

Town of Spring Lake  
Board of Aldermen Special Meeting  
Municipal Building  
300 Ruth Street  
Spring Lake, NC 28390

December 10, 2013

**MINUTES**

9 a.m.

The Spring Lake Board of Aldermen held a special meeting in the Grady Howard Conference Room of the Municipal Complex with Mayor Chris V. Rey presiding.

**Board Members Present:** Mayor Pro Tem James O'Garra  
Alderman James Christian  
Alderman Richard Higgins  
Alderwoman Densie Lucas  
Alderwoman Fredricka Sutherland

**Others Present:**

Ken Metcalf, Town Manager	Dean Byrd, Water Operations
Byron Blumenfeld, Water Resources Manager	Allen Coats, Finance Director
Rosa Henegan, HR Officer	Debora Hudson, Deputy Town Clerk
Paul Hoover, Director of Public Works	Troy McDuffie, Police Chief
T.J. McLamb, Fire Chief	Rhonda Webb, Town Clerk

**1. Call Meeting to Order**

Mayor Rey called the meeting to order.

**2. Invocation**

Mayor Pro Tem O'Garra gave a non-sectarian invocation.

**3. Pledge of Allegiance**

Mayor Rey led the meeting in the pledge of allegiance.

**4. Approval of Agenda**

The Board approved the agenda.

**Action:** The Board approved a motion to approve the agenda.

**Motion by:** Alderman O'Garra

**Second by:** Alderwoman Lucas

**Vote:** Unanimous

(A copy of the agenda is hereby incorporated by reference and made a part of these minutes – see attachment one.)

**5. Planning Retreat**

**a. Mayor and Board's Vision and Expectations**

Mr. Metcalf asked the Board to share their vision for Spring Lake. Mayor Rey asked each Board Member to share where they believe Spring Lake is now and where they want to see Spring Lake in the future. He asked if we want to be just a bedroom community for Fort Bragg or a combination

of begin a bedroom community with a mixture of light industry.

Alderman Christian offered the following:

It is possible to do both. Towns like Cary, Holly Springs and Apex, have an expanded tax base and a lot of industry and shopping areas but they still keep their small town charm. They have their downtown districts which are very nice and it is possible to do both. I know we are limited because we are land locked and we do not have much room as far as expanding. We also have to deal with the Red-Cockaded Woodpecker which is a protected species. Some of the things I would like to see are the Police and Fire Stations in different parts of town. Relocating Town Hall to perhaps Main Street or creating a new Main Street district. I would like to see us develop a scholarship program for some of our high school students. I would like to lower our tax rate and expand our tax base. I would like to establish a regional bus system. I know Commissioner Evans has been proactive in trying to get that done and we all know the challenges in getting that done. We have seen them in our own bus system. I would like to see a more permanent farmers market for our area. I would like to see a satellite campus for Methodist College and Fayetteville State in Spring Lake which would expand the educational opportunities for our citizens. I know the Mutzberg property will be developed at some time in the future and I would like to see us have a river walk that is tied into Carver's Creek Park. I have always wanted to see a small park by the Veterans Memorial on Ruth Street. I would like to see Spring Lake establish closer ties with Fort Bragg.

Alderwoman Sutherland offered the following:

Chief McLamb you are in my vision. I want to see a new fire station. As I was looking at the 2030 plan, I know the Town will change. Main street renovation is something I would like to see. She would like to see a grocery store. A smart town sounds great but I would like to know more about that and the citizens need to understand what we mean when we say we want to be a smart town and to understand exactly what we are doing and how it will affect them. There are many visions for the Town and it will take baby steps to get where we need to go. The Town will be completely different based on the 2030 plan. I am willing to move forward in whatever positive way we can.

Alderman Higgins offered the following:

In reflection, I think the question you asked was do we want to remain a bedroom community or do we want to be a combination. When I think of the term bedroom community, I would like to see us revitalize the existing neighborhoods we have now. I think that is an asset we have now that we overlook. I visualize a bedroom community as a place where a lot of people live here who leave in the morning and come back at night and you don't see them the rest of the time. We need neighborhoods with people who are interested in the community who will involve themselves in the community. I hope to get people here who want to stay and spend the rest of their lives here. Spring Lake is one of the best places in the world to live. A lot of other things said here I agree with. The number one priority has to be a new fire station. I think the law is going to dictate that happen. We need to sell our strengths. We have the best police and fire departments that anyone can have. I want us to keep improving but it takes money. A lot of people blame individuals for what has happened in the past but the blame has always been on the Board of Aldermen. We were never willing to bite the bullet to put the money into the departments to make them top notch. We need to sell ourselves. The 210/87 highway project will make for a rough couple of years but I believe when we come out on the other side of the roadway project, we will be a better Spring Lake. I think the future of this Town is going to be great. We need to have positive thoughts and quit thinking and speaking negative. If we do not do this we will defeat ourselves. Our workforce has to be the same way. They need to be proud. We are going to have

