

**MINUTES OF THE TOWN OF FRANKLIN TOWN COUNCIL
REGULAR MEETING
JUNE 3, 2024**

THE FRANKLIN TOWN COUNCIL held its regular meeting on Monday, June 3, 2024, at 6:00 p.m. in the Town Hall Board Room located at 95 East Main Street Franklin, NC.

1. CALL TO ORDER

Mayor Jack Horton called the meeting to order at 6:00 p.m. with the following members present: Vice Mayor Stacy Guffey, Council Members: Joe Collins, David Culpepper, Mike Lewis, Rita Salain, and Robbie Tompa.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Vice Mayor Stacy Guffey.

3. ADOPTION OF THE JUNE 3, 2024 TOWN COUNCIL AGENDA

Council Member Mike Lewis made a motion, seconded by Council Member Rita Salain to adopt the Town Council Agenda for June 3, 2024 as presented. The motion carried unanimously. Vote: 6 – 0.

4. APPROVAL OF THE CONSENT AGENDA FOR JUNE 3, 2024

- A.) Approval of the May 5, 2024 Regular Town Council Meeting and May 20, 2024 Special Called Meeting Minutes
- B.) Budget Amendments

Council Member Rita Salain made a motion, seconded by Council Member David Culpepper to approve the consent agenda for June 3, 2024 as presented. The motion carried unanimously. Vote: 6 – 0.

5. PUBLIC SESSION

James Vanderwoude, property owner, spoke in opposition of making changes to the Floodplain Ordinance. He feels that he would be impacted by additional restrictions. He wanted to go on record to recommend not increasing the restrictions.

Joe Culpepper, ETJ property owner, stated he is opposed to any proposal that could potentially restrict his current or future ability to develop his property. He feels that no Board should have the right to fundamentally steal value from property owners.

6. PUBLIC HEARINGS

- A.) Public Hearing - Monday, June 3, 2024 beginning at 6:05 p.m. or as closely thereafter as possible to allow for public input regarding text amendments related to Special Use Permitting - Town Planner Justin Setser

Mayor Horton opened the Public Hearing at 6:10 p.m.

Town Planner Justin Setser gave an overview of text amendment changes to Chapter 152 of the Unified Development Ordinance (UDO). There are several areas in the current text that reference special use permitting and with the adoption of Conditional Zoning there are text amendments required to clean up the language for consistency. The Planning Board reviewed in April and made the recommendation for approval.

No one signed up to speak.

Mayor Horton closed the Public Hearing at 6:13 p.m.

Council Member Culpepper asked about the difference in the 20 acres to 7 acres. Town Planner Setser said it is in Section 030 of Chapter 152. Traditional Neighborhood Overlay with higher density will now be allowed for 7 acres instead of 20 acres.

Vice Mayor Stacy Guffey made a motion, seconded by Council Member Joe Collins to approve and adopt the Planning Board's recommendation on text amendments related to Special Use Permitting as presented. The motion carried unanimously. Vote 6 – 0.

- B.) Public hearing on Monday, June 3, 2024 at 6: 10 p.m. or as closely thereafter as possible to allow or public input on the Fiscal Year 2024-2025 Budget- Town Manager Amie Owens

Mayor Horton opened the Public Hearing at 6:16 p.m.

Town Manager Amie Owens gave an overview of FY 2024/2025 budget. (See Exhibit A).

No one signed up to speak.

Town Manager Owens stated that the Town could not adopt their budget tonight. The Macon County BOCC will need set the Franklin Fire District Tax before the Town can adopt a budget.

Mayor Horton closed the Public Hearing at 6:24 p.m.

7. NEW BUSINESS

- A.) Request approval to condemn property located at 83 Hillside Street for violations of minimum housing requirements and move forward with foreclosure procedure -Town Planner Justin Setser and Town Attorney John Henning, Jr.

