



2020 BOARD RETREAT

TOWN OF ANGIER

Provided by Triangle J Council of Governments

May 2020

Angier Board Retreat

March 6, 2020

Commissioners in attendance: Mayor Bob Smith, Commissioner Craig Honeycutt, Commissioner Mike Hill, Commissioner Loru Boyer Hawley, William Allen Coats

Staff in attendance: Arthur Yarborough - Police Chief; Derek McLean - Parks & Recreation Director; Hans Kalwitz - Finance Director; Bill Dreitzler - Town Engineer; Jimmy Cook - Public Works & Utilities Director; Katy Warren - Library Director; Sean Johnson - Planning & Zoning Director; Christy Adkins - Downtown Manager; Veronica Hardaway - Town Clerk; Gerry Vincent - Town Manager

Minutes & Action Items

Opening Remarks – *Mayor Bob Smith*

Goal/Desired Outcome Setting

- Identify a vision and plan to achieve goals
- A set of priorities
- Attract new growth
- Increase teamwork and unity
- Redevelop hometown pride
- Treasure and improve educational facilities
- Be responsible and sustainable about growth
- Identify ways to market Angier
- Create a thriving downtown
- Increase citizen involvement

Facilitated Discussion

Financial Overview (General Fund, Water & Sewer, Budgeting for FY21) – *Gerry Vincent & Hans Kalwitz*

- **General Fund** – Finance Director Hans Kalwitz shared that the Town's general fund is in excellent position. Wake County has done a revaluation – 20% increase. Harnett County is doing a revaluation in 2022. We will be spreading salaries out across funds to allow us to hire individuals, if needed. Revenue for the Fiscal Year 2018-2019 exceeded what was budgeted. While this is a good sign, it is important that numbers are as accurate as possible, which requires additional analysis and assessment of incoming needs and projects. This accuracy is critical to ensure that the Town is executing on projects that need to be done. Currently, the Town is spending less money from the general fund than is being budgeted. In the coming budget year, the Town will be moving to improve the accuracy of the budget to better understand money coming in. Additionally, staff is in the process of creating a fund balance policy to help prepare the Town for future risks and needs.
- **Water/Sewer Enterprise Fund** – Hans similarly shared that this fund is in good shape. The Town may need to assess a rate increase soon to ensure funding is available for large infrastructure projects and needs. There has been increased water/sewer bill accuracy due to meter improvements across Town.
- **Budgeting Considerations for FY20-21** - Currently, the town has 84% of fund balance of your expenditures, you need to start using it to spend money for projects. We are looking at 50% so that we

can prepare for a disaster. It will be important for Angier to begin thinking through the creation of a disaster relief fund for future needs and where funds should be moved for debt service purposes to future projects. Money in the Town's North Carolina Capital Management Trust account has a 2.4% return. For a large part, growth can pay for itself, but there are many big-ticket infrastructure items that need to be considered. We need to start restoring the infrastructure we have in the ground now to handle roads and other infrastructure that comes from taking over subdivisions. Our goal is to stay within our means, but to make sure that we are planning appropriately.

Questions from the Commissioners

- Where is most of the sales tax money coming from? This is collected on the state level and then distributed from county and local level based on the zip code that it comes from. It may be helpful to delve into local options sales tax. Additionally, the greater number of commercial areas in town, the more tax revenue.
- Fiscally, what is a reasonable risk for the Town to take today to prepare for growth? We must ensure that we have the right number of employees to handle and manage the growth well.
- How do we prepare for the bypass – over 1000 homes coming from Wake County growth. How do you project that?

Financial Highlights/Take-Aways

- Need a fund balance policy
- Be bold
- Project conservatively and realistically amidst growth

Water/Sewer Infrastructure Projects – Bill Dreitzler, Jimmy Cook, Gerry Vincent

Gerry began the discussion by remarking on the value and importance of having a Town Engineer, and the great work being done by Bill. Bill outlined the project discussion by explaining that the projects presented provided a range of options based on the project work and debt level. Proposals spanned from 2 to 10 years in length.

a) Dunn Water Feasibility Study

The Town is projecting that 10 years out Harnett County will no longer be able to provide the water capacity needed. The County plans to do a system upgrade, but there is no commitment currently. The Dunn Feasibility Study examined another option and its technical feasibility. The project would bring water from the plant in Erwin to Angier, roughly 13.56 miles, would take three years to complete, and is estimated to cost \$7.6 million. Bill noted that the line size is 16-inches in diameter; this larger line is needed to maintain water pressure over a long distance. Staff continue to talk to communities that would be impacted by the line including Coats.

If this project is the desired option, the Town would need to assess current capacity and identify the appropriate project start date – project launch should begin when the Town needs additional water capacity in five years. This is the only project option based on all knowns.

