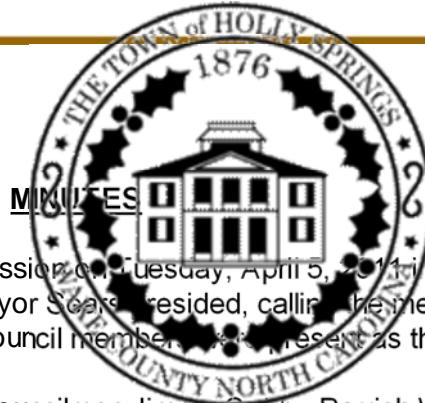




April 5, 2011



The Holly Springs Town Council met in regular session on Tuesday, April 5, 2011 in the Council Chambers of Holly Springs Town Hall, 128 S. Main Street. Mayor Sears presided, calling the meeting to order at 7 p.m. A quorum was established as the mayor and four council members were present as the meeting opened.

Council Members Present: Mayor Sears and Councilmen Jimmy Cobb, Parrish Womble and Tim Sack and Councilwoman Linda Hunt Williams

Council Members Absent: Councilman Chet VanFossen.

Staff Members Present: Carl Dean, town manager; Chuck Simmons, assistant town manager; John Schifano, town attorney; Joni Powell, town clerk (recording the minutes); Glenn Lamb and Eric Tayler, IT technicians; Mark Andrews, public information officer; Stephanie Sudano, director of engineering; Kendra Parrish, senior engineer; John Herring, police chief; Gina Clapp, director of planning and zoning; Daniel Weeks, project analyst; Jennifer Mizelle, director of economic development; Cecil Parker, fire chief; and Drew Holland, finance director.

2 and 3. The Pledge of Allegiance was recited, and the meeting opened with an invocation by Rev. Otis Byrd, pastor of First Baptist Church of Holly Springs.

4. Agenda Adjustment: The April 5, 2011 meeting agenda was adopted with changes, if any, as listed below.

Motion By: Sack

Second By: Williams

Vote: Unanimous

Items added to Agenda: 9c., a financing resolution for new police radios.

Items removed from Consent Agenda: None.

Items removed from the agenda: None.

Other changes: None.

5. Public Comment: At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council on any variety of topics not listed on the night's agenda. The following input was recorded: None.

6a. Fair Housing Month – Mayor Sears proclaimed the month of April as Fair Housing Month, and presented the proclamation to local fair housing advocate Rev. Otis Byrd.

Action: None.

6b. April 16th Teen Dating Abuse Awareness Day - Mayor Sears proclaimed April 16, 2011 as Teen Violence Awareness and Prevention Day in Holly Springs. The proclamation will be forwarded to the advocacy group requesting the proclamation.

Action: None.

7a. Novant Health, Certificate of Need - Mr. Jody Morris, vice president and chief operating officer of Novant Health, addressed the Council. He reported that Novant Health is submitting an application to the State of North Carolina for a Certificate of Need to construct and operate a hospital in Holly Springs with at least 50 beds. He gave an overview of what Novant hopes to bring to Holly Springs, and he requested support

of the application from the Town Council in the form of a resolution.

Councilman Sack said this project would be a welcomed and much-needed enhancement to healthcare in southern Wake and northern Harnett Counties, and he added that the deadline to provide letters of support is April 13.

Mr. Dean noted that Rex Healthcare also is applying for hospital beds for a Holly Springs hospital facility. It would seem, he said, that Holly Springs is very fortunate to have both Rex and Novant Health.

Mayor Sears introduced Fuquay-Varina Mayor John Byrne who provided a resolution of support for Novant from his town board. He said the resolution received unanimous support from the Fuquay-Varina Board of Commissioners, and the town of Fuquay-Varina supports both hospital plans, which also would benefit Fuquay-Varina.

Action: The Council approved a motion to adopt Resolution 11-09 supporting the Novant Healthcare application for a Certificate of Need for hospital beds.

Motion By: Sack

Second By: Williams, Cobb and Womble

Vote: Unanimous

A copy Resolution 11-09 is incorporated in these minutes as an addendum page.