Town Attorney John Henning, Jr. recommend a first step from the minimum housing code (unfit for human habitation). If the property can be repaired for less than 50% of the value of the property; the Town can pass an ordinance to vacate and close the property. The second step would be an in-rem foreclosure due to unpaid back taxes.

Additional discussion was held about owed back taxes and the in-rem foreclosure process by the Town Tax Collector.

Vice Mayor Guffey made a motion, seconded by Council Member Mike Lewis to order the Town Planner to cause the dwelling located upon the property at 83 Hillside Street to be vacated and closed as presented. The motion carried unanimously. Vote: 6-0.

- B.) Review three-party development agreement between Town, Duke Energy, and Hendon Tiller and Call for Public Hearing on Monday, July 1, 2024 at 6:05 p.m. or as closely after to allow for public input on the proposed agreement- Town Attorney John Henning, Jr.

Town Attorney John Henning, Jr. presented a development agreement with the Town, Duke Energy and Hendon Tiller. In this three-party agreement the Town of Franklin agrees not to change the zoning in that area for ten (10) years. Duke Energy will convey a parcel to Hendon Tiller for development of a national sit-down food chain restaurant and the Town will have key access to the Greenway.

Council Member David Culpepper made a motion, seconded by Council Member Robbie Tompa to call for a public hearing on Monday, July 1, 2024 at 6:05 p.m. or as closely after to allow public input on the proposed agreement as presented. The motion carried unanimously. Vote: 6-0.

- C.) Request approval of Amended Agreement for Engineering Services -WithersRavenel - for Water Treatment Plant Improvements Phase II - Town Manager Amie Owens

Town Manager Owens requested approval to amend the agreement for engineering services with WithersRavenel for Phase II of the Water Treatment Plant. This is a new contract for design and permitting only. The cost of this agreement is \$432,500. WithersRavenel has 30 weeks to finish the design and permitting project. The Town Council can then choose who they want to complete the construction, administration, observation, bidding, etc on the Water Treatment Plant Improvement project.

Vice Mayor Guffey made a motion, seconded by Council Member Mike Lewis to give permission to Town Manager Amie Owens to sign the agreement for design and permitting with WithersRavenel for Water Treatment Plans Improvement Phase II as presented. The motion carried unanimously. Vote: 6-0.

- D.) Request approval of street closure - Town Manager Amie Owens

1. lotla Street, Friday, June 21, 2024 from 5:30 p.m. to 11:00 p.m. for Night of Worship
2. East Palmer Street, Wednesday, June 5, 2024 from 8:30 a.m. until Noon for filming

Council Member Joe Collins made a motion, seconded by Council Member David Culpepper to approve the request for street closure of lotla Street on Friday, June 21, 2024 for Night of Worship and East Palmer Street on Wednesday June 5, 2024 for filming as presented. The motion carried unanimously. Vote: 6-0.

- E.) Request approval to change business hours of Town Hall to 5:30 p.m. Monday through Thursday and close at 3:00 p.m. on Friday- Town Manager Amie Owens

Town Manager Owens would like to adjust the hours for Town Hall. She stated there has been an increase in water cutoffs and customers have stated they can not make it to Town Hall before 5:00 p.m. to make their payment. She also noted that between the hours on 3:00 p.m. – 5:00 p.m. on Friday afternoons the front window is slow. She recommended trying out this schedule for 90 days and if it does not work, we will go back to the original schedule. Town Hall will stay open to 5:30 p.m. Monday through Thursday and will close at 3:00 p.m. on Friday.

Vice Mayor Guffey asked if there was any advantage to just have one employee change their hours. Councilman Collins said you need more protection than just one or two people in a public office.

Town Manager Owens said the new schedule will start on Monday, June 10.

Councilwoman Salain asked if the employees were in favor of this change and Town Manager Owens said yes, especially the individual who works at the front window.

Council Member Joe Collins made a motion, seconded by Council Member David Culpepper to approve the change of business hours of Town Hall as presented. The motion carried unanimously. Vote: 6-0.