The other project options are to continue discussions with Fuquay-Varina or Harnett County. At the current time, Dunn is the most willing partner and meets Angier's needs. Harnett Regional Water has the plant capacity but lacks the infrastructure to send additional water. Additionally, decisions may not be made until they update the County's Capital Improvement Plan. Partnering with Fuquay-Varina would require a plant upgrade and may result in future competition for water all partners continue to experience growth.

Gerry explained that the Town should include money in the budget to assess water and sewer rates. The study would allow Angier to build off the model, how to increase rates over time to pay for the project, and how loans can help pay for debt service.

Recommendations

- Authorize an update to the Town's Rate Study to account for future identified major capital improvement projects; estimated cost is \$10,000.
- Continue to evaluate future water supply options from Harnett Regional Water and Fuquay-Varina with acknowledgement that Dunn is preferred avenue of commissioners.
- Begin budgeting/saving for these future capital expenditures now.

Action: Approved by consensus of commissioners.

Questions from the Commissioners

- Will there be growth soon off 65, toward Coates? – Growth will happen there but depends on sewer accessibility. It will take a large-scale development to get a pump service there.
- Will there be issues with the line if not enough customers are utilizing the supply? Angier would pull water from Dunn into the Town's distribution system, so it would not be dormant. Additionally, there is no minimum for Harnett Regional Water so the Town can make decisions on the amount of water being brought in from Dunn and Harnett based on demand. Dunn's bulk rate is less expensive than the County – it would save \$35-\$40,000 a year.

b) Harnett County Wastewater Treatment Plant Expansion

Currently Angier owns 1 million gallons of wastewater capacity and is looking to expand to 2 million gallons. There would be no infrastructure investments required for the Town, only capacity costs. Mayor Smith asked if the Town would have to commit to that number every month? Staff explained that this would be determined when the plant expanded – there will be 8 million gallons of capacity to divvy up. This commitment will not be for a few more years, however the number is reasonable based on projected residential growth. (2800 homes equal 1 million gallons capacity – 931 already approved for build-out.) The Town is currently using 576k gallons and with total build out of approved developments will be at 66% of our existing capacity. Official planning for expansion will begin when the plant is at 80% capacity.

Recommendation:

- Keep tracking percentage of North Harnett plant and assess the plant capacity. Continue to monitor the available capacity in the North Harnett Regional Wastewater Treatment Plant as it approaches 80%.
- Continue to have open communication with Steve Ward, Harnett Regional Water Director regarding Angier's flow tracking and estimated future needs.
- Begin including capacity updates in packets for commissioners.
- Begin to set aside revenue for this project.

Action: Approved by consensus of commissioners.

c) Consider Existing Wastewater Treatment Plant

Bill explained that this is not a feasible option. Moving forward with updating the existing plant would cost a lot of money and time without confirmed approval from the state to discharge into the Cape Fear River. There would also be salaries for full plant maintenance and management to consider.

Action: Board decided to take no action at this time on studying existing plant.

d) Water Line Replacement – Old Downtown Core System

Study examined three projects to replace tanks totaling \$5 million. We will have to deal with this at some point, however we can currently operate the town on the core system. Town would prefer a higher-pressure system. Only payback would be downtown citizens with higher water pressure; old water pipes can't stand the pressure.

Recommendation

- Continue to keep our eye on funding sources (grants and low interest loans) to replace aging infrastructure. This conversation is subject to change due to vocalized elected officials at the legislature.

Action: Approved by consensus of commissioners.

e) Hwy 55 Bypass

This feasibility study was based on staff opinion on where development in Town is headed. The project would be great for system operation improvement but is very expensive. Additionally, cost estimates do not include the cost of purchasing the right-of-way. The Town would need to request to DOT that a water line is included in the project and pay for right-of-way and installation.

Recommendation

- Staff will continue the betterment process with NC DOT until costs are firmer.

Action: Approved by consensus of commissioners.

Commissioner Questions

- Can we include the right-of-way estimate in this project when more details emerge?

Public Works & Utilities – Jimmy Cook

- Several lift stations are dealing with capacity issues. The Town is currently conducting a study to examine 2-pump station capacity options. Official recommendations will be included in the budget/Capital Improvement Plan.
- The Board has emphasized revitalizing downtown as a priority and the public works budget and investments focus on this goal, including the addition of a public works employee (100 new homes will cover cost). Additionally, staff is working to conduct improvements beyond maintenance when/where development is already occurring.
- With increasing utility and infrastructure projects, the department is considering contracting out for landscaping services to free up staff. This strategy will enable staff to conduct smaller projects internally including mapping of all meters, water and sewer lines.
- The department will be working to develop an overtime policy to provide staff with further incentive as workload increases.
- Staff is assessing a software app that can track work orders and identify the cost of repairs to ensure the department is prepared for bigger needs.
- The department continues to balance being proactive and reactive. The largest benefit has come from meter change-outs - roughly 270 meters over the past 15 years ago. Leading this effort in-house has saved the Town roughly \$800,000.

Questions from Commissioners

- Will there be/is there training for new employees? The department offers collection and distribution school once employees have been here long enough and are working to ensure everyone is cross trained with a CDL license.

