. The Pledge of Allegiance was recited, and the meeting opened with an inspirational true story of the Holocaust by Rabbi Ederly of Temple Beth Shalom.

4. Agenda Adjustment: The May 5, 2009 meeting agenda was adopted with changes, if any, as listed below.

Motion By: Dickson

Second By: DeBenedetto

Vote: Unanimous

Items Added to the Agenda: None.

Items Removed from the Agenda: None.

Consent Agenda Items Removed for Discussion: None.

Other Changes: None.

5. Public Comment: At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council on any variety of topics not listed on the night's agenda. The following input was recorded: None.

6a. Annexation Petition A09-03, Optimist Farm Road – Ms. Clapp said the Town has received a petition for voluntary satellite annexation of approximately 12.43 +/- acres located at 4880 Optimist Farm Road. The property owner is Church Alive AOG. The petition meets all the statutory requirements for annexation.

Ms. Clapp said the applicant is requesting this item to be tabled until the May 19, 2009 Town Council meeting.

With that explanation completed, Mayor Pro-Tem Sack opened the public hearing to accept input. The following comments were recorded: None.

There being no comments, the public hearing was continued by motion.

Action: The Council approved a motion to continue the public hearing on Annexation Ordinance A09-03 to resume at the May 19, 2009 Town Council meeting.

Motion By: VanFossen

Second By: Womble

Vote: Unanimous.

7. Consent Agenda: The Council approved a motion to approve all items on the Consent Agenda. The motion carried following a motion by Councilman Womble a second by Councilman Dickson and a unanimous vote. The following actions were affected:

7a. Mayoral Proclamations – The Council received a report of mayoral proclamations issued in recent weeks, including Civitan Month; Youth Gang Awareness and Prevention Month; National Day of Prayer; Law Enforcement Officers Week; Municipal Clerks Week; Silver Star Banner Day; and Spring Litter Sweep 2009.

7b. Resolution 09-13 – The Council adopted Resolution 09-13 supporting Wake County's Complete Count Committee for the 2010 federal census. A copy of Resolution 09-13 is incorporated into these minutes as an addendum page.

7c. Annexation Ordinance A09-01 – The Council rescheduled consideration of Annexation Ordinance A09-01.

7d. Holly Springs Business Park Pump Station Project – The Council received a report of a construction contract change order for Holly Springs Business Park pump station project approved by the town manager.

8a. Proposed FY 2009-10 budget – Mr. Dean presented his recommended FY 2009-10 Town budget for the Council's review, together with his annual budget message. Both the General Fund and Utility Funds are balanced based on projected revenues for the coming year with a 41.5-cents tax rate.

Other highlights of the budget proposal's General Fund and Utility Fund Revenues and Expenses, he said, are:

- A. State Revenues: The state-shared revenues are estimated based on previous years' collections. The legislature still is in session, and through the state has not given any indications that it will make changes in local government revenue line items, we will need to be aware that these numbers could be impacted.
- B. Solid Waste Fees: No increase in monthly garbage collection fees. The monthly fee will remain \$8.15. We will increase yard waste fees by \$1.00, making the monthly fee \$2.00. No Increase in recycling fees. The monthly recycling fee will remain \$3.25. Please note that ours are the lowest solid waste fees in the county.
- C. Powell Bill: \$27,300 has been obligated from Powell Bill reserves to cover costs of additional funding for the ongoing transportation projects.
- D. Fund Balance: We have appropriated \$562,600 from Fund Balance, which will fund capital items and one-time project costs. This will ensure basic operating expenditures are covered with recurring revenues and, should you wish to reduce the fund balance appropriation, you can eliminate capital items.

Revenues – Utility Fund

- A. Water & Sewer Rates: An increase of \$1.00 per customer to the water and sewer monthly access fee and a 2.5% increase to the existing water rate and 5% to the existing sewer rate is proposed in the FY 2009-2010 budget. This increase is needed to prepare financially for the WWTP expansion project, the Regional WRF and water capacity purchase from Harnett County, which this change will continue to facilitate.
- B. Fund Balance: \$308,000 has been appropriated from Fund Balance to cover capital items and one-time project costs. We will utilize the same process as discussed in the General Fund.