to take care of our employees financially. If we can't give what they deserve monetarily, we need to make up for that in good working conditions and benefits. We need to have one vision and we can expound on the Mayor's vision.

Mayor Pro Tem O'Garra offered the following:

Alderman Higgins hit on some of the things I was thinking of. We need to stop being a training ground. I believe we need to be both technology based and a bedroom community to Fort Bragg. Pay raises should be a priority. I understand there are things that need to be done but whatever we do in the future we need to incorporate pay raises. Downtown should be number one. The appearance of downtown needs to be a top priority, first appearances will hurt you and the first appearance needs to be impressive. People will see downtown before they see the other things we have done like the complex on Spring Avenue. Downtown needs to be impressive. We need something to bring the people, possibly outside tables. With the increased traffic coming through, we need a bypass. We need to relocate the Police Department to the center of Town. We need a second Fire Department and also give them the rest of the office space once the Police Department moves out of this building. We do need a regional transportation system. I would like to establish a 555<sup>th</sup> Parachute Infantry Battalion statute as a memorial to those black soldiers who lived in this town years ago. A possible location would be next to the Veterans Memorial or on Ruth Street. We could add to it to memorialize other units as well.

Alderwoman Lucas offered the following:

I'm the new kid on the block but I support what I have heard. These things are the things people are talking about in the community. We do need to have more transparency in what we are doing so the people understand what decisions are being made and why. We need to improve our tax base. We have come a long way but we need to figure out what will attract people. She believes we need to capitalize on the bypass and roadway and how can it be beneficial to us. Are we being used as a place for internship? This will make us more visible. We need an urgent care facility and some of these types of businesses so people do not have to go to Fayetteville. We need to encourage revitalization of our Main Street, our neighborhoods and shopping centers. What do we need to do to be a "Chapel Hill South?" I support the second fire station; that makes sense to me. The Police Department has come a long way and they are comparable to any police department in the Nation. We need to make sure both the Police and Fire Department stay current in technology. We need to advertise what they do. Technology is vital to the growth of Spring Lake. We need to keep up with the changing technology so we do not fall behind. I support our employees. We want to make this an attractive place to work for our employees. We can't always get a pay raise but we do need to make this an attractive place for employees to work. I know the Appearance Commission does a lot of things but the entrances of the neighborhoods are something we need to focus on to make our city more attractive. The statute and memorial sounds like a good idea for those people who helped build this community. We do need a mass transportation system.

Mayor Rey offered the following:

The original question was do we want to be a bedroom community or a combination of technology and bedroom community? We must first look at what our challenges are. We sit in a location where we are surrounded by Fort Bragg on three sides. We have Harnett County right above us. We will have to be very innovative in creating relationships with other entities. For example, if we could provide particular services, like police and fire, to the southern part of Harnett County, that would allow us to attract a financial base from them and open up a revenue source