Department Reports

- **Planning, Zoning, & Code Enforcement – Sean Johnson**
 - The Town currently has a population of roughly 5900 people, based on 2.9 people per households. Regardless of future development, these numbers will grow. The Town will see \$1.3m in additional revenue from the 931 newly approved projects (spanning 5 years).
 - The department will be hiring additional personnel over the next few years to keep up with demand: (FY2020-2021) – Full-Time Permitting Technician, (FY2021-2022) – Full-time Building Inspection Officer that will replace Harnett County Inspections Agreement, (FY2022-2023) – Full-Time Planner. It is difficult to compete with salaries in the area, but this work is critical and will enable existing staff to focus their work. The number of code enforcement cases and total permits issued have gone up dramatically in the last few years.
 - On the horizon – the department will continually amend the UDO to better prepare for growth, work to update exist town codes based on 160D Land Use Law changes and continue to leverage the working relationship with CAMPO.
- **Parks & Recreation – Derek McLean**
 - General updates – The department will be adding a new picnic shelter with tables bolted to the ground, redoing the basketball court (12-15 years old), and fencing in general areas. Staff are also looking into prices for cameras for the park that can be monitored directly by the police and town hall. A new building for equipment will be needed soon.
 - The department will be applying for a PARTF grant for \$500,000 for a new community center. Currently, the consultant is in the process of the survey and application and will be done by mid-summer. This project is critical to expand Town programming, especially for younger and older populations that cannot adapt to extreme weather. Ultimately, the department would like to find land for the project within city limits that ensures the building is accessible to those without vehicle access. Staff will continue to look for willing partners (land donation, etc.) in exchange for naming rights or to fulfill open space land requirements.

Mayor Smith commented that the Community Center should be included in the Capital Improvement Plan.

- **Library - Katy Warren**
 - Updates in the current year – Security cameras were installed inside and outside of the building, and new furniture, new doors and new signage were purchased for the space. In a recent survey, 10,000 people said Angier is their home library. Recently, staff added 8 new programs through a partnership with Harnett County.
 - Staff are looking into the possibility of an external sign that says library, working to be more energy efficient, install new bookshelves, and make the office portion of the building friendlier for staff.
- **Police – Chief Yarborough**
 - The department has been able to get by in past years with no additional staff, however, there has been a dramatic increase in dispatch calls and a struggle to provide service and protect officers if any staff are out. Chief Yarborough will be recommending 1-2 additional officers in the coming year.

- **Downtown Angier – Christy Adkins**

- *NCSU Study* – This project is still underway but waiting for NCSU to finalize surveys and additional work.
- *Concert Series and Events* – Christy is working to finalize spring planting efforts and a concert series (three). Additionally, staff are working on launching a chess club to utilize chess tables and tournaments located at the depot, a town-wide block party with music and potluck food, a community garden next year, murals, and a brochure kiosk by the depot highlighting downtown businesses. Staff will continue ways to draw visitors to downtown including signage from main routes, bike racks, increasing the number of trash cans downtown, a barn quilt, dance floor at depot square (permanent vs. movable) and more.
- *Farmer's Market Concept* – The Town must decide if there is value in investing in a Farmer's Market building or utilizing movable structures to launch the effort. The building could be used for other
- *Grant Writing* – Gerry explained that commissioners should be aware that all departments will now have lines for grant funding in budget documents. The Town will be working to utilize its grant writer as much as possible and identify as many grant opportunities as possible.

Recommended Actions from Board:

Investigate other towns (Clayton, Carrboro, Fuquay-Varina) and their management of permanent structures, how they encourage vendor participation, and multi-purpose spaces. Assess the potential for phasing of the project, making a multi-purpose building, and nearby properties and connecting downtown assets (depot, parking, restrooms, old schoolhouse, etc.)

New Town Hall/Police Headquarters and Library Renovation

Town staff have been working to understand what similar-sized communities did well and lessons learned from the development of their town halls. Most importantly, peers emphasized the struggle to properly plan for the growth in staff. The project is critical to separate the police department from the rest of town hall staff, both for security and grant-opportunity reasons.

Recommendation

- Appropriating \$3,500 to move forward with studying/planning.
- Putting money aside in the Capital Improvement Plan for the project.
- Provide talking points for commissioners that help to articulate justification for project. Covering the difference between facility needs and beautification, cost-benefit analysis (customer service, growth figures, economic savings).

Action: Approved by consensus of commissioners

Debrief

What went well?

- Communication and thought processes explained
- Patience
- All participants open to new ideas
- One day (instead of two half days)
- Location (Campbell Campus)

- Printed PowerPoints
- Good flow of retreat and discussion
- Lunch!

What could be improved?

- Lack of a hand-held microphone or audio device
- No projector

Parking Lot Items

- Money match for sidewalk projects
- Entry signs for Town
- “Unclutter Tour” of Downtown
- Electronic Sign at Intersection