

207 West Second Street
Post Office Box 519
Kenly, North Carolina 27542



Telephone: (919) 284-2116
Fax: (919) 284-5229
Website: www.townofkenly.com

May 12, 2025- 7:00 p.m.
Regular Town Council Meeting
Minutes

COUNCIL PRESENT:

Herbert Hales II, Mayor
Garrett Stancil, Council Member
Keith Davis, Council Member
Beverly Knight, Council Member
Mark Smith, Mayor Pro Tem
LaWanda Neal, Council Member

STAFF PRESENT:

Tony Sears, Interim, Town Manager
Tymeeka Williams, Town Clerk
Marcus Burrell- Town Attorney Partner
James Ayers- Police Chief
Leigh Gotshall- Librarian
Bonita Renfrow-Utilities Clerk

1. CALL TO ORDER

- Call to Order – *Mayor Herbert Hales, II*
 - Invocation – *Council Member Keith Davis*
 - Pledge of Allegiance – *Mayor Herbert Hales, II*
- Mayor Hales called the meeting to order at 7:00 p.m. Council Member Davis offered the Invocation and Mayor Hales led everyone in the Pledge of Allegiance.

2. PUBLIC COMMENT

This portion of the meeting is an opportunity for citizens to speak on any issue concerning the Town of Kenly. Please note that each citizen is limited to a total of 3 minutes. Please direct all comments/concerns to the entire council rather than individual members. Further, it should be noted that the Town Council reserves the right to not act on items first presented at this meeting.*

➤ **NO PUBLIC COMMENTS AT THIS TIME**

**This time may be adjusted based on the number of citizens who wish to speak.*

3. ADJUSTMENT/ADOPTION OF THE AGENDA

- a. Adjustments to the Agenda
- **5. Adjustment for New Business: Proclamation for Police Week May 11-May 17, 2025**
- b. Adoption of the Agenda
- ACTION:** Motion to adopt the Agenda as Presented
Motion: Council Member Neal
Second: Council Member Knight
Vote: 5-0

4. CONSENT AGENDA

(Items on the consent agenda are considered routine in nature or have been thoroughly discussed at previous meetings. Any member of the Board may request to have an item removed from the consent agenda for further discussion.)

- a. Draft Minutes
- **April 14, 2025 - Regular Session**

ACTION: Adoption of Consent Agenda with Adjustment

Motion: Council Member Smith
Second: Council Member Davis
Vote: 5-0

5. INTRODUCTIONS AND SPECIAL PRESENTATIONS

a. **National Police Week (May 11-May 17, 2025)**

Presenter: Tony Sears, Interim Town Manager / Proclamation Issued By: Councilwoman Beverly Knight

- The proclamation highlights national appreciation, tribute to fallen officers, and community unity in supporting law enforcement.

6. PUBLIC HEARINGS

1. NO PUBLIC HEARINGS FOR THIS MEETING

7. NEW BUSINESS

1. **Resolution 2025-06: House Bill 765;**

Opposing Changes to local planning and zoning statutes by the NC General Assembly

Presenter: Tony Sears, Interim Town Manager

- The proposed bill would shift local decision-making authority by:
 - Mandating a minimum density of five houses per acre in all zoning districts, overriding traditional standards.
 - Allowing developers to increase density (e.g., from three to five houses per acre), reducing town input.
 - Removing governmental immunity for board members in subdivision decisions, exposing them to personal liability (including lawsuits for arbitrary decisions and punitive damages).
 - Changing subdivision site plan approvals to an administrative process with a fast-track mechanism (automatic approval if not decided within 180 days).
- Concerns raised about loss of local control, increased liability for council and planning board members, and risk of politically motivated decisions.