for us. That area already has our zip code so we need to see how far we can take the virtual boundaries. This is an agreement conversation between us and their leadership. When we talk about Fuquay-Varina and Holly Springs they are great examples of growth but we need to look at what we have within the current city limits. There may be a future opportunity to acquire some training area from Fort Bragg but I do not think that will happen in the setting of this Board. We do need to plan for that potential expansion in the future so when that opportunity does come we will be able to take advantage of that. We need to be smart about our infrastructure and how it is built out so there is an opportunity to grow and connect. Until then, we need to look at where we are currently inside Spring Lake. We have some aging neighborhoods and we need to look at how we can revitalize the current neighborhoods. I like the idea of sprucing up the entrances. That may not seem like a lot to folks but it means a lot to new people coming in, they will look at that and make a determination of whether to live there. We have taken the first steps as it relates to developing an alert system and getting information out to people. I think there will be some alert strategies that we will talk about later on. We will talk about expanding a potential Town newsletter that will allow us to push information out to our citizens on a regular basis. We have got to do a better job of expanding getting the contact information of people who live in Spring Lake who are online. We have two distinct populations. We have a generation of folks who will benefit from a newsletter but we also have a generation who is "plugged in" and we need to focus on moving in the smart direction. In thirty or forty years from now, the majority of the folks will be "plugged in" and I think we need to start riding this ship in that direction but not forget that we do have a generation of folks here where the paper piece will be critical. We need to build our contact data base. We need to develop an "app" for people who are interested in Spring Lake so they can download onto their smart phones. This would allow folks to pay their water bill online from their phone or contact a department from their phones. There are other possibilities that could be utilized through this app. For example, if a citizen wants to get quick information about a residence or business in Spring Lake they could click on that but the apartment complex or business would pay a fee to have that quick access. The fees for this service could pay to develop the service. The positive attitude starts here on the Board. These challenges that we face can become opportunities. If the Board is exuding that then I will expect the department heads to exude that and it will eventually flow down to the individuals. We have to do a better job of telling our story so that people don't just see us for the negative things that are going on in Spring Lake. There needs to be a PR strategy on how we get information to the media more regularly. We need to build PR relationships with other small towns near us.

Downtown is priority for my second term. We will be leaning on Jeff and our economic development folks a lot to give us some really concrete feedback on where we are going with that. I want to identify real developers and investors who will put the first "something" in downtown. I think the perfect location for the first "something" is next to Moon's Barber Shop. I do not believe the developers in Spring Lake now, those who have helped build the fabric of Spring Lake, are not bold enough to think bigger than us. We have to find someone or a group of citizens who have resources to come together to really building the first "something" downtown Spring Lake that will then get the long term folks (developers) to jumpstart them. Because right now, they are not as bold as this Board is and we see more Spring Lake than those individuals see in us as a community. Some of these folks have the resources to do it but they choose not to do it because they don't even believe in us. I think it must start with us to get folks with resources together and then it begins a chain of events that will ignite the revitalization of downtown. We will need to look at some rezoning of our downtown. We technically do not have a "real downtown" so we have all kinds of opportunities. Mr. Christian suggested contacting Mr. Levinson who developed Anderson Creek.

He has actually asked to meet with me and I will reach out to him. Alderman Higgins suggested we capitalize on the different types of food that we can provide and taking an international approach to anchor downtown. We need to give people a reason to come to downtown. We need a walking path from Fort Bragg housing area that dumps into downtown. I think the location of the Post Office should be looked at. The Post Office relocation could potentially spur growth in the area where it relocates. Alderman Higgins expressed concern about being careful that we do not lose the Post Office from Spring Lake proper into the outlying area that is serviced by the Spring Lake Post Office. I believe a potential site for the Post Office is Southwinds Plaza. I know this takes traffic off of Main Street but it also opens up opportunities on Main Street for new growth. I do not know how this would happen but we need to have a discussion with the Postmaster.

Alderwoman Sutherland expressed concern about keeping our current tax base and caring about the current homeowners. We need to have something to grasp onto and build on. Mayor Rey asked if we could have a new homeowner's tax incentive program for Spring Lake. This may be something that may encourage new homeowners to come to Spring Lake. This may be completely off the charts but I would like to see if it is possible.

**b. Town Departments/Employee Organization Structure**

Mr. Metcalf reviewed the Town's organization and structure. He wants to make sure the Board has a good understanding of how each department is organized. Alderwoman Sutherland inquired about the grades and how pay is administered. There is confusion about how a newcomer can come in and make so much more money than a tenured employee. Mr. Metcalf stated we will have a salary study done this year but salary is always within the pay grade. Concern was expressed about creating these situations. Mr. Metcalf stated the tenured employee's salary can get stagnant due to the Town's inability to give pay increases and the requirement to get new people here. Alderwoman Lucas stated she feels we need to get things evened out. Alderman Christian asked if there are departments who have trouble keeping employees. Ms. Henegan advised what the current vacant positions are. Currently water technician positions have a high turnover. Alderman Higgins stated the employees are our most valuable assets. They represent us in the public. When we lose good employees it costs us money. He stated it is a paradox and he does not have the answer but we need to try to keep our employees. It does not do us well to sit here and say you should be lucky that you have a job, that does not endear us to the employees. Our task is to somehow get the other people more in line with where they should be. Alderman O'Garra stated money is our problem. Mayor Rey stated we do have a discrepancy here and there is a revenue challenge. He asked Ms. Henegan to put an incentive package together to show what we offer and how we measure against the surrounding communities as it relates to pay and benefits. Alderwoman Sutherland stated it is truly a blessing to have a job and to work for the Town of Spring Lake. People are hurting and it is a blessing to have a job. I do not want it to be said that we do not care about our employees because we do. I want everyone to be treated equally and fairly and if we have a long term employee making thousands less than someone just coming in, I do not think that is right and we do need to look at it. Mayor Pro Tem O'Garra stated the Board wants a raise next time.