F.) Social District Update - Town Manager Amie Owens

The Town of Franklin is now registered as having a Social District and is set to go live on Saturday, June, 22, 2024 at noon. She will be meeting with the ABC permittees and giving out cups and window stickers for business that have opted in or out of allowing individuals to bring beverages in their buildings. Town Manager Owens has drafted a list of Frequently Asked Questions that are on the website and will send those out to the media after the meeting.

8. DEPARTMENTAL UPDATES

- A.) Human Resources - Nicole Bradley, Human Resources Director/Town Clerk gave an update on employee insurance enrollment, new electronic time sheet, staffing, and upcoming employee picnic.
- B.) Tax Collections/Events - Sabrina Scruggs, Tax Collector/Events Coordinator gave an update on taxes collected for 2023, her Tax Conference and on Pickin' on the Square events.
- C.) Fire Department-Chief Ben Ormond gave an update on the calls received by Franklin Fire & Rescue, fire truck purchase, and substation construction.

9. ITEMS FROM COUNCIL

A.) NCLM Commit to Civility Program - Mayor Jack Horton

Mayor Horton has asked the Board to participate in the North Carolina League of Municipalities (NCLM) Commit to Civility Program. This program promotes civility in local government and recognizes those governing boards that declare themselves to this approach. The requirements are: have at least 75% of Board attend a two-hour training, have course participants sign the individual pledge, adopt a Commit to Civility Resolution, and submit a signed copy of the pledges and Resolution to the NCLM.

Council Member Joe Collins made a motion, seconded by Vice Mayor Guffey to commit to the Commit to Civility Program as presented. The motion carried unanimously. Vote: 6-0.

B.) Request for TDA to provide a plan for use of the 1/3 Tourism Related funds for FY 2024/2025 - Vice Mayor Guffey

Vice Mayor Guffey said the way the TDA is set up for two-thirds of the tourism related funds to be spent on advertising and the remaining one-third can go toward capital projects. He would like the TDA Board to provide Town Council with a written plan of how they plan to use the one-third of the tourism related funds.

Vice Mayor Stacy Guffey made a motion, seconded by Council Member Robbie Tompa to request the TDA to provide a written plan for use of the one-third Tourism Related funds for FY 2024-2025 as presented. The motion carried unanimously. Vote: 6-0.

C.) Request for Planning Board to review Floodplain Ordinance - Vice Mayor Guffey

Vice Mayor Guffey would like to send the Floodplain Ordinance to the Planning Board for their review. The Planning Board will then report back to Town Council on any changes or adjustments that they feel need to be made to the Ordinance.

Councilwoman Salain has concerns on fill dirt provisions and would like the Planning Board to review those provisions.

Councilman Culpepper said that land owners can only lose rights and it would potentially take away their land uses. He talked about specific uses to properties and what would be affected if fill dirt isn't allowed in the floodplain.

Councilman Collins said that he is not in position right now to decide anything and it is probably reasonable to let the Planning Board take a look at the Ordinance. He does not see a downside to getting their input.

Councilman Lewis said it would not hurt to send the Floodplain Ordinance to the Planning Board for review.

Mayor Horton would like to have an informational joint meeting with the Planning Board after they have reviewed the Floodplain Ordinance.

Councilman Culpepper asked about notifying possibly affected property owners.

Additional discussion was held in regard to the Planning Board reviewing the Floodplain Ordinance and what the Town Council's intentions might be from the recommendations after the Planning Board's review.

Councilman Lewis made a request to call to question.

