



**OAK RIDGE TOWN COUNCIL MEETING
APRIL 4, 2013 - 7:00 P.M.
OAK RIDGE TOWN HALL**

MINUTES

Members Present

Ray Combs, Mayor
Roger Howerton, Mayor Pro Tem
Danny Yanusz
George McClellan
Spencer Sullivan

Staff Present

Sandra Smith, Town Clerk
Bruce Oakley, Town Manager
J. Michael Thomas, Town Attorney
Sam Anders, Finance Officer

1. CALL TO ORDER

Mayor Ray Combs called the meeting to order at 6:59 p.m.

A. Invocation

B. Pledge of Allegiance

2. APPROVE AGENDA

Mayor Pro Tem Roger Howerton made a **motion** to approve the April 4, 2013, meeting agenda. **Councilman George McClellan** seconded the motion, and it was passed unanimously (5-0).

3. APPROVE MINUTES OF MARCH 7, 2013, MEETING

Councilman Danny Yanusz made a **motion** to approve the March 7, 2013, meeting minutes. **Councilman McClellan** seconded the motion, and it was passed unanimously (5-0).

4. RESOLUTIONS, PROCLAMATIONS, ANNOUNCEMENTS

Resolution regarding Senate Bills 363 and 394. Mayor Combs asked Councilman Spencer Sullivan to read the following resolution into the record:

A RESOLUTION URGING THE NORTH CAROLINA GENERAL ASSEMBLY TO AMEND SENATE BILLS 363 AND 394 TO PRESERVE BALANCED MUNICIPAL REVENUES

WHEREAS, the Town of Oak Ridge supports efforts to ease the tax burdens on North Carolina citizens and to encourage economic development; and

WHEREAS, the Town of Oak Ridge operates an efficient government with a minimal property tax burden on its citizens; and

WHEREAS, Senate Bills 363 and 394 as proposed would reduce personal income tax rates, corporate income tax rates, corporate fees, and corporate charges, while reducing revenues for cities and towns; and

WHEREAS, these bills as proposed will lower or eliminate sales tax, franchise fee, and privilege license fee revenues for the Town of Oak Ridge and all other North Carolina municipalities; and

WHEREAS, there is no provision in these bills that would provide cities and towns with alternative revenue sources for this lost revenue; and

WHEREAS, passage of these bills as proposed will create a significant imbalance in the sources of municipal revenues in North Carolina, which historically and successfully have been balanced respectively between commercial or business sources and individual citizens in order to pay for the services desired by the businesses and citizens in each town or city and provided for by their elected representatives at the local level; and

WHEREAS, passage of these bills will result in the loss of significant funding sources for the Town of Oak Ridge and other North Carolina municipalities and may result in the imposition of additional property taxes on individual citizens;

NOW, THEREFORE, BE IT RESOLVED, that the Town of Oak Ridge does call on the members of the General Assembly to amend Senate Bills 363 and 394 to preserve balanced municipal revenues and specifically to preserve sales tax, franchise fee, and privilege license fee revenues for Oak Ridge and all other North Carolina municipalities. The Clerk is directed to send a copy of this resolution to each of the members of the General Assembly representing the people of the Town of Oak Ridge, to North Carolina Senate President Pro Tempore Philip E. Berger, Sr., and to North Carolina House Speaker Thom Tillis.

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Combs explained that there was currently a Senate bill proposed that would eliminate franchise fees from Duke Energy, cable companies, natural gas providers, etc. These fees currently make up about 25 percent of the Town's revenue. In order to replace this revenue in Oak Ridge, Combs said a property tax increase of about 3 cents per \$100 of assessed property value would be required.

Mayor Combs made a **motion** to adopt the resolution. **Councilman McClellan** seconded the motion, and it was approved unanimously (5-0).

Resolution to Protect the N.C. Parks and Recreation Trust Fund (PARTF). Mayor Combs asked Councilman McClellan to read the following resolution into the record:

A RESOLUTION TO MAINTAIN AND SUPPORT THE CURRENT INTEGRITY AND FUNDING FOR THE PARKS AND RECREATION TRUST FUND (PARTF)

WHEREAS, North Carolina is known for its unique and scenic natural resources and opportunities for recreation with a long tradition of its citizens and visitors enjoying parks, mountains, rivers, greenways, beaches and more. Generations of residents and visitors have delighted in these landscapes and park facilities; and

WHEREAS, the Parks and Recreation Trust Fund (PARTF) was established with bipartisan support on July 16, 1994, to fund improvements in the state's park system, to fund grants for local governments and to increase the public's access to the state's beaches and coastal waterways; and