ACTION: Acceptance of Resolution of Opposition

Motion: Council Member Davis
Second: Council Member Stancil
Vote: 5-0

2. **NCDOT Road Closure Ordinance- Cars on Main 2025**

Ordinance 2025-05-01 (Cars on Main)

Presenter: Tony Sears, Interim Town Manager

- Road closures scheduled for Saturday, June 7, from 7:00 a.m. to 2:30 p.m.
- Affected roads: SR 222 (2nd Street), SR 301, Corbett Street, Railroad Avenue, Garner Avenue, and 1st Street.

POTENTIAL ACTION: Adoption of Ordinance for Cars on Main

Motion: Council Member Knight

Second: Council Member Davis

Vote: 5-0

8. OLD BUSINESS

1. **2025-2026 (FY26) Budget- Tabled from April 14 2025
RECONVENED (April 29, 2025)**

1. Budget FY 2025-2026

- Discussion and Findings for Town of Kenly's municipal operating budget for upcoming fiscal year.
- May 20 2025- Budget Meeting Reconvened

Presenter: Tony Sears, Interim Town Manager

ACTION: INFORMATIONAL ONLY

9. TOWN MANAGER / STAFF REPORTS

1a. **Town Manager: Utility Adjustments-**

- 504 W Sixth Street Kenly NC 27542: Faucet was left running outside. Valve shut off and verified by Public Works
- An adjustment of \$204.81 for the property was calculated and approved by motion.

ACTION: Approval of Adjustment as Requested

Motion: Council Member Smith

Second: Council Member Davis

Vote: 5-0

Budget Presentation and Audit Update

- Town manager explained budget preparations were delayed due to extensive audit work.
- Audit required submission of numerous documents (e.g., bank statements, letters) and spot checks on past records.
- Options presented:
 - Hold a budget presentation in about 1.5 hours at a follow-up meeting, or
 - Recess and reconvene on May 20 at 4:00 p.m. to review budget details.
- Consensus set the new budget meeting for May 20 at 4:00 p.m.

2. Town Clerk- **NONE**

3. Town Attorney- **NONE**

4. STAFF- DIRECTORS/EMPLOYEES:

POLICE DEPARTMENT:

Police and Public Safety Report

- Incident statistics for the period:
 - 14 incidents, 9 accidents, 3 criminal summonses, 9 disturbances, 3 larcenies, 4 trespassing occurrences, 17 verbal warnings.
 - 152 business/residence checks and 27 additional checks performed.
- Largest drug bust:
 - Seizure of 23 grams of fentanyl, 27 grams of methamphetamines, and about 7 oxycodone pills.
 - Recovery of a motor vehicle, with follow-up planned through the court system.
- Community outreach:
 - Operation Easter Basket delivered gift baskets to seniors and children.
 - Participation in career day at a local elementary school and Good Friday worship traffic control.
- Personnel update:
 - Officer Strickland welcomed a newborn, with a lighthearted comment about future recruitment.

10. OTHER BUSINESS

- a. Informal Discussion
 - Reminder about the Clayton Town Hall dinner, with RSVP details for last-minute attendees.
 - Discussion on July 4 fireworks funding and arrangements, referencing previous experiences.
 - Plans to include a Christmas parade and related community events in future budgets.

b. Council Member Comments

- A council member Garrett Stancil formally announced resignation due to moving outside town limits.
- The letter expressed gratitude, offered continued support, and mentioned possible satellite annexation involvement for interested volunteers.
- Discussion on three properties with chronic abandonment and poor lawn maintenance.
- Review of past practice:
 - Letters issued if properties remain unmaintained for over two weeks.
 - Debate over repeated letters versus direct action (e.g., hiring mowing service, attaching liens, or billing for non-compliance).
- Process includes monitoring, billing at about \$60–\$70 per mow, and potentially enforcing liens at season’s end via legal action.

Community Space Development and Farmer’s Market Discussion

- Consideration of developing an event space or farmer’s market at the "old school site" across the street.
- Considerations:
 - Potential partnership with the local chamber of commerce.
 - Options to relocate funds for a veteran’s park or design an accessible event space for seasonal markets and gatherings.
 - Budgetary and scale challenges, with design ideas limited by available funding.
- Additional ideas:
 - Possibility of a sheltered area that could expand later as funds allow.
 - Feasibility of a splash pad discussed, with concerns about high costs.

