



MINUTES

The Holly Springs Town Council met in a workshop session on Tuesday, April 14, 2020 via video conferencing. Mayor Sears presided, calling the meeting to order at 6:00 p.m. A quorum was established as the mayor was present in his office and the council members were present via video conferencing.

Council Members Present: Mayor Sears, Councilmen Dan Berry, Peter Villadsen, Shaun McGrath, and Aaron Wolff, and Councilwoman Christine Kelly

Council Members Absent: none

Staff Members Present: Randy Harrington, Town Manager, Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; Linda McKinney, Town Clerk (recording the minutes); John Schifano, Town Attorney; Cassie Hack, Director Communications and Marketing; Gina Clapp, Director of Planning and Zoning; Kendra Parrish, Director of Engineering; Aaron Levitt, Engineering; Dirk Siebenbrodt, Engineering; Mary DePina, Engineering; Daniel Colavito, Engineering; Irena Krstanovic, Director Economic Development; Anna Johnson, Economic Development; Patty Dressen, Interim Director of Finance; Corey Petersohn, Finance; Gina Clapp, Director of Planning & Zoning; Jeff Wilson, Director of IT;

2. Workshop Overview

Staff Resource: Randy Harrington, Town Manager

Mr. Harrington gave an overview of the items on the agenda.

3. Fiscal Year 2020-21 Budget Development

Staff Resource: Randy Harrington, Administration; Patty Dressen and Corey Petersohn, Finance

Randy Harrington, Town Manager, said that there are no recommendations tonight, except as regards the calendar. He introduced Corey Petersohn and Patty Dressen, Finance to discuss the General Operating budget. Ms. Dressen showed a breakdown of projected revenue. She explained that sales tax revenue is the most volatile of general fund taxes, and that staff has projected down around 2% from budgeted, down 11% from pre-COVID projections, but is difficult to predict. Corey Petersohn explained that the sales tax reports lag behind by about two months so it is unclear what the current impact on sales tax revenues would be.

Mr. Harrington said that the volatility of the situation calls for a conservative budget. Not that it would be a “do-nothing” budget, but it would be conservative. He outlined some of the programs that would have the biggest impact on the budget, such as increases in the cost of health insurance, the cost of waste and recycling hauling, and capital needs, such as a new ladder truck for the fire department. He said that there were five strategic studies that Council had previously identified some interest in. There may need to be a conversation about Council’s priorities, because the Town may not be able to afford all five.

Mr. Harrington then spoke about the Utility Fund projections. Harnett County has indicated that there will be a 10% cost increase in the water that the Town purchases from them. There are other anticipated increases that lead to an anticipated Utility rate increase of between 3 – 5 ½ %.

Finally, Mr. Harrington recommended that Council adjust the budget schedule to the latest possible dates in order to have more clarity around what impact the COVID-19 pandemic will have on Town finances. He requested that Council consider making the following amendments to their calendar:

Event	Original	Proposed
Recommended Budget Presentation	May 12 (6:00 pm)	May 26 (6:00 pm)
Public Hearing	May 19 (7:00 pm)	June 2 (7:00 pm)
Budget Workshop	May 26 (6:00 pm)	June 4 (6:00 pm)
Budget Adoption	June 2 (7:00 pm)	June 16 (7:00 pm)

Questions were raised regarding the rate increase in water from Harnett County, the sales tax projections, and the health insurance costs.

Councilman Wolff asked about the I-540 Small Area Plan and Village District Area Plan. Gina Clapp, Director of Planning & Zoning outlined what the plans were and what they would accomplish in terms of setting community character before developers begin developing these areas.

Councilwoman Kelly asked for a table that would rank potential strategic studies showing which areas of the strategic plan they support. Mr. Harrington asked for a read on which plans were higher priorities for Council, if funds were available to complete them.

Scott Chase, Assistant Town Manager, discussed the work staff has done on the Stormwater Utility Fee Rate Structure, and how that could be implemented during the current situation. He explained that the fee structure was created knowing that it was not self-supporting in order to meet the EPA requirements, with the plan to ramp them up as the program grew. He explained that the current structure is heavily subsidized by residential properties, and subsidized by the general fund. He outlined various implementation rate options, from keeping the current rate structure, to increasing the residential fee to \$4.00 or \$5.20 per month and charging nonresidential customers at the Equivalent Residential Unit ("ERU") rate, either with or without a Cap.

Council discussed various options for implementing the rate increase. Mr. Chase offered that our peer communities use an ERU with no Cap. Consensus was to work on bringing equity to the rate structure with sensitivity to other rate increases and the difficulties brought on by COVID-19.

4. Traffic Calming Policy

Staff Resource: Aaron Levitt and Mary DePina, Engineering

Aaron Levitt, Engineering, outlined the vision for the Traffic Calming and Neighborhood Safety Plan. He said that by far the most frequent complaint received is about speeding in neighborhoods. He spoke about actions that have been taken by staff, including the Police Department, and outlined a draft Neighborhood Traffic Calming and Neighborhood Safety Program. Mary DePina, Engineering outlined components of the proposed program and showed a sample reporting form that could be used. She outlined the criteria by which any particular location would be evaluated for action by the Town, and listed options for responses at various levels of seriousness and expense. Various types of radar displays were discussed that could

be rented to HOA's or other entities to calm traffic and record speeds. She outlined the timeline for implementing the process.

Mr. Levitt requested Council's input on the possibility of having an application fee for the requests that were more expensive, like the level 2 or 3 situations that would require traffic studies, engineering studies, etc. Council made requests regarding improvements on the form, and there was discussion about whether or not a fee was appropriate. It was suggested that the program could move forward without fees and that fees could be added later if they were needed.

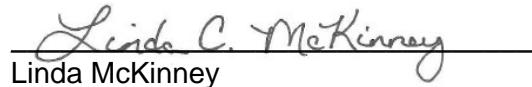
5. COVID-19 Response

Staff Resource: Randy Harrington, Administration

Mr. Harrington, Town Manager, said that the Economic Development department and Communications and Marketing had been working together to get information to businesses in Holly Springs that have been affected by the COVID-19 pandemic. He said a special web page has been created to help businesses connect with available resources. He said that the Holly Springs Chamber of Commerce has created an Angel Fund to support businesses impacted by the pandemic and said that the Chamber had asked if the Town would be willing to donate to that fund. Council's consensus was to investigate the possibility and discuss it at their meeting on April 21st.

6. Adjournment: Motion to adjourn was made by Councilman Villadsen, second by Councilman Berry, and passed with a unanimous vote. The April 14, 2020 workshop meeting of the Holly Springs Town Council was adjourned at 8:56 pm.

Respectfully Submitted on Tuesday, April 21, 2020.



Linda McKinney
Town Clerk