



MINUTES

The Holly Springs Town Council met in a workshop session on Tuesday, May 9, 2023 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, Council members Aaron Wolff, Shaun McGrath, Tim Forrest and Danielle Hewetson.

Council Members Present via electronic means: MPT Dan Berry

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; John Schifano, Town Attorney; Jeff Wilson, Director, IT; Mathew Mutter, IT; Kendra Parrish, Executive Director of Utilities and Infrastructure; Aaron Levitt, Seann Byrd, and Sara Emig, Utilities & Infrastructure; Corey Petersohn, Director, Budget and Strategic Planning; MaryBeth Spoehr, Budget & Strategic Planning; Tina Stroupe, Director, Finance; Paul Liquorie, Police Chief; LeRoy Smith, Fire Chief; LeeAnn Plumer, Director, Parks and Recreation; Paige Scott, Director of Public Works; Cassie Hack, Director, Communications and Marketing; Tamara Ward and Kelly Miller, Communications & Marketing; Irena Krstanovic, Director, Economic Development; Chris Hills, Director of Development Services; Jaime Joyner, Director of Human Resources.

2. Recommended Budget Presentation

Randy Harrington, Town Manager, said the purpose of this meeting was to present the recommended 2023-2024 Operating and Community Investment Plan Budget. He said that he would give an overview, outline some operating and community investment plans highlights; the taxes and fees; and next steps. He said that key budget takeaways are that this budget secures the Town's future water supply and wastewater treatment capacity; provides strong new investment in parks and greenways; strengthens the Town's emergency preparedness and capability to respond quickly to emergency 911 calls; and includes no property tax rate change, but does include water/sewer user rate increases. He outlined how the Council's Strategic Plan guides the Town's budget. He highlighted three town services identified by residents in the Community Survey as needing to receive the most emphasis over the next two years as being: 1. Managing traffic; 2. Managing growth and development; and 3. Quality of Town parks and greenways.

Mr. Harrington outlined where the Town's operating revenue comes from, and said the total operating revenue for FY23-24 was predicted to be \$93,793,738. He then showed the breakdown of operating expenditures, highlighting that Water and Wastewater Operations will overtake Public Safety as the area requiring the highest expenditures this year. He said that this budget had \$4,056,053 in new general fund expenditures, the Utility Fund had \$3,867,315 in new expenditures, and the Stormwater Fund had \$68,900 in new expenditures. He then outlined the strategic Priority Areas that the new expenditures supported, and showed graphically how most of the funding goes to support ongoing customer service and growth.

Mr. Harrington said the proposed budget would secure the Town's water future. He outlined the history of water supply investments in the Town, from 1968 when the Town's first public water system was established. Today the Town has 231 miles of system lines with three potable and 1 reclaimed water storage towers. Holly Springs is connected to Harnett County, Apex, Cary, and Fuquay-Varina, with a connection to Sanford underway, to provide the security of redundancy in our water supply. He reminded Council of the Regional Water Partnership with Sanford that would supply future water from the Cape Fear River and increase our supply by 4 million gallons per day. He outlined the improvements in the Utley Creek Wastewater Reclamation Facility since its construction in 1985 and what the current upgrade would provide. He said that new water and sewer rates would need to increase by 15% to pay for this, and to incorporate the 15% rate increase that Harnett County, and as the Town's only bulk water supplier, is charging. However, the median Holly Springs residential utility customer's bill is still 3-4% lower than the median bill for utility customers within a 50-mile radius, 100-mile radius, and statewide.

Mr. Harrington said that residents made it clear during the Community Survey in 2021 that they wanted increased investment in Parks and Greenways. He outlined the plans for the new recreation center and park on Cass Holt Road, and how this project supports resident requests in the Community Survey, best practices in Parks and Recreation, and the growth of the Town. He outlined the timeline to the November Bond Referendum when residents can decide on this issue.

Mr. Harrington outlined the Town's strong public safety record, including the Fire Department's ISO-1 fire insurance rating, and the Town being consistently ranked as one of the safest communities in NC. The 911 center would receive technology upgrades and two additional telecommunicators to keep pace with the growing community, which has seen a 31% increase in calls for service over the last five years. He said the addition of an Emergency Management Specialist would support both Police and Fire departments in emergency preparedness planning and training, and a new Fire Captain who would oversee the accreditation process and subsequent training and policy development would ensure that we are always operating with best practices.

Corey Petersohn, Director of Budget, Innovation and Strategy, said other budget highlights include Town welcome/gateway signage to create a sense of place, a 2nd Biennial Community Survey, the increase in costs from GFL for solid waste/recycling services, police protective response equipment, a new Human Resources recruitment, selection, and onboarding management information system, and the new Holly Springs Citizens Academy. He gave highlights on the enterprise funds budget including a continued focus on infrastructure planning, management, and maintenance of the Town's water distribution and collection systems.

Mr. Petersohn outlined 27 new positions and how they support the Council's Strategic Priorities. He outlined proposals to recruit and retain a talented workforce, including merit pay, revisions to on-call, call-back, and field officer training pay, and adjustment to pay for part-time Parks and Recreation employee's at Hunt Center and the Cultural Center; benefit changes, including changing the vacation accrual rate to be based on NC Local Government Employees Retirement System service time, and the addition of two floating holidays and one wellness day to more closely match peer communities, and a Council compensation adjustment of 1.9%, and the addition of a \$150 per month personal vehicle use stipend.

Mr. Petersohn said that Capital investments help build a great community. The Fire Station #3 project is on track with construction expected to begin in late summer of 2023. He outlined the Operations Campus and said that construction of Phase 1A was set to begin in the summer of 2023. He said that improvements and rehabilitation of playground equipment is already underway and will continue with this budget including new playground equipment and surfaces, and sun shades in exposed parks. And he said that the widening of Holly Springs Road is underway and this is a project that will improve traffic management in the near future.

Mr. Harrington said that the recommended financial investments allow the Town to deliver excellent public service. He showed graphically that Holly Springs tax rates are the fourth lowest in the County, and below the municipal average for Wake County. He outlined how the monthly fee adjustment would affect a typical residential customer, giving an example of a typical families costs to receive Town services. He reviewed the key takeaways from this budget:

- Secure the future water supply
- Invest in parks and greenways
- Strengthen emergency preparedness and capacity to respond quickly to 911 calls
- No property tax rate change; increase in water/sewer rates for water and wastewater investments; no stormwater fee change.

He outlined the average cost for government of \$7.75 a day for homeowners with a \$375,475 house (the average).

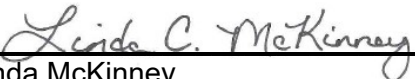
Mr. Harrington reiterated the key takeaways from the beginning of his presentation. He said that there would be a public hearing at the May 16th Council meeting. Council would hold their budget workshop on May 23rd at the Law Enforcement Center, and the budget would be scheduled for adoption on the June 6th Council meeting. The proposed budget will be available online or in the Town Clerk's office for the public to view.

3. Closed Session: none.

4. Adjournment:

Motion to adjourn was made by Council member Forrest seconded by Council member McGrath and passed with a unanimous vote. The May 9, 2023 workshop meeting of the Holly Springs Town Council was adjourned at 6:40 pm.

Respectfully Submitted on Tuesday, June 6, 2023.



Linda McKinney
Town Clerk