

**CITY OF GRAHAM
SPECIAL SESSION
THURSDAY, MARCH 23, 2017
8:30 A.M.**

The City Council of the City of Graham met in special session at 8:30 a.m. on Thursday, March 23, 2017, in the Council Chambers of the Municipal Building located at 201 South Main Street.

Council Members Present:

Mayor Jerry Peterman
Mayor Pro Tem Jimmy Linens
Council Member Griffin McClure
Council Member Chip Turner
Council Member Lee Kimrey

Also Present:

Frankie Maness, City Manager
Aaron Holland, Assistant City Manager
Darcy Sperry, City Clerk
Jeff Prichard, Police Chief
John Andrews, Fire Chief
Tonya Mann, Utilities Director
Burke Robertson, Street Superintendent
Brian Faucette, Recreation & Parks Director
Sandra King, Finance Officer

Mayor Jerry Peterman called the meeting to order and presided at 8:30 a.m. Mayor Pro Tem Jimmy Linens gave the invocation.

Fiscal Year 2016-2017 Budget Status and Project Updates

City Manager Frankie Maness briefly explained that the purpose of the meeting was to provide information about major topics that will affect the upcoming budget cycle. Mr. Maness presented an overall update on the status of the Fiscal Year 2016-2017 Budget and various projects underway. He stated that generally speaking, our budget numbers are progressing as expected, adding that ad valorem tax on property, sales tax collection revenues and the Water & Sewer Fund numbers look to be in line with what was projected.

Mr. Maness went on to give some preliminary numbers that he has seen from the Alamance County's Revaluation recently done. Council Members and Staff expressed concern that generally speaking, approximately 65% of Graham's property values have depreciated. Staff has concluded that based on the preliminary numbers they have seen, the City's overall tax base increase of 6% is driven by new development and less by the general appreciation of existing development. Mr. Maness stressed the importance of having a more balanced tax base.

Mr. Maness advised that the City's health insurance, even with a discount for employee participation in wellness programs, is expected to see a significant rate increase, as the actual expense to expected ratio this year is 167.4%. He also spoke on employee succession, highlighting that within ten years, 88% of employees in leadership positions will become eligible for retirement. He added that we will be launching a performance and developmental evaluation program this July and have already instituted an internal leadership training program called "Graham Boot Camp" in an effort to retain and train employees for future leadership positions.

Discussion of 2018-2022 Capital Improvement Plan

Assistant City Manager Aaron Holland explained the purpose of the Capital Improvement Plan (CIP) is to identify, prioritize and schedule for the procurement of capital infrastructure, facilities and equipment over a multiyear period. He added that capital planning is an important management tool that strengthens the linkages between community infrastructure needs and the financial capacity of the City. Mr. Holland spoke of several projects done throughout this budget year and those areas that still need attention throughout the City. Mr. Holland advised that in the coming days, he will finish putting together the justification pages for the CIP and will make it available to Council for review. Council Members and Staff briefly discussed the proposed 2018-2022 Capital Improvement Plan Summary draft.

Discussion of 2017-2018 Budget with Department Heads

Fire Chief John Andrews spoke about the various renovations that have been done to the existing fire station. He is requesting a brush truck, a new Fire Inspector vehicle, a new fire engine and two additional fulltime fire personnel as well as one training officer. As in previous years, he also suggested that we seriously start the planning process for a new fire substation that will help to better serve Graham as it grows. He advised that we are at the State limit of a five mile radius for response. Staff and Council discussed the possibility of a new multi-purpose building, the need for new radios due to outdated technology and the decline in interest of volunteer fire personnel, which is leaning towards the need for more paid fire personnel to effectively service the businesses and citizens of Graham.

Mr. Holland spoke on behalf of the Information Technology, Inspections and Planning and Zoning Departments. He spoke of the computer replacement program we have implemented and identified relocating the server room in the Police Department, Wi-Fi for the Downtown Business Area and a new sound system for the Council Chambers as requests for the upcoming year. Mr. Holland added that the Inspections Department is requesting a new truck while the Planning Department is requesting additional personnel to help grow that department.

Recreation and Parks Director Brian Faucette addressed the need for a new 14 passenger mini-bus, new park signs, renovations of the Arts Council, a new inclusive playground, a new football and soccer complex, door lock system at the the Recreation Center and Civic Center, new flooring at the Recreation Center and retractable bleachers. In addition, he spoke about the new park and the Parks and Recreation Trust Fund (PARTF) grant recently awarded to the department for the new park. Mr. Faucette identified the need for security fencing for the City's water supply, a floating dock and a canoe and kayak launch area as the biggest needs at the Graham-Mebane Lake. He concluded by stating that a new utility truck and a 5 Gang Rotary Mower are needed by the Athletic Facilities Department.

Utilities Director Tonya Mann identified the need for cured in place sewer pipe lining, chemical root treatment, Staley Street sewer main relocation, sewer manhole rehab and a new tractor as the Water and Sewer Distribution Department's biggest needs. She spoke of the need for spare pumps, upgrading the PLC programming for lift stations and upgrading lift station communications for the Maintenance and Lift Station Department. For the Water Treatment Plant she is requesting pump house roof repair, autoclave, enclose the bleach bulk tanks and repair recoating of the old basin deck. Requests for the Wastewater Treatment Plant are digester blowers, sludge mix pump, market forge sterilmatic sterilizer, replace seal water pump, rebuild raw water pump #4, primary scum pump and a new hach spectrophotometer.

Finance Director Sandra King spoke of the Water Billing's computer replacement program.

Police Chief Jeff Prichard highlighted the need for a CAD and RMS data switch, upgrades to the Police Department's firing range, E crash server, taser replacement, upgrade the Police Department's flooring, replace the HVAC system, mobile-vision L-3, an additional four (4) officers and three (3) new police vehicles in the upcoming fiscal year. He also added that while not on this CIP, there will be a need for new radios in the future as technology becomes outdated.

Streets Superintendent Burke Robertson identified street resurfacing, pedestrian sidewalks and the Marshall, Travora, Pomeroy storm drain project as the biggest needs in the Streets and Highways Department. He indicated that we are currently averaging two miles of paving per year – while we should be completing four miles per year. He stated that the Sanitation Department is requesting to replace the rear loading refuse truck. Mr. Robertson identified the Property Maintenance Department's need for renovations to the South Park restrooms, replace the 4wd regular cab service truck and a new zero turn mower.

Following a brief discussion about the various items presented, Council Member Lee Kimrey made a motion to adjourn at 1:16 p.m., seconded by Mayor Pro Tem Linens. All voted in favor of the motion.

Darcy Sperry, City Clerk