



OAK RIDGE TOWN COUNCIL MEETING
JUNE 4, 2015 – 7:00 P.M.
OAK RIDGE TOWN HALL

MINUTES

Members Present

Ray Combs, Mayor
George McClellan
Mike Stone
Jim Kinneman

Staff Present

Michael Thomas, Town Attorney
Bruce Oakley, Town Manager
Sandra Smith, Town Clerk
Sam Anders, Finance Officer
Bill Bruce, Planning Director

Members Absent

Spencer Sullivan, Mayor Pro Tem

1. CALL TO ORDER

Mayor Ray Combs called the meeting to order at 7:00 p.m.

A. Invocation.

B. Pledge of Allegiance.

2. APPROVE AGENDA

Councilman Jim Kinneman made a **motion** to approve the meeting agenda. **Councilman George McClellan** seconded the motion, and it was passed unanimously (4-0).

3. APPROVE MINUTES OF THE MAY 7, 2015, MEETING

Councilman McClellan made a **motion** to approve the meeting minutes. **Councilman Mike Stone** seconded the motion, and it was passed unanimously (4-0).

4. RESOLUTIONS, PROCLAMATIONS, ANNOUNCEMENTS

None

5. TOWN MANAGER'S REPORT

Employee benefits.

Oakley reported that the Town's benefits plan for employees has an option for long-term disability, but the insurance company will only provide it if the Town purchases it and does so for all employees. Oakley said he had researched and learned the coverage was only \$1,000 per year for all employees.

Councilman McClellan made a **motion** to provide the additional benefit for employees at the Town's expense. **Councilman Kinneman** seconded the motion, and it was passed unanimously (4-0).

6. PUBLIC HEARING

2015-16 Fiscal Year Budget.

Proponents:

- Finance Committee Chair John Jenkins again presented the proposed 2015-16 fiscal year budget, which is hereby incorporated by reference and made a part of the minutes. Jenkins said the budget had been well vetted by the Finance Committee, that it reflects the conservative nature of the Town, and that there will be no increase in property taxes. He said the budget proposed over \$200,000 going into the fund balance.

Opponents:

- Chuck Salmon thanked Jenkins and the Finance Committee for putting the budget together. He said the proposed budget would add \$214,000 of surplus money to the fund balance, and that the 2014-15 fiscal year budget added about \$250,000 to surplus. He said the Town has about \$3 million in reserves, and that the tax rate is about three times what Summerfield charges. He said there was building going on in Oak Ridge, which will further increase the amount of property taxes collected, but despite that, the tax rate had not changed. Salmon said he would like to see the Town Council address why the tax rate was so high and why it cannot be lowered to be in line with other small towns in Guilford County.

Rebuttal – proponents:

- Carl Salyer said he had been a member of the Finance Committee since its inception, and that when the Town started charging a property tax, the Committee spent much time trying to figure out what a good, stable tax rate was to replace the income lost when the County changed the sales tax distribution method. He said the stable tax rate had allowed him and his neighbors to budget and plan for what their annual property tax would be. He said because Stokesdale has no property tax, it does not get a portion of the sales tax distribution, and that Summerfield's tax rate had changed frequently, with it being eliminated completely one year. Salyer said the majority of property tax money goes toward the park, which is the envy of people from other places. He said the Town had no idea what big expenses might come in the future, but the Finance Committee planned to continue using its current process and being diligent.
- Frank Whitaker, also a member of the Finance Committee, said the \$3 million in reserves is not completely free and clear. He said the Town is required by law to keep a certain amount in reserve, and that if the Town paid off its debt on the park property, that would decrease the \$3 million figure significantly.

Rebuttal – opponents:

- Chuck Salmon said he appreciated what Salyer and Whitaker had said, but that since the Town had incorporated, it had built the park. He said he believed the outstanding debt on the park was just under \$1 million, so that would still leave the Town with \$2 million. He added that \$200,000-\$250,000 was being added to the fund balance each year, and wondered when the Town will stop. He said when the amount in the fund balance is 1.3 times the annual budget, that amount is a lot of money to be sitting around only earning \$8,000 a year in interest. He said he thought it was time the Town Council thought the Town had enough money and started thinking of decreasing the tax rate as more and more houses are being built here.