Road Safety and Traffic Calming Measures

- Discussion of new road segments needing additional safety measures.
- Suggestions:

- Adding three-way stops or speed bumps along long, smooth stretches to manage increasing traffic.
- Noted that current traffic patterns and road dimensions may require adjustments for community safety.

11. CLOSED SESSION

NO CLOSED SESSIONS THIS MEETING

12. ADJOURNMENT

- a. Adjourn the Meeting

ACTION: Motion to Adjourn (8:10pm) -RECESSED UNTIL May 20, 2025 @4pm

Motion: Council Member Smith

Second: Council Member Knight

Vote: 5-0

13. RECONVENED- May 20, 2025- BUDGET WROKSHOP FY 2025-2026

COUNCIL PRESENT:

Herbert Hales II, Mayor (5:45pm)

Beverly Knight, Council Member

Keith Davis, Council Member (4:45pm)

LaWanda Neal, Council Member (5;43pm)

STAFF PRESENT:

Tony Sears, Interim Town Manager

Tymeeka Williams, Town Clerk

COUNCIL ABSENT:

Garrett Stancil, Council Member

Mark Smith, Mayor Pro Tem

Keith Davis called the meeting to order at 5:00 p.m.

Motion: Council Member Knight

Second: Council Member Davis

Vote: 3-0

14. NEW BUSINESS CONTINUED- BUDGET FY 2025-2026

Budget Documents and Data Provided

- A set of budget documents was distributed:
 - 25 fiscal year revenue and expenditure figures directly from the computer.
 - A draft budget outlining proposed figures.
 - A one-page summary (one-sheeter) highlighting key budget information.
 - A reproduced document from the previous budget meeting for reference.

Revenue Projections and Tax Rate

- Johnson County property tax evaluation is now \$230 million.
 - At a 69-cent tax rate, this would yield approximately \$1.587 million.
 - The proposal includes maintaining a 69-cent rate in one instance and a scenario using a 64-cent proposed tax rate with a 98% collection rate, resulting in projected revenue of \$1,442,833.
- Calculation details:
 - Each one-cent change in the tax rate roughly equates to \$23,004 in revenue.
 - A revenue neutral tax rate is identified at 50 cents.
- Additional revenue adjustments:
 - Adjustments include franchise fees, local option sales tax, and recreation fees, adding an increase of approximately \$40,921.
 - Total revenue increase mentioned later is about \$390,805 over the current operating budget—interpreted roughly as an additional \$40,000 per year.

Departmental Budget Allocations and Adjustments

- Governing Body
 - An increase of \$3,000 is set aside for an election fee anticipating upcoming election costs.
- Administration
 - Salary adjustments:
 - Police department base pay increase: an 18% raise requested by the chief (resulting in an increase of roughly \$75,705).
 - Other administrative employees receive a 12% increase (an increase of approximately \$63,304).
 - Additional allocations:
 - Funding for audits: The 22-audit (along with two others) is expected to be completed before the July board meeting.
 - Insurance premiums increased from 9% to 10%.
 - A 1% increase is factored into the state retirement contribution.

- A provision of \$30,000 is budgeted for employing a part-time staff member at Town Hall, funded jointly by the general fund and the water and sewer administration.

Public Safety (Police and Fire)

➤ Police Department

- Adjustments include correcting an error in allocation: a previously printed increase of \$90,000 was revised to account for a shortfall of about \$75,000.
- Discussion of funding additional items such as radars and ensuring grant funds cover the increased base salaries.

➤ Fire Department

- The allocated amount is \$146,000.
- Discussions with the fire chief highlighted two funding options:
 - Remaining with the current appropriation versus shifting to a 100% county funding model.
 - A move to county funding could potentially reduce the town's direct appropriation and may influence the tax rate.
- The current contract with the volunteer fire department expires on June 30, with plans for a one-year renewal pending minor modifications.