Vice Mayor Guffey made a motion, seconded by Council Member Rita Salain to send the Floodplain Ordinance to the Planning Board to review and to have an informational joint meeting with the Planning Board as presented. The motion carried. Council Member Culpepper voted in opposition. Vote: 5-1

D.) Schedule a special called meeting to discuss Mission, Vision and Incentives - Vice Mayor Guffey

Vice Mayor Guffey would like to have a brainstorming meeting on the Town's Mission, Vision & Incentives. Town Manager Owens stated she cannot move the Town forward until she has a mission and vision for a strategic plan and to ensure that a Main Street Coordinator would have enough work to do to continue the vision of the Town. Town Manager Owens requested direction from the Town Board. Mayor Horton would like to have some time to think about the Town's Mission & Vision and not rush through the process.

Town Manager Owens will poll the Board to see when they are available to meet and will resend out the information that she provided at the retreat that included draft statements of a mission and vision plan that were taken from the Comprehensive Land Use Plan. She will also send out information on incentives she has previously utilized.

10. ANNOUNCEMENTS

- A.) Next Regular Town Council Meeting is Monday, July 1, 2024
- B.) Pickin' on the Square - Saturday, June 8 and June 22, 2024

11. CLOSED SESSION

- A.) Enter into Closed Session under NC General Statute § 143-318.11 (a)(5) to discuss acquisition of real property by purchase, option, exchange, or lease.

Council Member Mike Lewis made a motion, seconded by Council Member David Culpepper to enter into Closed Session under NC General Statute § 143-318.11(a)(5) to discuss acquisition of real property by purchase, option, exchange, or lease. The motion carried unanimously. Vote: 6-0.

The Town Council entered Closed Session at 8:02 p.m.

The Town Council returned from Closed Session at 8:11 p.m.

Councilman Culpepper asked Town Attorney John Henning, Jr. if he had spoken to the Nikwasi Initiative Board. Mr. Henning said he had not, but he knew Town Planner Justin Sester had been in contact with them on the need to come to Town Council as stated in the clause of the Deed.

Councilman Tompa said he had met with several TDA Board members on the marketing proposals and was actively trying to get discussion going.

Vice Mayor Guffey thanked Councilman Tompa for his efforts with the TDA Board and thanked Town Manager Owens and Staff for their work on the budget.

12. ADJOURNMENT

Council Member David Culpepper made a motion, seconded by Council Member Robbie Tompa to adjourn the meeting at 8:19 p.m. The motion carried unanimously. Vote: 6- 0.

C. Jack Horton, Mayor

Nicole Bradley, Town Clerk

FY 2024 – 2025 Budget Overview

June 3, 2024

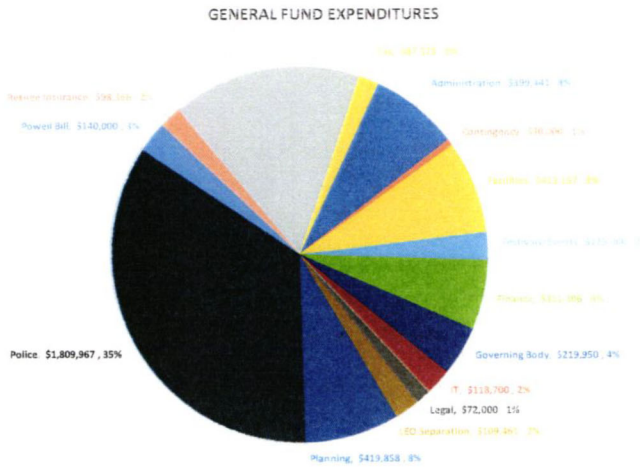


FY 24-25 General Fund Overview

- Utilized a tax rate to \$0.33 per \$100 valuation with a 95% collection rate
- For second year in a row, able to balance the general fund budget with zero (\$0.00) fund balance appropriation
- Holds operational budgets steady but accounts for material cost increases
- Employee Positions added to General Fund
 - Convert from PT to FT – Finance – Accounting Technician
 - 1 FTE – Streets – Maintenance Worker
 - 1 FTE – Admin - Main Street Coordinator