**Discussion Concerning Police and Fire Radio System**

Mayor Rey asked about the Police radio system and asked Chief McDuffie to look into making sure we are compatible with the County and Fayetteville. Chief McDuffie stated the current Viper system is in really good shape. Viper is a statewide system developed for the State Highway Patrol. It allows all departments to communicate within the State. Spring Lake and Cumberland County is

on the Viper system but Fayetteville is behind and trying to catch up. We are ahead of the game in this technology. Mayor Rey asked Chief McDuffie to provide him with information so he can share it with the Mayor's Coalition.

**d. Annexation**

Due to scheduling, Mr. Metcalf decided to discuss Annexation prior to lunch and hold the CIP discussion after lunch.

Mr. Metcalf advised the Board that annexation can only be done by voluntarily means. He asked the Board to what degree do you want staff to pursue annexation discussions into Harnett County and Fort Bragg (Linden Oaks). Mayor Rey would like to discuss with the Harnett County Manager and see if we can share the property tax revenue in exchange for us providing certain services like police, fire and recreation. He stated he just wants to try to think "out of the box" in order to increase our revenues. Alderwoman Sutherland stated we need to weigh the revenue we would receive against the cost of providing services. She asked what benefit we would get if we brought in Linden Oaks. Mr. Metcalf stated we would get the population increase which would open up opportunities available to larger cities. Mayor Rey stated we have to get creative in getting our population numbers up and that may be to annex Linden Oaks and contracting services for southern Harnett County. Mayor Rey wants to focus on the Fort Bragg aspect. This is all about striking first. The Board expressed a desire to pursue annexation of Linden Oaks.

The Board took at lunch break from 11:40 a.m. until 12:40 p.m.

**e. Discussion of Capital Improvement Plan**

Mr. Hoover gave the Board a presentation on the Town's Capital Improvement Plan. He stated staff will bring back to the Board an action plan based on the Board's guidance and input today. The following are highlights for each department:

Administration

Technology Upgrades  
New Town Hall

Public Safety

Fire Department Utility Vehicle  
Portable Radios for Fire Department  
Rescue Boat for the Fire Department  
Emergency Generator for the Fire Department  
New Fire Engine and Aerial Apparatus  
Fire Station Expansion (of current location)  
Second Fire Station  
Law Enforcement Center Relocation for the Police Department

Public Works

New Maintenance Facility  
Annual Street Resurfacing (Mr. Hoover is going to request \$200,000 each year for street paving in future budgets.)  
Sanitation Truck Replacement

Pedestrian Sidewalk Extension  
John Deere Tractor

(Mayor Pro Tem O'Garra requested that we communicate with Fort Bragg to see if there is any land available on Manchester Road)

Recreation and Parks

Ruth Street Park (Phase I)  
Ruth Street Park (Phase II)  
Mendoza Park Improvements (Phase II)  
Downtown Amphitheater and Park  
Mutzburg Nature Preserve  
Gym Floor Replacement  
Community Center Floor Replacement

(Alderwoman Sutherland asked staff to research the possibility of creating a greenway that would work itself throughout Town. This is an initiative that was first mentioned when Hal Hegwer was Town Manager.)

Water Resources

Jetter Replacement  
Hydraulic Power Pack  
Aerator Unit Replacement Plan  
Screw Pump Replacement  
Lime Slurry Pumps  
Sludge Transfer Pumps  
Post Aeration Submersible Pumps  
Big Red 4x4  
WWTP Effluent Filtration Project  
Valve Insertion Project  
NC 210 Waterline Extension Phase II  
Second Water Tower  
ARC/GIS Updates  
Manhole Rehabilitation  
Vactor Truck  
Water Meter System

The plan also included a 20+ year vehicle replacement program and the Capital Projects projected costs.

