

SPECIAL MEETING HELD MAY 19, 2009

A meeting of the City Council of the City of Clinton, North Carolina, continued from May 5, 2009, was reconvened at 7:00 PM on May 19, 2009 in the City Hall Auditorium. Mayor Starling presided. Councilmembers Becton, Harris, Strickland, Turlington, and Stefanovich were present. The city clerk, city manager, assistant city manager, finance director, deputy fire chief, parks and recreation director, planning and zoning director, police chief, planner, human resource manager, and public works director were present. Also present were Chris Berendt, Sampson Independent, and Richard Pearson, Recreation Advisory Board.

City Manager John F. Connet gave the invocation.

BUDGET

City Manager Connet stated that tonight's focus would be on the Water and Sewer Fund. He briefed City Council on the Water and Sewer estimated retained earnings for June 30, 2009 -- \$2,629,354. He stated that although the debt service payment is still outstanding, it would appear that estimated revenues will exceed estimated expenditures.

City Manager Connet informed City Council of the **proposed highlights** of the 2009-2010 Water and Sewer Fund Budget:

- No new positions (reallocated two positions to provide fire hydrant maintenance)
- No COLA or performance raises
- Eliminating employees' insurance reimbursements and implementing a flexible spending account

City Manager Connet stated the following:

Water and Sewer Non-Departmental -- proposed budget is \$ 1,574,820. Last year, it was \$1,635,412. Highlights are: debt service payments (Dollar Branch Sewer - \$350,000), contingency, and insurance.

Water and Sewer Line Maintenance --proposed budget is \$917,545. Last year, it was \$859,943. Highlights are: fire maintenance crew reallocation, Russell Street CDBG Project, and backhoe purchase.

Wastewater Treatment Plant -- proposed budget is \$1,444,995. Last year, it was \$1,505,095. Highlights are: employee salaries and benefits, digester conversion, filter media replacement, utilities, and pump station rehabilitation.

Water Production -- proposed budget is \$583,176. Last year, it was \$558,960. Highlights are: water treatment chemicals, water tank maintenance, well backup generator, and develop of second treated water tank.

City Manager stated that the Water and Sewer is slightly reduced from last year's budget. Total budget is \$4,520,536. Last year was \$4,559,410.

Public Works Director Chris Doherty informed City Council of the following proposed rates and fees for Fiscal Year 2009-2010:

<u>Water Rates</u>	<u>Current</u>	<u>Proposed</u>
Based Rate (300 cu. ft.)	\$11.75	\$11.85
Consumption Rate	1.72	1.75
Bulk Wholesale	1.58	1.60

<u>Sewer Rates</u>	<u>Current</u>	<u>Proposed</u>
Based Rate (flat)	\$12.25	\$12.35
Consumption	1.70	1.73

Doherty stated that there are no changes being proposed to the tap and meter set fees. He stated that within the miscellaneous utility fees, he is proposing to add a hydrant meter deposit (3/4" – 1") \$250. He further stated that he is proposing only one change to the solid waste rates and that is increasing the residential collection to \$12.35. Public Works Director Doherty stated that the reason behind increasing the residential collection rate is that in the near future, the City will purchase a solid waste truck.

Doherty stated that residential customers' based utility bills will go up approximately \$.044 a month. He stated that commercial customers' based utility bills will go up approximately \$18.00 a month. He further stated that Sampson County's bulk purchase will increase approximately \$170.00 a month. These proposals are all less than a 2% increase.

Doherty continued with his presentation using what is called "rates dashboards". Rates dashboards are designed to assist utility manager and local officials analyze residential water and wastewater rates against multiple characteristics, including utility finances, system characteristics, customer base socioeconomic conditions, geography and history. These rates dashboards were created by the Environment Finance Center of the University of North Carolina, School of Government.

Doherty informed Council that he performed a regional comparison of Clinton, Dunn, Fayetteville, Elizabethtown, Kinston, Newton Grove, Nashville, Sampson County, and Spring Lake concerning water, sewer, and garbage. Clinton is in line with the surrounding counties. He stated that currently, rates for 3,000 gallons of water, sewer, and garbage total \$44.76. Proposed rates for 3,000 gallons of water, sewer, and garbage will total \$45.26. He stated that currently, rates for 6,000 gallons of water, sewer, and garbage total \$58.46. Proposed rates for 6,000 gallons of water, sewer, and garbage will total \$59.21. He concluded with the following proposed cemetery rates:

	Current	Proposed
<u>Sandhill</u>		
Per Grave Plot	\$145.00	\$150.00

Springvale plots, mausoleums, recording and corner marker fees will remain as is.

Mayor Starling stated that these proposals would be voted on at the June 2, 2009, city council meeting.

Upon a motion made by Councilmember Strickland, seconded by Councilmember Harris, and unanimously passed, a public hearing on the FY 2009-2010 Budget was called for June 2, 2009 at 7:00 PM.

Parks and Recreation Director Judi Nicholson spoke regarding the implementation of recreation registration fees. She stated the Advisory Board had discussed fees for city residents to play youth sports. She stated that the Sampson County Soccer Club and soccer have gone exceptionally well this year. However, she stated in order to become a member of the North Carolina Youth Soccer Association, money is needed for membership dues. These proposed recreation registration fees would enable all participants to become members of the North Carolina Youth Soccer Association. She further stated that this move is necessary for the Sampson County Soccer Club to meet the requirements for declaring our soccer complex as their home field. Ms. Nicholson stated that currently, the recreation level players pay \$75 per player and travel to Fayetteville to play. She concluded by stating that if Sampson County Soccer Club is eligible to host home games, they will already have eight home games this fall.

Richard Pearson of the Recreation Advisory Board spoke stating that “they do a lot of driving out of town and are spending a lot of money out of town. A lot of people are very interested in staying in town.” He further stated that the Recreation Advisory Board unanimously request that City Council approve: (1) charging City residents \$10 per sport for the first child and \$5 for each additional child registering for the sport, or (2) charging only soccer participants, \$12 per child.

Councilmember Stefanovich stated that City Council made a commitment to the Sampson County Soccer Club and he felt Council should consider the Recreation Advisory Board’s recommendation.

Proposal #1: Charging City residents \$10 per sport for the first child and \$5 for each additional child registering for the sport was favorable to the group. City Council asked what County residents paid and Ms. Nicholson responded that they pay \$25 per sport for the first child, \$10 for the second child, and \$5 for each additional child.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Turlington, and unanimously passed, the meeting was continued until May 28, 2009, at 7:00 PM.

(Time: 8:00 PM)

City Clerk

Mayor