WHEREAS, since its inception the Parks and Recreation Trust Fund has provided \$161 million via 722 grants to 370 local governments in 99 counties and has been matched with \$312 million of local and private dollars for the purchase of local park land, building and renovation of facilities and development of greenways and trails; and

WHEREAS, North Carolina's population has grown to make it the 10th most populous state in the nation with projections for the significant growth to continue in the coming decades, and more state and local parks are needed to meet the increased demands; and

WHEREAS, parks are identified as key contributors to North Carolina's tourism industry that generates nearly \$20 billion in annual economic impact; and

WHEREAS, parks in North Carolina are experiencing record visitation levels including over 14.25 million to state parks in both 2011 and 2012; and

WHEREAS, the Parks & Recreation Trust Fund has leveraged funds that allowed our State to acquire land for state parks and state natural areas and protected nearly 83,000 acres and made major additions to the Mountains-to-Sea State Trail; and

WHEREAS, the Parks & Recreation Trust Fund has funded capital improvement projects in the state parks such as visitor centers and exhibit halls which provide tremendous opportunities to educate students and all citizens about North Carolina's outstanding natural resources, and other capital projects including campgrounds, picnic areas, boating facilities, trails and swimming beaches; and local capital projects including construction of community centers, athletic fields and greenways; and

WHEREAS, the annual economic impact to local economies of all tourists visiting the state parks system was estimated at more than \$400 million in sales and income, as well as nearly 5,000 jobs according to a 2008 study; and

WHEREAS, a portion of the Parks & Recreation Trust Fund is designated for the Public Beach and Coastal Waterfront Access Program to improve access to beaches and coastal waterways by funding public boat ramps and public beaches accesses; and

WHEREAS, access to parks, recreation facilities and open space provides cost-effective opportunities for citizens of all ages to participate in health and wellness activities thereby reducing costs associated with obesity, heart disease, diabetes and high blood pressure; and

WHEREAS, research has documented that structured park and recreational opportunities in local communities can prevent crime and provide positive activities and directions for young people; and

WHEREAS, dedicated, recurring funding of the Parks & Recreation Trust Fund allows for structured and objective planning and efficient management of the system at both the state and local levels for today and future generations; and

WHEREAS, the success of the Parks and Recreation Trust Fund is due to the dedicated funding source provided by a portion of the deed stamp tax, and is recognized nationally as a model for efficiency and accountability;

NOW, THEREFORE, BE IT RESOLVED, that the Town of Oak Ridge does call on the members of the General Assembly to maintain dedicated revenues generated by seventy-five cents of the deed stamp tax for the Parks and Recreation Trust Fund.

The Clerk is directed to send a copy of this resolution to each of the members of the General Assembly representing the people of the Town of Oak Ridge and the North Carolina Recreation and Park Association.

* * *

Councilman Yanusz made a **motion** to adopt the resolution. **Mayor Pro Tem Howerton** seconded the motion.

Discussion: Councilman McClellan said it was a shame that the legislature, who it seems is waging a kind of war on the small towns, failed to recognize what an asset PARTF grants are to small towns. McClellan said he believed in recreation and in maintaining the PARTF grant funding, and that the park was one reason Oak Ridge had a fairly vibrant business community.

A vote was taken on the motion, and it was passed unanimously (5-0)

5. TOWN MANAGER'S REPORT

Town Manager Bruce Oakley reported:

- Guilford County was sponsoring an event on Saturday, April 6, in which residents could bring computers, TVs, paint, used motor oil, etc. to the Greensboro Coliseum for proper disposal.
- The Governor had proclaimed April 13-27 as Litter Sweep 2013. Any groups that wished to participate could contact Oakley for more information.

6. CITIZEN COMMENTS

- Doug Nodine, president of Preservation Oak Ridge, gave an update on refurbishment of Ai Church. Nodine said work on the subfloor and insulation inside the building were almost finished. With volunteer help, the vestibule – which has been missing from the front of the structure since 1955 – was scheduled to be rebuilt the following week. Cookbooks are almost sold out, with the help of a recent article in *Our State* magazine. A gospel sing fundraiser featuring groups from North Carolina and Virginia will be held April 27 at Bonner Field House on the campus of Oak Ridge Military Academy.

8. MONTHLY FINANCIAL UPDATE

Finance Officer Sam Anders presented:

- The Town maintains its strong balance sheet position, with \$2.66 million in total assets and \$29,667 in total liabilities.
- The Town has completed the \$1 million payment on the park loan.
- Investments at banks are still primarily in money market accounts because they are giving a better rate of return.
- The draft 2013-14 budget will be presented by the Finance Committee later in the meeting.
- Preliminary audit work will begin in June.