This plan is a 20 year plan. Ability to implement the plan is based on the Town's priorities and financial capabilities. The plan is designed to be evaluated annually to ensure funding availability and Town needs.

**e. Water Bills**

Mr. Coats presented information to the Board regarding the water bills. He advised last week we received information from PWC on a rate increase of \$0.0805 for next year. He provided a review of the anatomy of a rate, the percentage of users and gallons they use and a

comparison of what it is now and what it was prior to the tiered system. He stated that regardless of who you are and how much water you use, everyone shares in the cost of the system. There are two parts to a water rate: the flat or fixed rate covers the fixed cost of the system, debt payments and capital reserve programs; the variable rate covers the operational cost of the system, cost of materials, labor costs and supply cost.

Mayor Pro Tem O'Garra stated he does not understand the tiered system because it is causing problems. Spring Lake is known for high taxes and high water bills and it seems the tiered system is just another way to make money.

Alderwoman Sutherland stated citizens do not understand their bills. She stated education goes a long way and is the key. She would like to see the water bills go down but citizens need to understand what their bill pays for.

Mr. Blumenfeld stated the average person uses between 75 – 120 gallons of water per day. He also advised there was a State mandate from the Governor and DENR to create a tiered system to encourage water conservation. Based on the percentage of people using less than 3000 gallons we must have been successful in encouraging water conservation.

Mayor Rey stated that he believes if we truly have an issue with the water bills, we would have a longer line of people complaining. He believes it is the people who use 6000 and 7000 and higher gallons. He stated he believes this is where the problems are.

Mr. Coats stated that water and sewer rates will be determined by the Board at budget time based on what the priorities for operations are going into the next year. The rates will be presented based on what the department wants to accomplish and the Board will decide if that is what they want to do and set the rate accordingly. He again stated that if we cut the rate in the upper two tiers we will have to make up the difference in the lower two tiers which is where the majority of the customers are. He stated if we do that we will be raising the rates on the majority of the customers to satisfy a lesser number of customers. He stated the Board needs to know this information when they set the rates and what percentage of the customers we will impact.

Alderman Higgins requested that Mr. Coats bring a comparison of what the rates were then and what they are now and how the bill would look for each.

Mr. Coats again stated that we will receive a rate increase from PWC in the upcoming year. Based on the amount of water we purchase from them, this will equate to an approximate \$20,000 increase for next year. It was clarified that when the Town receives a rate increase from one of our suppliers, that increase is passed along to the customers. This is done by directive of a previous Board of Aldermen mandate many years ago. Alderwoman Sutherland again expressed the need to educate the public about these types of things. She said we need to do a better job of letting the citizens know that we are passing along a rate increase so they understand it is not just the Town wanting more money. Mayor Rey stated the newsletter will be a great place for information like that.

Mr. Metcalf asked what amount of money the Board is comfortable putting into the Water and Sewer Fund balance at the end of the year. He stated this is where we need to get to in

our conversations. He clarified that the money that is left will be put aside for projects and emergencies. He is basically asking what "fund balance" does the Board want to keep for the Water and Sewer Fund. Mr. Coats stated in the past the Water and Sewer Fund was in the negative and the LGC frowns upon that. He advised they suggest having not less than a 16% fund balance. Mr. Metcalf's question was meant to determine what amount the Board is comfortable with so he can determine if there is room to reduce the water rate. If the Board is comfortable with less fund balance then the bills may be able to be reduced slightly but if they want to keep some money in reserves for projects and emergencies then the bill may be right where it needs to be. Management's goal is to provide as fair a rate as possible and still meet the needs of this Board and the system.

**f. Orientation/Review for Board Members**

Ms. Webb provided the Board with a review of basic information on how governing bodies work and how Spring Lake Town government functions. The review included information on required ethics training.

**g. Board to Determine December 23, 2013 Meeting Schedule**

Mayor Rey asked the Board to cancel the December 23, 2013 Regular Board Meeting.

**Action:** The Board approved a motion to cancel the December 23, 2013 Regular Board Meeting.

**Motion:** Alderman O'Garra

**Second by:** Alderman Christian

**Vote:** Unanimous

**6. Adjournment**

**Action:** There being no further business to come before the Board, the meeting was adjourned at 3:48 p.m.

**Motion:** Alderman Higgins

**Second by:** Mayor pro Tem O'Garra

**Vote:** Unanimous



Rhonda D. Webb, MMC  
Town Clerk



ATTEST:



Chris V. Rey  
Mayor