7b. Southwest Transportation Area Study - Ms. Parrish briefed the Council on a major regional transportation planning effort/study that recently was begun by the Capital Area Metropolitan Planning Organization (CAMPO) for southwest Wake County.

Holly Springs is a voting member of CAMPO, which is the regional transportation planning body for the area including Wake County and other surrounding counties. The study is called the Southwest Area Study (SWAS) and will encompass all and/or portions of Holly Springs, Apex, Fuquay-Varina, Harnett County, Angier, BRAC (Fayetteville) and Wake County.

Ms. Parrish is the Holly Springs/CAMPO representative on the SWAS Core Technical Team, and Ms. Sudano is the HS/CAMPO representative on the SWAS Study Oversight Committee. Staff will be coordinating closely with several other town departments whose input will be necessary – Planning, Economic Development, and Parks & Recreation. In addition, the Council will be invited to participate in the study as stakeholders, which will be undertaken over the next 18 months – your input will be requested in many of the areas that support and relate to transportation planning.

This is the first study of this scope and type in the CAMPO area. Staff sees this study as very beneficial for our community in that it will help establish a higher profile on transportation needs in southwest Wake County with both CAMPO and the North Carolina Department of Transportation (NCDOT), the primary funding decision makers for transportation money. CAMPO selected Kimley Horne & Associates as the primary consultant for the project, with several sub-consultants. The attached project work plan contains more detailed background, study area boundaries, objectives, schedule, etc.

In brief, the study area covers the region located southwest of the U.S. Hwy. 64 / U.S. Hwy. 1 interchange including the northern portion of Harnett County (please see the attached map of the proposed study area.)

This project is an 18-month endeavor and is jointly funded (\$800,000) between NCDOT and CAMPO. CAMPO will be conducting / leading the planning study; the study will propose land development and transportation improvement strategies for the southwest area of the MPO jurisdiction from a growth-management perspective.

“Symposiums” are planned in which elected officials, appointed officials, business owners, and other key people in the community will be invited to provide helpful insight and guidance. The first symposium is planned to be held at the Fuquay-Varina Community Center on the morning of April 13. Specific times and invitations for this meeting are forthcoming from the SWAS consultant. This meeting will not be a public forum format; however, there will be a public forum format meeting in May.

As the project managers for Holly Springs’ participation in the SWAS, staff will forward periodic updates to relevant staff and other officials to gain feedback and keep everyone in the loop on this important project.

Action: None.

8. Consent Agenda: The Council approved a motion to approve all items on the Consent Agenda. The

motion carried following a motion by Councilman Sack, a second by Councilman Cobb and a unanimous vote. The following actions were affected:

8a. Resolution 11-07 – The Council adopted Resolution 11-07 directing the town clerk to investigate the sufficiency of annexation petition A11-01 and setting a public hearing on the question of annexation for Tuesday, April 19, 2011. *A copy of Resolution 11-07 is incorporated into these minutes as an addenda page.*

8b. Resolution 11-08 – The Council adopted Resolution 11-08 updating the Town's hazard mitigation plan. *A copy of Resolution 11-08 is incorporated into these minutes as addenda pages.*

8c. Budget Amendments, \$970 – The Council adopted amendment to the FY 2010-11 budget in the amount of \$970 to receive insurance proceeds for a damaged vehicle. *A copy of the budget amendments are incorporated into these minutes as an addenda page.*

8d. Resolution 11-010 - The Council adopted Resolution 11-10 declaring surplus property. *A copy of Resolution 11-10 is incorporated into these minutes as an addendum page.*

8e. Irving Parkway Extension Project – The Council approved the purchase of materials and installation of a 12-inch waterline along Irving Parkway Extension.

9a. Bass Lake Park Enhancement Project – Ms. Parrish said the Engineering Department is working to provide the soon-to-be constructed Bass Lake picnic shelter and existing Sanders house with water and sewer utilities and a turn lane. This work is on-going simultaneously while the Parks and Recreation Department is installing the actual site improvements (picnic shelter, parking lot, etc).

She said the contract is for design and engineering services for the utility extensions and road widening, including the development of design plans and contract documents for installation of a waterline, force main, small pump station and turn lane on Bass Lake Road. The waterline would be sized to serve the new pavilion along with the retrofitted Sanders' house (fire suppression devices are required to be installed in the Sanders house). The Wooten Company was selected from our consultant database in accordance with our professional selection policy statement and will be working as the consultant on the project.