Other Departments and Capital Outlay

➤ Streets and Sanitation

- Minimal changes: Streets show salary increases while sanitation's salaries are adjusted downward (with FICA and insurance being the primary costs).

➤ Planning Board and Library

- No significant adjustments for the planning board.
- Library funding sees slight reductions as previous expenditures (e.g., HVAC) are recouped.

➤ Park and Recreation

- Significant changes to salaries and operations:

- A new part-time park and rec director position is budgeted to support improved services (including senior club trips).
 - Increased part-time salaries by a small dollar amount.
 - Capital outlay:
 - Increased by \$20,000 to total \$65,000, primarily to address hazardous control panels on fields.
- Code Enforcement
 - An overage of \$27,200 is noted and left unassigned:
 - This amount is earmarked as flexible funding for possible future projects (e.g., initiating a master plan for park and rec improvements or reallocating to other priorities).

Water and Sewer Administration

- Water Rates and Revenue Collection
 - A water rate increase is proposed from 35 cents to 40 cents, with the base rate adjusted from 50 cents upward corresponding to changes at Johnston County.
 - A current revenue statement shows 87.31% collection, with expectations to near 98% as the full billing cycle completes.
 - Discussion highlighted a gap between budgeting at a full 100% collection versus the 98% performance, allowing for adjustments in water and sewer revenue estimates.
- Reallocations and Adjustments
 - Redistributed salary funds, particularly impacting water distribution and sewer collections, are mentioned to meet overall revenue constraints.
 - Consideration on reallocating funds if water from other sources or additional studies (e.g., drilling test wells) become necessary.
- A proposal was made to purchase a new pickup truck:
 - A state contract has provided a price around \$53,900, with discussions allowing negotiation up to a not-to-exceed amount of \$60,000.
 - The truck will include a body, caution lights, and necessary modifications as per the police department's needs.

- A motion was made and seconded to approve the truck purchase under these financial constraints.
- Office Staffing and Customer Service
 - Concerns raised over workload during periods when only one staff member (e.g., Benita) is available to handle customer processes.
 - Emphasis on maintaining sufficient personnel, with previous practices ensuring that no one is left completely alone to handle challenging tasks.
- Future Projects and Grants
 - The possibility of a parking and rec master plan is discussed, using the unassigned \$27,200 as potential seed funding.
 - Longer-term projects:
 - Consideration for upgrading park facilities (e.g., splash pads) with rough estimates in the several-hundred-thousand-dollar range.
 - Discussion about borrowing funds for road repairs and other capital projects, acknowledging limitations in using roads as collateral.
- Reappointments and Staffing Changes
 - Mention of the need to address vacant positions (such as Garrett's role) and the potential reappointment process.
 - County contacts regarding election processes and appointments were discussed for positions such as Councilman Stancil's placement on the ballot for a partial re-election.
 - The meeting included technical details about specific line items:
 - Detailed alignment of variances on budget pages (e.g., the \$390,805 revenue increase on page one and variances across pages).
 - Reiterations on the importance of aligning the budget with actual collection numbers (e.g., a 98% collection versus planning with 100%).
 - Informal discussions included anecdotes about operational challenges (such as delays due to staffing and even light humorous comments on personal mishaps like broken glasses and office lunch interruptions).

- Commentary on the importance of being competitive for recruiting (especially for the police department), including comparing salary increases in neighboring municipalities.
- Discussion on water quality and the potential need for well studies to mitigate issues with current water supply from Johnson County.

15. ADJOURNMENT

- a. Adjourn the Meeting

ACTION: Motion to Adjourn (6:03pm)

Motion: Council Member Davis

Second: Council Member Knight

Vote: 3-0

Duly adopted this the 5th day of June, 2025 while in regular session.

Herbert L Hales II
Mayor: Town of Kenly