**Mayor and Council Workshop**
**6 p.m. May 10, 2021**
*Council Chamber, and livestream*

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## MINUTES

The Holly Springs Town Council met in a workshop session on Tuesday, May 10, 2022 in the Council Chamber and via livestreaming. Mayor Mayefskie presided, calling the meeting to order at 6:00 p.m. A quorum was established as the Mayor and four Councilmembers were present as the meeting opened.

**Council Members Present in the room:** Mayor Sean Mayefskie, Mayor Pro Tem Dan Berry, Councilmen Aaron Wolff and Tim Forrest and Councilwoman Krisit Bennett

**Council Members Present via electronic means:** Councilman Shaun McGrath

**Council Members Absent:** none.

**Staff Members Present in the room:** Randy Harrington, Town Manager; Linda McKinney, Town Clerk (recording the minutes); Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; John Schifano, Town Attorney; Jeff Wilson, Director, IT; Mathew Mutter, IT; Kendra Parrish, Executive Director of Utilities and Infrastructure; Corey Petersohn, Budget and Strategic Planning; Antwan Morrison, Director, Finance; Paul Liquorie, Police Chief; LeRoy Smith, Fire Chief; LeeAnn Plumer, Director, Parks and Recreation; Paige Scott, Director of Public Works; John Mullis, Public Works; Cassie Hack, Director, Communications and Marketing; Irena Krstanovic, Director, Economic Development.

**Staff Members Present via electronic means:** Chris Hills, Director of Development Services

**2. Recommended Budget Presentation**

Randy Harrington, Town Manager, said the purpose of this meeting was to present the recommended 2022-2023 Operating and Community Investment Plan Budget. He said that he would give an overview, some highlights from the Operating Budget and the Community Investment Plan, and make other recommendations. He said that this budget proposes a significant investment in and commitment to recruiting and retaining a talented workforce in a challenging labor market. It includes 28 new staff positions to serve population growth, development related work demand, and to run town business support operations. The focus is on updating service models and customer experiences with examples like the new yard waste collection, the creation of a Customer Care Center for service needs and inquiries, and Parks and Recreation events and activities, and park and playground amenities. The budget does not propose a property tax change.

Mr. Harrington outlined how this proposed budget supports Council's strategic plan, and responds to top community priorities revealed through the Community Survey. He pointed out some highlights of the results of that survey, and how the proposed budget would address them. He said that Holly Springs has had an amazing year with numerous groundbreakings and openings. He compared the growth of the Town to the growth in full-time employees.

Mr. Harrington showed graphically where Town revenues come from, and where the money is spent. He showed how the Operating Budget is divided into six funds and explained how that worked. Next, he outlined proposed new operating expenditures by fund and by the strategic priority area that they support, and showed how the Community Investment Plan highlights support all five strategic priorities.

Mr. Harrington discussed operating budget highlights that will enhance everyday life. To recruit and retain a talented workforce, the budget implements the recommendations of the Pay and Classification Study, which will ensure market competitiveness. Employee adjustments between 0-6% based on performance are included also. Health insurance was rebid and the Town will join NC Health Insurance Pool to increase economies of scale and to reduce the proposed increase. Employees will have a new option for a high deductible/lower cost option to increase affordability for family insurance coverage. Also proposed is a tuition reimbursement increase to $1,500 per year. He then showed a video of town employees who discussed their jobs with the town.

Mr. Harrington said he is proposing two new positions in the Parks and Recreation Department that will focus on recreational activities and events programing. Special Event Funding is included to expand our multi-cultural event offerings and management structure will be realigned to create two assistant director roles, one focused on Programs and Events, and the other on Operations and Facilities. He said the Office of Customer Care (OCC) would simplify customer service by serving as a single source for residents and businesses to inquire about Town service requests and questions. The OCC would have four team members, two new positions and two relocated staff and is anticipated to launch in the spring of 2023.

Mr. Harrington outlined the benefits of the new yard waste collection model and said this budget funds the new equipment, carts, free drop-off center, and community outreach. He said that the recent Community Satisfaction Survey noted management of traffic as the most important thing the Town should focus on in the coming year. Two new traffic unit officers are proposed to help address neighborhood speeding and assist with other traffic safety needs. The budget would also provide access to mental health wellness services for officers who are exposed to human tragedy and crisis. And the budget will fund the replacement of a 2001 ladder truck.

The proposed budget also includes investments that build a great community. Mr. Harrington said that these include public facilities such as Fire Station 3, the Operations Campus Phase 1, and Americans with Disabilities Act improvements to town facilities and other public infrastructure. It includes funding for improvements to Parks and recreation facilities such as renovating the Hunt Center Lobby Area, constructing amenities at Sugg Farm Park per the Sugg Farm Master Plan, and improving Mims Park Trails and signage per the Mims Park Master Plan. It includes funds for planning and designing the new park at Cass Holt Road, and rehabilitating playing surfaces and structures at Womble and Jones parks, along with installation of benches and play area shading at Womble Park. He showed where these investments were located across all areas of town.

Mr. Harrington said that transportation improvements include Intelligent Transportation System Phase III software to help manage and monitor traffic congestion. Transportation Bond projects are underway including major improvements to Holly Springs Road, and final design continues on Main Street right turn lane, Avent Ferry Road realignment and NC 55 right turn lane. He said that since Council has prioritized road widening enhancements for Holly Springs Rd. between NC55 and Flint Point Lane, this budget recommends beginning to set aside funds for future investments along Holly Springs Road central and west areas.

Mr. Harrington said that safe adequate water is necessary for a thriving community. Water, sewer, and stormwater priorities include securing our future water supply, upgrading the Utley Creek Water Reclamation Facility, and master planning to ensure a safe and available water supply for the future. This is a long-term effort, whose results will be felt for decades to come.

Mr. Harrington showed the sales tax projections and how, since FY21, the rate of increase has increased significantly. He showed how total property valuation jumped in 2021 due to being a year of revaluation, and has continued to rise, with a projection of around $7.4 billion for FY23. He said that comparing Holly Springs to Wake County and the other municipalities within the county, Holly Springs' property tax rates are below the county average.

He said the proposed water and sewer rates will better match industry best practices and more fairly allocate access fee charges, and the system development fee will modernize and rebalance the cost-share of development between new and existing utility customers. He discussed the new access fees, which are proportionate to the size of the meter. He said the new System Development Fee is still lower than that allowed by statute, but moves to a more sustainable burden on current rate payers. He said the typical Holly Springs residential bill is 7-9% lower than the median bill for other utility customers within a radius of 50 miles, 100 miles, and statewide.

Mr. Harrington outlined the 28 new recommended positions included in the proposed budget. He gave a brief summary of how American Rescue Plan Act funds would be used.

In conclusion, Mr. Harrington outlined the fee adjustments for a typical residence in this budget, and the taxes and fees together for a home valued at $100,000, $362,684, or $500,000. The typical homeowner will experience a $2.57 per month increase for utilities.

Mr. Harrington summarized the key takeaways in the proposed budget, and said that next steps include the budget Public Hearing on May 17th, the Council's budget workshop on May 24th, and adoption of the budget on June 7th. He gave the public contact information to view the proposed budget.

**3. Closed Session:** none.

**4. Adjournment:**

Motion to adjourn was made by MPT Berry seconded by Council member Forrest and passed with a unanimous vote. The May 10, 2022 workshop meeting of the Holly Springs Town Council was adjourned at 6:48 pm.

Respectfully Submitted on Tuesday, June 7, 2022.

Linda C. McKinney

Linda McKinney
Town Clerk