Action: The Council approved a motion to approve a professional services contract with the Wooten Company in the amount of \$31,000 for the Bass Lake Park enhancement project.

Motion By: Womble

Second By: Williams

Vote: Unanimous

9b. Water Demand Forecasting - Ms. Sudano said as a member of the Jordan Lake Partnership, Holly Springs is participating in a project to update regional water demand numbers. This task will be beneficial to the Town in planning the timing of future required infrastructure upgrades in the Harnett County transmission system, as well as in assembling the data necessary preparatory for the Town's required submission of an updated Water Supply Plan to the State in the first quarter of 2012.

She said while the proposed covers both preparing the demand forecasting and a water supply plan update, only the demand forecasting is being recommended for award at this time. Staff will return to the Council in early 2012 to gain approval of the second water supply plan update task.

She said that CDM performed the last full water supply plan update and other related work a few years ago and did an excellent job. They are on the Town's consulting services database as well.

Action: The Council approved a motion to approve a professional services contract in the amount of \$22,900 with CDM for Task A, preparing a water demand forecast.

Motion By: Sack

Second By: Womble

Vote: Unanimous

9c. Police Radio Financing - Mr. Holland said requests for financing proposals were sent out to banks to bid on our purchase of new police radios. We are looking at financing \$203,200 for three years at 1.94%. RBC Bank offered this favorable term. The Town requested financing proposals from banks for the purchase of a 2010 Pierce Contender six-man custom cab fire truck. He said the Town was anticipating financing \$365,000 for either a three-, four- or five-year term.

He said the Town received seven bank proposals on Friday, Feb. 25. Of the proposals, the most beneficial for the Town was the rate offered by RBC Centura Bank, which offered a 1.740% interest rate over

three years. Annual payments would be \$125,925, and the Town would pay a total of \$12,775 in interest over the life of the loan.

Mr. Holland reviewed the bids with the Council and recommend an to award to RBC Centura Bank for financing the amount of \$365,000 with an annual interest rate of 1.740% over a three-year term.

Action: The Council approved a motion to adopt Resolution 11-04.

Mayor Sears introduced the following resolution which was read into the minutes:

A RESOLUTION OF THE HOLLY SPRINGS TOWN COUNCIL
AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING CONTRACT IN THE
AMOUNT OF \$203,200 WITH RBC CENTURA BANK (USA) TO FINANCE THE ACQUISITION OF CERTAIN
EQUIPMENT FOR USE BY THE TOWN OF HOLLY SPRINGS; AUTHORIZING THE EXECUTION AND
DELIVERY OF RELATED INSTRUMENTS; AND DETERMINING OTHER MATTERS IN CONNECTION
THEREWITH

BE IT RESOLVED by the governing body for the Town of Holly Springs, North Carolina (the "Unit"):

Section 1. The governing body of the Unit does hereby find and determine:

- a) The Town of Holly Springs proposes the acquisition of certain equipment, which may include fixtures as more fully described in the hereinafter mentioned Contract (collectively, the "Equipment");
- b) After consideration, the governing body of the Unit has determined that the most advantageous manner of financing thereof is by an installment contract pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended;
- c) Pursuant to Section 160A-20, the Unit is authorized to finance the acquisition of personal property, including fixtures, by installment contracts that create a security interest in the property financed to secure repayment of the financing; and
- d) RBC Bank (USA) has proposed that RBC Bank (USA) enter into an Installment Financing Contract with the Unit to finance the Equipment pursuant to which RBC Bank (USA) will lend the Unit the amount of \$203,200 (the "Contract") and a related Escrow Agreement between the Unit and RBC Bank (USA) (the "Escrow Agreement").

Section 2. The governing body of the Unit hereby authorizes and directs the Finance Director to execute, acknowledge and deliver the Contract and Escrow Agreement on behalf of the Unit in such form and substance as the person executing and delivering such instruments on behalf of the Unit shall find acceptable. The Clerk is hereby authorized to affix the official seal of the Town of Holly Springs to the Contract and the Escrow Agreement and attest the same.

