Apex Town Council Annual Budget Retreat  
Friday, February 9, 2018

In attendance were Mayor Lance Olive, Mayor Pro Tem Nicole L. Dozier, and Council Members William S. Jensen, Wesley M. Moyer, Audra M. Killingsworth, and Brett D. Gantt. Also in attendance were Town Manager Drew Havens, Assistant Town Managers David Hughes and Shawn Purvis, Town Clerk Donna B. Hosch, Town Attorney Laurie L. Hohe, Interim Electrical Director Rodney Smith, EMS Chief Randall Heath, Assistant Police Chief Mitch McKinney, Building Inspections and Permitting Director Rudy Baker, Parks Recreation and Cultural Resources Director John Brown, Public Works and Transportation Director Jose Martinez, Water Resources Director Marty Stone, Economic Development Director Joanna Helms, Finance Director Vance Holloman, Planning Director Dianne Khin, IT Director Erika Sacco, Communications Manager Stacey Galloway, Human Resources Director Mary Beth Manville, Fire Chief Keith McGee, and Budget and Management Analyst Amanda Grogan.

COMMENCEMENT

Mayor Olive called the meeting to order and welcomed Council to the Retreat. He stated the purpose of the meeting and the goal which was to ensure representation of the people of Apex. The day’s agenda was reviewed. The Mayor also welcomed all staff members, particularly the new ones.

PRESENTATIONS

Community Center Expansion
Robert Carmack and Jay Sikes, smithsinnett, Architecture; Christine Hilt, CLH Design

Director Brown presented a brief history of this project from inception to now and introduced the architects.
Robert Carmack presented a high-level overview of the project and introduced Jay Sikes. Mr. Sikes presented a more detailed overview of what has been done over the past two years which included meetings and dialogue with the community and staff, and resulted in design concepts.

Council expressed concern about traffic on Hughes Street. A “total life center” concept was raised along with concerns about landscaping, private spaces, and fundraising plans. There was explanation of the historic classification of the Tunstall House, applicability of this new building on the site, and parking. There was expanded discussion about the new building being built sound enough to support vertical growth. The possible purchasing of Jordan Oil property via eminent domain, if necessary, was mentioned along with underground space. Staff stated solar would be installed on the building.

Staff stated that the price tag would change with going up a story on the building and the timeline would shift. However, staff will work with urgency in order to get this project started as soon as possible. There probably should be a workshop within 60 days to follow up.

**Capital Project Update**
**David Hughes, Assistant Town Manager**
Staff presented an overview of the ten most current projects and their associated costs. Staff answered questions posed by Council for understanding of the projects.

**Financial Update**
**Vance Holloman, Finance Director**
Staff stated we are doing very well in the General Fund due to ad valorem taxes. We are well ahead in the Water Sewer Fund, and we are not doing all that bad in the Electric Fund. Staff gave an analysis on projected revenues and expenditures and debt comparisons.

**Capital Improvement Plan**
**Amanda Grogan, Budget and Management Analyst**
Staff presented a high-level overview of the CIP process, how the draft plan responds to community needs, and how projects are proposed to be funded.

**CIP Results and Discussion**
**Mayor Olive**
Mayor Olive addressed Council on the importance of items in the CIP, the quartiles being most important as they identified the items in order of importance to Council. Council engaged in discussion about
parking and a parking deck and long term projects for Apex. There was discussion about Council reasoning behind how items were ranked.

Council was in agreement to moving Safe Routes into the 1st Quartile, combining Lufkin Road to Pristine Water Drive Connector and Pristine Water Drive (Lufkin Road Connector to NC55) and moving it to the 3rd Quartile, moving Dredge Lake – Apex Community Park to the 4th Quartile, and moving Green Level Church and Jenks Road Roundabout to the 2nd Quartile.

**Council Initiatives and Priorities (Non-CIP Items)**

**Mayor Olive**

Council identified their priorities in the categories of Sustainable Development and Infrastructure, Economic Vitality, Safe and Secure Community, High Performing Government, and Active, Engaged Citizens and Visitors.

**Tax Rate Discussion**

**Drew Havens, Town Manager, and Mayor Olive**

Staff reviewed Apex’s tax rate history from 2005 to 2017 and its comparison to inflation. Presented were the tax rates in Wake County.

Mayor Olive stated he felt it would be helpful to the Town Manager if he knew the mind of Council in relation to taxes prior to the Manager formulating the proposed budget. There was discussion between Council and staff regarding understanding the tax rate, funding sources other than taxes, and giving the Town Manager some direction in which to go.

Council expressed their ideas about not being adverse to a tax increase of a few cents in order to provide citizens with those things in which they’ve expressed interest. Also expressed were wanting to see a budget at the current tax rate and what a tax increase would go towards. Staff reminded Council it was made very clear to citizens that if the park bond passed, it would guarantee a raise in taxes. Consensus was that most of Council was comfortable with a 4 cent tax increase, and direction was given to the Town Manager to devise a budget using such.

**General Obligation Bond Issuance Process**

**Vance Holloman, Finance Director, and Shawn Purvis, Assistant Town Manager**

Staff outlined the schedule of events leading up to our receiving funds from the bond. Staff outlined the projects which the bond will cover. Council asked staff to reconsider work on the Peakway.
Wrap Up
Mayor Olive

Council was in agreement that staff did a very good job of running this retreat. Staff stated this process doesn’t happen everywhere. He was complimentary of how Council could come together with staff for discussion and even some fun in a cordial setting. The Mayor stated there will be Committee meetings to assist in the budget process.

ADJOURNMENT

With there being no further business and with no objection from Council, Mayor Olive adjourned the meeting.

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Donna B. Hosch, MMC, NCCMC
Town Clerk

ATTEST:

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Lance Olive
Mayor