Councilman McClellan made a motion to accept the monthly financial report. **Councilman Sullivan** seconded the motion, and it was passed unanimously (5-0).

9. COMMUNITY UPDATES

A. Finance Committee

Chairman John Jenkins presented the draft 2013-14 fiscal year budget, which shows about \$1.2 million in revenues and \$1 million in expenses with approximately \$197,000 going into the fund balance. Jenkins said the Committee had discussed a request for \$20,000 for sidewalk construction; the Committee felt the issue should be discussed further by Council, so the funding was not included in the draft budget.

Mayor Combs explained that the procedure is that tonight's budget presentation will be followed by two public hearings, which will be held at the May and June Council meetings. Copies of the budget are available for review, Combs said. Discussion by the Council will take place at the May 2 meeting, and then the budget – with possible changes – will be adopted by the Council on June 6.

B. Pedestrian Plan

Oakley reported that the Committee did not meet the previous month. The Committee will be presenting a draft to the Planning & Zoning Board, then hold a public hearing on the plan and hopefully have it ready for adoption by Council at its June 6 meeting.

C. Fire Department

Chief Steve Simmons reported:

- In the previous month, the Department responded to 52 calls, 28 of which were of a fire or service nature. The average response time was 4 minutes.
- The department also gained 223 hours of training, installed eight car seats, and attended four public education events.

- The BBQ and Easter egg hunt were well attended; Simmons thanked the community for its support.

C. Historic Preservation Commission

Vice Chair Debbie Shoenfeld reported:

- The Commission did not meet the previous month, but with the help of Town Clerk Sandra Smith, they were continuing to work on wording for the historic markers.

E. Parks and Recreation Commission

Chair Bill Edwards reported:

- The Commission met with members of the Oak Ridge Youth Association Board of Directors and ironed out some issues.
- Work is continuing on infrastructure in the park, including clearing of the dog park area.
- Canine Capers, a fundraiser for the dog park, is planned for May 4.
- Mountain bike trails are being constructed and will be officially opened at RidgeFest.
- Planning continues for RidgeFest, which looks to be a great event this year.
- A group of Girl Scouts donated an owl house to the park, which has been placed in the back field area.

Mayor Combs recognized Liz Tice, who was in attendance at the meeting and who has applied to serve on the Parks & Recreation Commission.

F. Planning and Zoning Board

No report

G. Board of Adjustment

No report

10. CITIZEN COMMENTS

- None

11. COUNCIL COMMENTS

- **Mayor Pro Tem Howerton** thanked the members of Town committees.
- **Councilman Yanusz** said as a dog owner, he was excited about the work on the dog park. He said he would urge people in his “dog social circle” to attend the Canine Capers fundraiser.

- **Councilman McClellan** said this had been a tough session in the state legislature for cities and towns. He said he had worked with a local representative on an amendment to a bill that had been presented that would abolish all areas of Extraterritorial Jurisdiction (ETJ). He said when he elected the current legislators, he wanted them to go after income and corporate taxes, but said he expected them to leave the income of the small towns alone. He encouraged citizens to get involved in government.
- **Councilman Sullivan** said he agreed with McClellan, saying the move to take revenue away from local budgets and then decide whether to give any of it back to municipalities seems to be not only a money grab but a power grab. Sullivan then congratulated Howerton on his birthday, which was the previous day and the same day as Sullivan's.
- **Mayor Combs** said some of the bills being introduced in the legislature are hard on the small towns. Although their purpose may be to curtail the power of the larger cities, the aftermath would be difficult on the small towns. As written, one bill would also require sales tax to be charged on services such as real estate commissions or if an electrician is hired to do work in a home – something Combs said would be “robbing Peter to pay Paul.”

12. CLOSED SESSION

Mayor Combs stated the reason for the closed session, which was to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body pursuant to N.C.G.S. 143-318.11(a)(3).

Councilman McClellan made a **motion** to go into closed session at 7:33 p.m. **Councilman Yanusz** seconded the motion, which was passed unanimously (5-0).

Councilman Yanusz made a **motion** to return to open session at 8:07 p.m. **Councilman McClellan** seconded the motion, which was passed unanimously (5-0).

Mayor Combs stated that no action had been taken by Council during the closed session.

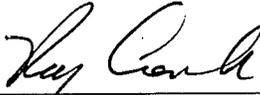
13. ADJOURNMENT

Councilman McClellan made a **motion** to adjourn the meeting at 8:08 p.m. **Mayor Pro Tem Howerton** seconded the motion, and it was passed unanimously (5-0).

Respectfully Submitted:



Sandra B. Smith, Town Clerk



Ray Combs, Mayor