Council questions/comments:

- Councilman McClellan said the Finance Committee had done an excellent job and that he was cognizant of folks as they prepare their own family budgets. He said there had never been a tax increase, and that the Town needs to be looking at future needs, which might include adding to the park or building sidewalks, as well as potential changes made by the legislature that could greatly affect it. He said he thought this was a good budget, and he invited Salmon to join the Finance Committee.
- Councilman Kinneman agreed that the Town needs to keep an eye on changes at the state level, so he did not think it was prudent to consider lowering the property tax rate now. He said the Finance Committee considers the tax rate every year, so he is comfortable with it. Kinneman said as areas in the Town's Extra-Territorial Jurisdiction (ETJ) area become part of Oak Ridge, the Town has to consider whether the tax rate is appropriate. Kinneman said comparing Oak Ridge to Summerfield and Stokesdale is challenging, because the situations are different. He said Stokesdale had built some things in recent years that it might not have the revenue to support. He told Salmon he understood what he was saying and that the budget needs to be looking at critically every year. While he did not think the budget should be changed this year, he said it should be carefully considered every year.
- Councilman Stone said he thought the stability of the tax rate had been an advantage. He said he is a big supporter of low taxes, and that people tend to forget when you lower their taxes, but they remember when they are raised again. He said he had also heard rumblings about things happening in Raleigh and in Guilford County, and that it was somewhat scary, since both could affect the funding that the Town receives – even by a catastrophic amount. He said property values in Oak Ridge continue to increase, and he thought part of that was because of the park, what he referred to as “the gem across the street.” He said the Town may be able to decrease taxes at some point, but he thought the budget that was presented was sound, well thought out and not a rubber stamp of last year's budget.
- Mayor Combs told Salmon that he appreciated the fact that he had carefully read the budget – something few citizens do. He said the tax base of Summerfield is roughly twice as big as Oak Ridge's because Summerfield is so much larger. He added that where Oak Ridge has \$3 million in reserve,

Summerfield has about \$8 million. Combs said he was a member of the Finance Committee when the first tax rate was considered, and that committee spent much time considering what the tax rate should be. He said the Town had three goals in mind when that first tax rate was set – building a town hall, building a town park, and creating a municipal water system. Combs said the budget included money that has been set aside for capital projects, and that the fund balance includes the nearly \$1 million the Town still owes on the park property. He said thus far, the county sheriff had been very supportive of the small towns, but that a new sheriff could decide to no longer provide law enforcement services to the towns, which could require them to create their own police departments. He said a study was done a few years ago, and the cost for a town police department was astronomical. He said he was very thankful for Sheriff B.J. Barnes and his support. Combs said when the park debt is paid off and amenities at the park are where the Town wants, there could still be the need to create a water system and pay for law enforcement, which was why he supported the budget and continuing to add to the fund balance.

Councilman McClellan made a motion to approve the 2015-16 budget as submitted. **Councilman Kinneman** seconded the motion, and it was approved unanimously (4-0).

7. **NEW BUSINESS**

Sketch Plan Case #15-09. Bridgehead Road Proposed RPD (Rural Preservation District). The property is located on the west side of Bridgehead Road, approximately 1,900 feet south of Oak Ridge Road, in Oak Ridge Township and is Guilford County Tax Parcels 0167806 and 0167835. The sketch plan consists of 28 proposed lots, open space, and right-of-way dedication for a total of approximately 29.338 acres. Current Zoning: AG, Greensboro (GW-III) Watershed. Proposed Zoning: RPD. Applicant: Anthony Donato. Surveyor: Triad Land Surveying, PC. **This is a technical review only. If approved the sketch plan will accompany the applicant's rezoning application and be subject to Planning and Zoning Board and Town Council public hearings. Approval of the sketch plan does not constitute approval of the rezoning.**

Planning Director Bill Bruce read the property description into the record, presented the staff report, which is hereby incorporated by reference and made a part of the minutes, and told Council that this is a technical review only. He said the sketch plan is being reviewed as part of the requirements of the Development Ordinance. If a rezoning application is received, the sketch plan will become a part of that rezoning. The purpose of the sketch plan review is to ensure that the development could meet the requirements of the Development Ordinance if a rezoning is approved. Bruce said approving the sketch plan does not ensure whether the property will be rezoned or not, because that is a separate process. He said he recommended the sketch plan be approved, and the Planning & Zoning Board also recommended approval by a 6-1 vote.