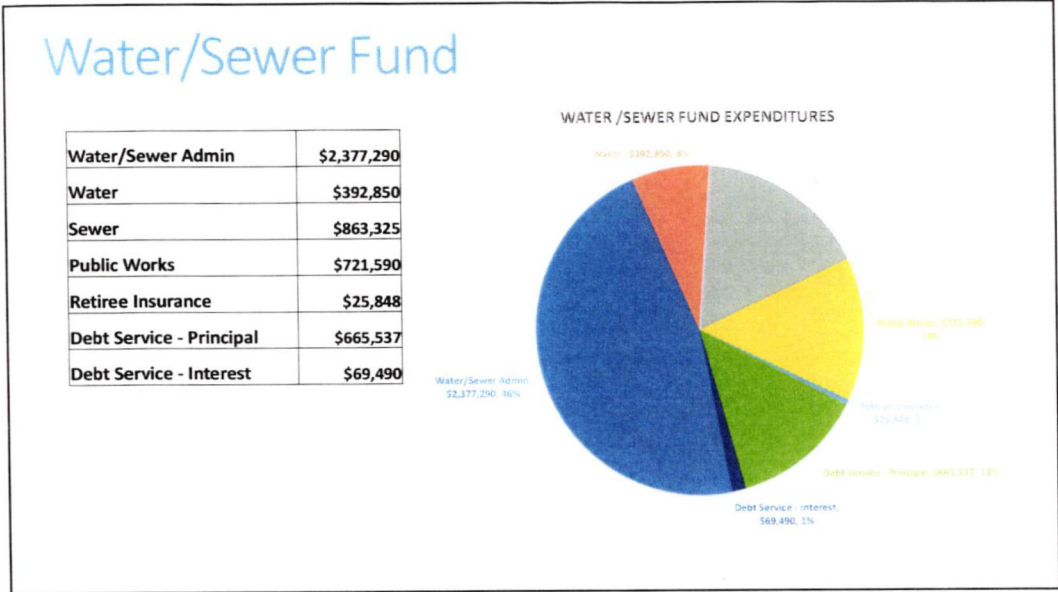
General Fund Summary

Administration	\$ 399,441
Contingency	\$ 30,000
Debt Service	\$ -
Facilities	\$ 413,157
Festivals/Events	\$ 125,000
Finance	\$ 311,306
Governing Body	\$ 219,950
IT	\$ 118,700
Legal	\$ 72,000
LEO Separation	\$ 109,461
Planning	\$ 419,858
Police	\$ 1,809,967
Powell Bill	\$ 140,000
Retiree Insurance	\$ 98,366
Streets	\$ 842,716
Tax	\$ 87,578



FY 24 -25 Water/Sewer Fund Overview

- ❖ Proposed 5% rate increase from adopted Water/Sewer CIP
- ❖ Continued work on Water Treatment Plant Improvements by using a portion of retained earnings and/or financing for clearwell construction
- ❖ \$ 875,500 Retained Earnings Appropriation is needed to balance budget



FY 24-25 Fire Department Fund Overview

- Fire District tax rate of \$0.07 per \$100 valuation requested – this rate is set by Macon County
- Fire Substation Construction to commence during FY using \$400,000 directed grant from a state appropriation

Across All Funds

- Increase in health/dental insurance costs including retirees
- Increase in mandatory retirement contributions
- Increases under the step advancement plan - No COLA
- Increases in property and liability and worker's comp
- Addition of cybersecurity protections

Budget Takeaways

- The recommendation is to maintain the ad valorem tax rate at \$0.33 with zero (\$0.00) appropriation from General Fund - Fund Balance required.
- Utility rate increases of 5% is factored in and is necessary for infrastructure improvements; \$875,500 will be required from retained earnings to balance water/sewer budget.
- ARPA funds of \$421,761.55 still available but must be allocated before 12/31/2024
- This budget allows for continuation of baseline operations and incorporates Town Council discussed additions for maintenance and beautification.