



August 6, 2019

MINUTES

The Holly Springs Town Council met in regular session on Tuesday, August 6, 2019 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 five council members were present as the meeting opened.

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

Council Members Absent: None.

Staff Members Present: Randy Harrington, *Town Manager*; Daniel Weeks, *Assistant Town Manager*; John Schifano, *Town Attorney*; Paul Allen, *Assistant Town Attorney*; Linda McKinney, *Town Clerk* (recording the minutes); Latisha Butler, *Deputy Town Clerk*; Gina Clapp, *Director of Planning and Zoning*; Doug Wise, *IT*; LeeAnn Plumer, *Parks and Recreation Director*; Jessica Stygles, *Farmers Market*; Kathleen Hebert, *Parks and Recreation*; Tamara Ward, *Interim Director, Communications and Marketing*; Mark Andrews, *Communications and Marketing*; Irena Krstanovic, *Director of Economic Development*; Mary Hogan, *Director of Finance*; Kendra Parrish, *Director Engineering*; Aaron Levitt, *Engineering*; and Leroy Smith, *Fire Chief*.

2 and 3. The Pledge of Allegiance was recited, and the meeting opened with an invocation by Pastor Jim Littleton of Holly Springs United Methodist Church.

4. Agenda Adjustment: The August 6, 2019 meeting agenda was adopted with changes, if any, as listed: Consent Agenda item 8d moved to New Business for discussion.

Motion by: O'Brien

Second by: Villadsen

Vote: Unanimous

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 comments were recorded: none.

6a. Recognition: Farmers Market Week

Jessica Stygles, Farmers Market, said that to further awareness of farmers markets' contribution to American life, Sonny Purdue, Secretary of the U.S. Department of Agriculture has proclaimed the week of August 4 -10 as National Farmers Market Week. The Holly Springs Farmers Market is in its 13th summer season. It began in 2007 with a handful of vendors hoping to draw residents to downtown and has grown into a vibrant community event featuring local food, live music, kids' activities, and an average of more than 850 customers each week. She said that staff is incredibly grateful for all the support of the Town Council, the community, a variety of town departments, and our sponsors. They believe the Farmers Market is far more than a place to buy your weekly produce—it's an opportunity for both residents and local businesses to participate in community building. Our customers appreciate supporting local businesses, and when our businesses thrive—the community thrives.

National Farmers Market Week is a great opportunity to show the nation how much value markets bring to their communities. On August 10, the Holly Springs Farmers Market will be celebrating with customer appreciation drawings and giveaways. This will also kick off the campaign to retain our title as the #1 most celebrated farmers market in NC—a distinction we've held since 2011 according to the annual *American Farmland Trust Farmers Market Celebration* competition. Residents can come on Saturday and cast their vote for Holly Springs to retain its title.

Mayor Sears proclaimed August 4 – 10 to be National Farmers Market Week in Holly Springs.

Action: None.

7a. Requests and Communications: I-540 Extension Update

Dennis W. Jernigan from the NC Turnpike Authority gave an overview of the right of way acquisition process. He showed a map of the I-540 extension and gave some background on types of rights of way and typical timelines for acquiring them. Next he gave a detailed description of the right of way process, and gave Council web addresses and contact information for NCDOT officials in the right of way unit.

Council asked questions about how fair market value is determined, the timeline for the project, and relocation assistance. They also requested more communication from the Turnpike Authority so that Councilmembers can better answer residents' questions. Council felt that there was fear and confusion among affected residents and desired to assist them. Mr. Jernigan offered to speak personally to anyone who wanted to sit down with him, whether one on one or in a meeting format, i.e. with their HOA.

Action: None.

8. Consent Agenda:

The Council approved a motion to approve all items on the Consent Agenda with the exception of 8d, which was moved to New Business for discussion. The motion carried following a motion by Councilman O'Brien, a second by Councilman Villadsen, and a unanimous vote. The following actions were affected:

- 8a. Minutes – The Council approved minutes of the Council business meeting held July 16, 2019.
- 8b. Re-Appropriation Report – The Council approved the re-appropriation of prior year encumbrances. *A copy of the re-appropriation report is attached to these minutes.*
- 8c. Wake Futbol Club Agreement – The Council approved an agreement with Wake Futbol Club.
- 8d. Holly Springs Road Widening – moved to New Business
- 8e. City East Sound, Inc. Contract – The Council approved a contract with City East Sound, Inc. to replace the Cultural Center theater's speaker system.