Section 3. The proper officers of the Unit are authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this Resolution and the Contract and the Escrow Agreement.

Section 4. Notwithstanding any provision of the Contract or the Escrow Agreement, no deficiency judgment may be rendered against the Unit in any action for breach of a contractual obligation under the Contract or the Escrow Agreement and the taxing power of the Unit is not and may not be pledged directly or indirectly to secure any moneys due under the Contract, the security provided under the Contract being the sole security for RBC Bank (USA) in such instance.

Section 5. The Unit covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code") as required so that interest on the Unit's obligations under the Contract will not be included in the gross income of RBC Bank (USA).

Section 6. The Unit hereby represents that it reasonably expects that it, all subordinate entities thereof and all entities issuing obligations on behalf of the Unit will issue in the aggregate more than \$10,000,000 of tax-exempt obligations, including the Contract (not counting private-activity bonds except for qualified 501(c)(3) bonds as defined in the Code) during calendar year 2011. In addition, the Unit hereby designates the Contract and its obligations under the Contract as a "non-bank qualified tax-exempt obligation" for the purposes of the Code.

Section 7. This Resolution shall take effect immediately upon its passage.

Upon motion of Councilman Sack and a second by Williams , the foregoing resolution entitled “**A RESOLUTION OF THE HOLLY SPRINGS TOWN COUNCIL AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT fINANCING CONTRACT IN THE AMOUNT OF \$203,200 WITH RBC CENTURA BANK (USA) TO FINANCE THE ACQUISITION OF CERTAIN EQUIPMENT FOR USE BY THE TOWN OF HOLLY SPRINGS; AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED INSTRUMENTS; AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH**” was adopted by the following vote: Ayes: 4 Nays: 0

PASSED AND ADOPTED this 5th day of April, 2011.

10. Other Business: None.

11. Manager’s Report: Mr. Dean reported that the Town has finally received State permission to administer its reclaimed water system; and that the state of the town presentation sponsored by the Chamber will be held on April 26.

12. Closed Session: The Council approved a motion to enter into Closed Session, pursuant to NCGS 143-318.11(a)(4), to discuss the possible location or expansion of a business or industry; and pursuant to NCGS 143-318.11(a)(5) to instruct staff and the town attorney regarding negotiations to acquire property.

Motion By: Sack

Second By: Williams

Vote: Unanimous.

General Account Closed Session – April 5, 2011

In Closed Session, the Council discussed with the Town Attorney and gave direction to staff regarding the acquisition of property. The Council took action and then sealed the minutes of this transaction until such time as the purpose of the Closed Session would no longer be frustrated.

Action: The Council approved a motion to seal the minutes, to be unsealed upon the completion of the purchase of approximately 8.5 acres.

Motion by: Cobb

Second by: Sack

Vote: Unanimous.

The Council discussed with the Town Attorney and gave direction to staff regarding options that exist for a company looking at a possible location in Holly Springs. Staff reported on difficulties posed by a property owner who was not consistent with his asking price for a piece of property.

The update was provided for the Council’s information, and no action was taken.

The director of economic development provided an update for the Council’s information about a prospective new industry. No action was taken.

The Town Manager reported that the developers of New Hill Place are asking for financial consideration to help close a large gap in the project. The Council had discussed this at length at its retreat, and the consensus of the Council remains that the Town will not waive fees or contribute heavily to retail development projects.

Action: The Council approved a motion that the Town will not provide fee waivers for retail developments, including those requested by the developers of New Hill Place, beyond what considerations already have been committed to the project.

Motion By: Cobb

Second By: Womble

Vote: Unanimous.

-- End of the General Account

No further action was taken in Closed Session other than the motion to return to Open Session. Councilman Sack made a motion to return to Open Session, and it was seconded by Councilman Cobb. The vote was unanimous in favor of the motion.

13. Adjournment: There being no further business for the evening, the April 5, 2011 meeting of the Holly Springs Town Council was adjourned following a motion by Councilman Sack, a second by Councilman Cobb and a unanimous vote.

Respectfully Submitted on Tuesday, May 17, 2011.

Joni Powell, MMC, Town Clerk

Addendum pages as referenced in these minutes follow and are a part of the official record.