Council members made comments and asked questions which included:

- Councilman McClellan: Would the area to be developed with houses be the 14 or so acres in the center of the map? Bruce said yes.

- Councilman McClellan: Does the plan meet the Jordan Lake Watershed Rules? Bruce said he had no reason to think it would not, but the full plan has not been submitted.
- Councilman Kinneman: Is this the time to talk about trails? Bruce said trails could be discussed now or later in the process, but now would be the time if the Council thought including the trail on the sketch plan was important. Bruce said there was no requirement that the trail have public access.
- Councilman Kinneman: He had hoped someone representing the applicant would be present. He said he was glad there was a stub street included on the plan, but said he thought the likelihood that it would ever be connected was fairly remote because of its proximity to where Bridgehead Road meets N.C. 150/Oak Ridge Road. He said he had serious concerns about possible future development on the road and whether this stub street would ever have any use.
- Councilman Stone: With the proposed well location on the plan, would enough trees have to be cleared so that it might affect the 20-percent tree preservation requirement? Bruce said the area around the well and the access road would need to be cleared, and it was a possibility that additional trees might have to be planted if too many were required to be removed. He said that level of detail was not included on the sketch plan.
- Mayor Combs: He was a little miffed that no one representing the applicant was present, but said perhaps there had been some miscommunication regarding the meeting. Combs said he wanted to reiterate that approval of the sketch plan has nothing to do with whether the property rezoning would be approved.
- Mayor Combs: Is Bridgehead Road state maintained? Bruce said yes.
- Mayor Combs: Would Bridgehead Road or its intersection at N.C. 150/Oak Ridge Road need to be improved? Bruce said those answers were up to N.C. DOT. Combs also asked if information on traffic counts, proposed road improvements, etc. be known prior to the rezoning meeting. Bruce said he hoped to have a general idea of what road improvements were required by that time, but that the developer would need to apply to N.C. DOT for permits.
- Mayor Combs: Is the Council seeing the most recent version of the plan, since neighbors say they have seen a different version? Bruce said this is the plan submitted to the Town. He added that if significant changes were made, the developer would have to return to the Town for approval for any revisions.
- Councilman McClellan: Would the access road to the well also be locked in if the sketch plan is approved? Bruce said it would likely be a gravel drive and its location was flexible; the sketch plan seeks to lock in the major roads and elements of the plan.
- Councilman Stone: Does the access to the well have to be separate from the walking trail easement? Bruce said it could be the same, because the road to the well would not likely be used by vehicles very often.

Councilman Stone made a **motion** to accept the sketch plan as presented. **Councilman Kinneman** seconded the motion, and it was passed unanimously (4-0).

8. CITIZEN COMMENTS

None

9. MONTHLY FINANCIAL UPDATE

Finance Officer Sam Anders presented the monthly financial report, which is hereby incorporated by reference and made a part of the minutes. Anders also reported that the Finance Committee had recommended approval to purchase a new tractor for the Town park, which would result in a decrease in the fund balance of about \$27,000. In addition, he requested the Council approve authorization for a budget amendment to balance the budget as of the end of the 2015-16 fiscal year on June 30. Anders said a balanced budget is required by law as of the end of the fiscal year, and he would report on any amendments made at the July meeting. Finally, Anders requested approval of the contract with Dixon Hughes Goodman to perform the annual financial audit.

Councilman McClellan made a **motion** to approve the financial report. **Councilman Stone** seconded the motion, and it was passed unanimously (4-0).

Councilman Kinneman made a **motion** to approve a budget amendment for the purchase of a tractor. **Councilman McClellan** seconded the motion, and it was passed unanimously (4-0).