Expenditures – General Fund

- A. All capital items have been appropriated, and a list has been provided of each department's requests for your review.
- B. No new full-time positions are recommended in the General
- C. This budget includes contributions to nonprofit organizations of \$15,000 to be designated as the Council so desires, a \$35,000 contribution to the Holly Springs Chamber of Commerce, \$5,000 contribution to TRACS and \$10,000 to Hospice of Wake County, totaling \$65,000.
- D. In order to better account for costs in the various funds, we have proposed to move the elements of the Engineering Department into the General Fund for functions not related to utilities. This move, which amounts to \$849,825, will free up money in the Utility Fund to help cover future debt payments for both the wastewater treatment plant expansion and expansion of the Harnett County water system.
- E. We are recommending that, effective January 1, 2010; we move the EMS services to Wake County. We discussed this issue last year and determined this service was still cost-effective, based on the revenues we were receiving. In evaluating the cost this year, revenues are down, we would need to purchase another ambulance, and we are still running calls all over the county. Unless we have a situation where the Town would have a separate Medical Director, we would need to follow their guidelines. This change would be financially beneficial for the Town, and our level of service would not be reduced.
- F. All debt service requirements have been appropriated in this budget to meet our debt obligations. The statement of debt is included for your review.

Expenditures – Utility Fund

- A. All capital items have been appropriated and a list of each department's requests is provided for your review.
- B. Four (4) new positions have been proposed in this budget, mandated as a condition of the Town's 6 MGD permit for expansion of the wastewater treatment plant: Operator I (WWTP).
- C. All debt service requirements have been obligated in the FY 2009-2010 budget. A statement of debt is included for your review. Over the last five (5) years, we have been placing funds in reserve to cover the cost of the WWTP debt, and for that reason we are using \$1.3

million for the debt payment next year. With the savings received from the adjustment to the Raleigh water contract (\$300,000), and with the additional revenues expected from both commercial and industrial customers, this number will be reduced drastically in future budgets, but it is needed this year.

Other Highlights

Salary requirements for next year include a recommended 2% cost of living adjustment (COLA) across the board. Funding is provided in each department for merit/performance pay in the amount of 3% of salaries. The salary budget also includes a 5% 401(k) contribution and longevity benefits.

Employee health insurance has been budgeted at a 7.4% increase in the rates for next year with no plan design changes.

With the current economic environment, our goal is to create a budget that will maintain and improve services to citizens while still controlling the costs for these services. I feel the Town of Holly Springs has a solid and conservative budget for next year.

Mr. Dean said the Council needs to set aside a special meeting night in May or June when Council member questions and suggestions for revisions to the budget plan can be discussed.

He said the budget workshop will be held in the Holleman room, and supper will be provided for the Council members and staff members who attend. After the budget workshop, the Town Manager will need time to allow for changes to be made before the public hearing and formal adoption of the budget during the month of June.

Action: The Council approved a motion to set a special meeting of the Town Council for 6 p.m. Wednesday, May 20, 2009 for the purpose of discussing potential adjustments to the proposed FY 2009-10 budget.

Motion By: Dickson

Second By: DeBenedetto

Vote: Unanimous.

A copy of the managers' budget message is incorporated into these minutes as addendum pages.

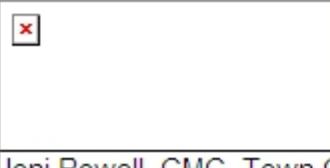
9. Other Business: Councilman Womble asked if the decorative stop signs would be placed everywhere in town. Ms. Clapp said the decorative stop sign posts were part of the downtown village district area plan and that they would be installed throughout the downtown district but not everywhere in town at this time.

10. Manager's Report: Mr. Dean reminded the Council of Town Hall Day on May 6.

11. Closed Session: None.

12. Adjournment: There being no further business for the evening, the May 5, 2009 meeting of the Holly Springs Town Council was adjourned following a motion by Councilman Dickson, a second by Councilman DeBenedetto and a unanimous vote.

Respectfully Submitted on Tuesday, Sept. 15, 2009.




Joni Powell, CMC, Town Clerk

Addendum pages as referenced in these minutes follow and are a part of the official record.