



March 13, 2018

**MINUTES**

The Holly Springs Town Council met in a duly-called special session on Tuesday, March 13, 2018 in the Holleman Room of Town Hall, located at 128 South Main St. Mayor Dick Sears presided, calling the meeting to order at 4 p.m. A quorum was established as the mayor and all council members were present as the meeting opened.

**Council Members Present:** Councilmen Dan Berry, Tom O'Brien and Peter Villadsen; Councilwomen Christine Kelly and Cheri Lee.

**Council Members Absent:** none

**Staff Members Present:** Chuck Simmons, town manager; Joni Powell, town clerk; John Schifano, town attorney; Gina Clapp, director of planning and zoning; Daniel Weeks, assistant town manager; Kendra Parrish, director of engineering; Tamara Ward, communications specialist (recording the minutes); Mark Andrews, public information officer; Aaron Levitt, senior engineer; Elizabeth Goodson, development review engineer; Mary DePina, project engineer; Dirk Siebenbrodt, project engineer; Rachel Jones, development plan reviewer; Debbie Abbene, administrative specialist; Tina Stroupe, general accounting and financial reporting; Mary Hogan, finance director; Paul Allen, real estate acquisition agent; Kimberly Keyes, project and construction manager; Patty Dressen, senior accountant.

Ms. Parrish reviewed transportation improvements needed now and in the future. She cited different projects and their associated costs, noting that cost estimates were conservative and included inflation. *A copy of the project listing is attached to these minutes as addendum pages.*

Ms. Parish noted:

- Within 20 years, the main roads in Holly Springs will be over capacity at all times of the day due to projected regional growth in Wake and Harnett counties.
- Depending on the transportation improvement project scope and the source of funding, delivery of certain projects could take 10 years or longer.
- A transportation bond would provide the Town an opportunity to invest and gain a higher return if the Town is able to use a portion of the money as leverage for N.C. Department of Transportation funding.
- A transportation bond would allow the Town to fund projects through partnerships, rather than absorbing 100% of the cost.
- The Town would need a third-party advocacy group; what type of information the government can present about a bond referendum is limited.

The council asked questions about various projects and potential funding sources; staff provided answers and encouraged the council to consider which projects offered the most benefit for the cost of the project. Ms. Parrish said the council could think of a potential bond issuance resulting in two pots of money – one for projects funded entirely by the town and another to use as leverage to obtain additional money for projects from the state.

By consensus, the council recessed for dinner.

Ted Cole, senior vice president and co-head of public finance with Davenport & Company, financial advisor to the Town, discussed the Town's current credit ratings and the methodology for forming the ratings, general fund balance, existing tax-supported debt, town finance policies, debt to assessed value, and debt service versus expenditures

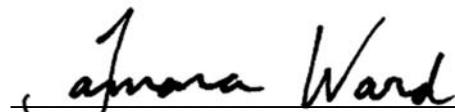
Mr. Cole discussed a model of a potential \$40 million bond referendum with a 5-cent tax rate increase and an initial \$20 million bond issuance in fall of 2020. Council and staff discussed how the Town's rate of growth could affect borrowing. Mr. Simmons noted the model did not factor in a potential second issuance of Parks and Recreation bonds or debt incurred with possible construction of a Public Works facility.

Council Members were in consensus to direct staff to move forward by meeting with the Local Government Commission about the potential for a \$40 million transportation bond referendum with an up to 5-cent tax rate increase in the November election.

Additionally, by consensus, the Council asked communications staff to provide Council with a draft of its news release on the transportation bond referendum before it is released to the public.

**Adjournment:** There being no further business for the evening, the March 13, 2018 special meeting of the Holly Springs Town Council was adjourned following a motion by Mayor Sears, a second by Councilwoman Lee and a unanimous vote.

Respectfully submitted on Tuesday, March 20, 2018.

  
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Tamara Ward,  
Communications Specialist

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

| Project |  | Cost Estimate   | Project Distance in miles | Benefit  |
|---------|--|-----------------|---------------------------|--|
| A       | <b>Holly Springs Road</b>  |                 |                           |  |
|         | Segment 1 - Green Oaks Parkway to Bypass   | \$4,509,803.92  | 1                         |  |
|         | Segment 2-Bypass to Main St  | \$8,000,000.00  | 0.8                       | Development expected along the north side over the next 2-3 years  |
|         | Segment 3- Flint Point Way to Sunset Lake Rd   | \$10,700,000.00 | 1.14                      | Safety Issue- Middle Creek overflows and causes temporary road closure. This improvement supports I-540. |
| B       | <b>Sunset Lake Road</b>  |                 |                           |  |
|         | Segment 1-Stephenson to Holly Springs Rd   | \$10,000,000.00 | 0.99                      | This improvement supports I-540.   |
|         | Segment 2- Holly Springs Rd to Kenmont Rd  | \$5,500,000.00  | 0.65                      | This improvement supports I-540.   |
| C       | <b>Innovation Parkway</b>  |                 |                           |  |
|         | Segment 1 - Avent Ferry to New Hill Road   | \$40,000,000.00 | 2.55                      | Western North-South connection   |
| D       | <b>Honeycutt Extension</b>   |                 |                           |  |
|         | Segment 1 - Cass Holt to Avent Ferry Road and small realignment piece at Piney Grove | \$6,000,000.00  | 0.49                      | Western East-West connection   |
| E       | <b>Alternate to Innovation Parkway</b>   |                 |                           |  |
|         | Segment 1 - Braxton S/D to New Hill  | \$25,000,000.00 | 0.39                      | Western North-South connection   |
| F       | <b>NC 55 Bypass Southbound 3rd Lane</b>  |                 |                           |  |
|         | Segment 1- from W. Holly Springs/New Hill Rd to Avent Ferry Road                     | \$7,100,000.00  | 1.2                       | 5-10 minutes saved in the afternoon commute  |
|         | Segment 2- from Avent Ferry to Main St Extension                                     | \$800,000.00    | 0.39                      | 2-5 minutes saved in the afternoon commute   |
| G       | <b>Downtown-Estes Lane Connection</b>  | \$950,000.00    | 0.1                       | Roadway connection to reduce downtown cut through traffic  |
| H       | <b>Downtown-Grigsby Avenue Asphalt/Curb and Gutter</b>                               | \$850,000.00    | 0.8                       | In addition to the upcoming NCDOT Resurfacing project. Will not add capacity.                            |
| I       | <b>Downtown- Avent Ferry Realignment to Pine Avenue to Stinson Avenue</b>            | \$1,300,000.00  | 0.25                      | Creates a direct route and ony destination traffic along Avent Ferry Rd by the downtown core area.       |
| K       | <b>Main St - Right turn lane</b>   | \$400,000.00    | 0.13                      | 1-3 minutes saved in the morning and afternoon commute   |

Notes:

1. Average Daily Traffic taken from Triangle Regional Model and Downtown Traffic Counts