Councilman McClellan made a **motion** to authorize Anders to make year-end budget amendments. **Councilman Stone** seconded the motion, and it was passed unanimously (4-0).

Councilman Stone made a **motion** to approve the audit contract with Dixon Hughes Goodman. **Councilman McClellan** seconded the motion, and it was passed unanimously (4-0).

10. COMMUNITY UPDATES

A. Parks & Recreation Commission

Chairman Bill Edwards reported:

- A successful RidgeFest event was held recently, and gave kudos to Randy Floss and the Merchants Association of Oak Ridge for the hard work done.
- Three more Eagle Scout projects were completed at the Park, and one more is in the works.
- Future events include Canine Capers, Music in the Park and Movies in the Park.
- The final permit for septic at Phase II of the park has been approved.

B. Historic Preservation Commission

HPC chair Ann Schneider reported:

- The Commission did not meet in May, but had a meeting scheduled for June 10 to review two Certificates of Appropriateness (COAs).
- Susan Kluttz, the secretary of the N.C. Department of Cultural Resources, recently paid a visit to Oak Ridge to receive a resolution supporting legislation reinstating the Historic Preservation Tax Credit, and Schneider then took her for a tour in the Historic District.

C. Fire Department

Chief Steve Simmons reported:

- The department had responded in May to 75 calls (41 medical, 34 fire/service related) and had received 245 hours of training.
- He said that grills are a "hot item" this time of year, and warned residents to keep the lid open when lighting a gas grill, inspect the grill for possible gas leaks, do not store gas canisters indoors, and never leave any type of grill unattended.

D. Finance Committee

No additional report

E. Planning & Zoning Board

Doug Nodine, Planning & Zoning Board chair, said the Board met in May and voted 6-1 to recommend approval of the sketch plan that Council discussed earlier in the meeting.

F. Board of Adjustment

No report

11. CITIZEN COMMENTS

- Town Clerk Sandra Smith invited dog owners to the Canine Capers event at the park and told them raffle tickets were on sale at Town Hall to benefit the dog park.
- Micah Spencer commented on the tax rate and said it was good to keep it low to encourage businesses to locate here. Spencer also said he was supportive of the current sheriff, but asked what would happen if a new sheriff refused to provide protection to the Town. Mayor Combs said hopefully the Town could still contract with the sheriff's department for law enforcement, although the Town would still have to pay for it.
- Patti Paslaru commented on the successful e-cycling/recycling event held at the Town Park in December; she asked if another such event was planned. Town Manager Oakley said he had discussed it with Guilford County and they hoped to provide another such event later this year.

12. COUNCIL COMMENTS

- **Councilman McClellan** thanked the Merchants Association of Oak Ridge for their work at RidgeFest, and said he was watching legislation in the Senate that could affect the Town.
- **Councilman Kinneman** said he had a great time at RidgeFest, particularly because he had beaten McClellan and Stone at raising money for charity in the dunk tank. He reminded attendees of the importance of donating blood, and said the bimonthly blood drive would be held at Oak Ridge United Methodist Church the following week.
- **Councilman Stone** thanked the Town's volunteers and commented on a great RidgeFest event. He then spoke about FedEx twin trailers that continue to use local roads illegally despite a letter from the mayor to FedEx asking that it not continue to occur. He said he had spoken to a FedEx representative, and he asked Oakley to also reach out to FedEx again about the issue. He suggested the Town might need to pass a resolution saying it did not want FedEx doing business with the Town if the issue continued.
- **Mayor Combs** said he had written a letter to FedEx's president, but it appeared that the president had no control over his employees. He asked Oakley to find out what agency enforces twin trailers that illegally use local roads, and he encouraged citizens to photograph or get the number of any FedEx trailers doing so. He thanked Stone, and said he hoped to find a solution to the ongoing problem. McClellan commented that it was not only FedEx using twin trailers on the Town's roads.

13. ADJOURNMENT

Councilman Kinneman made a motion to adjourn the meeting at 8:23 p.m. **Councilman McClellan** seconded the motion, and it was passed unanimously (4-0).

Respectfully Submitted:


Sandra B. Smith, CMC, Town Clerk


C. Spencer Sullivan, Mayor Pro Tem