9. New Business:

9a. Rex Hospital Infrastructure Reimbursement Agreement

Kendra Parrish, Director of Engineering, said that UNC Rex wishes to develop a 50-bed hospital, as shown on a plan submitted and approved by the Town Council on September 18, 2018. The highlights of the Infrastructure Reimbursement Agreement include:

- Developer agrees to dedicate by plat the right-of-way of for a new grade-separated interchange at NC 55 Bypass/S. Main St.
- The Town, in anticipation of the Hospital Project, recently embarked on a capital improvement project to increase the size of the downstream wastewater gravity line. As such, the Developer agrees to reimburse the Town for this advanced expenditure a fee-in-lieu of upgrading this gravity line in the amount of \$142,100.96
- The Town has embarked on the realignment of Avent Ferry Rd., which is a capital improvement and is adjacent to a portion of the frontage of the site. As such, the Developer agrees to reimburse the Town for a fee-in-lieu of intersection improvements in the amount of \$113,000.00.
- Developer is engaging in a feasibility analysis. The parties agree that, if after such analysis, it is impracticable to adhere to this development criteria of burial of the power lines, the Developer shall pay a fee in lieu of underground utilities an amount determined by such analysis not to exceed \$196,999.25, within 30 days of demand by the Town.
- Developer shall use commercially reasonable efforts to design, acquire easements, and construct an additional public sidewalk along Main St. from the site to Maple Ave. If easements cannot be acquired by the Developer through commercially reasonable efforts, the acquisition shall be completed in accordance with articles in the agreement.

Action: Motion to approve the Rex Hospital Infrastructure Reimbursement Agreement.

Motion by: O'Brien

Second by: Lee

Vote: Unanimous.

9b. Lowe's/Wegmans Infrastructure Reimbursement Agreement and NCDOT/Town Municipal Agreement

Kendra Parrish, Director of Engineering, said that upgrades to the Basal Creek Pump Station are planned for future years in the Town's Capital Improvements Plan. Due to the acceleration of development in the area, the upgrade is needed for the Lowe's/Wegman's and Stephens Tract developments. Lowe's/Wegman's will need the additional capacity first, so staff has required the developer to construct the upgrade to the Basal Creek pump station. The scope of the improvements includes:

- abandoning the Garrison Pump Station;
- increasing the size of the pumps at the Basal Creek pump station;
- extending a new forcemain and gravity line to the former Garrison pump station site; and
- constructing a small portion of forcemain along Avent Ferry Rd.

The total cost of the project is estimated at \$1,261,500. If approved, the Town would reimburse this amount to the developer after completion, inspection, and approval of the pump station project. The Town has collected \$744,885 from past developments that need this improvement. The Town is also seeking payment from the Stephens Tract developer to contribute \$334,170 (through a future IRA) toward the project in order to accommodate their wastewater flow. Therefore, \$1,261,500 will be paid with: \$744,885 previously collected; \$182,445 additional town wastewater funds; and \$334,170 Stephens Tract contribution, for a total of \$927,330 as Town contribution.

Ms. Parrish said that NCDOT is requiring the Lowe's development to construct a superstreet on the NC 55 Bypass at Teal Lake and will reimburse the Town \$350,000 toward the improvement. This is a straight reimbursement. The Town will not pay these funds to the developer until NCDOT has inspected and cleared the project for reimbursement.

There was discussion regarding what the Town's exposure would be, since the Stephens Tract IRA is not yet signed, or if construction costs were greater than anticipated. Mr. Schifano,

Town Attorney, explained that there was a clause in the IRA that the Town would pay the amount stated or the actual cost, whichever was *less*. Ms. Parrish said that staff is in active talks with the developers of the Stephens Tract on an IRA. It will come to Council later, but it was not ready tonight.

The Mayor thanked Mr. Schifano for his hard work in negotiating these agreements.

Action 1: Motion to approve the Lowe's/Wegman's Infrastructure Reimbursement Agreement.

Motion by: Villadsen

Second by: Berry

Vote: Unanimous.

Action 2: Motion to approve the NCDOT / Town Municipal Agreement.

Motion by: Lee

Second by: Villadsen

Vote: Unanimous.

9c. Holly Springs Road Widening – This item was moved from Consent Agenda to New Business for discussion.

Council questioned Ms. Parrish regarding why this is a time-sensitive project. She said that CAMPO has agreed to extend the time once already. The project was supposed to be funded by Sept. 30th. She said that the federal government can take the funds back, a process called rescission, if we are not moving forward. She said that NC DOT will not talk to staff about additional funding until we have the appraisals. Staff is trying to get more funding from NC DOT, but needs the appraisals first.

Randy Harrington, Town Manager, said that staff can reach out to CAMPO for another extension and bring the item back in September. Staff will know for sure next Wednesday if extensions will be granted or not. If an extension is not granted, then the Town will lose the 80% of the funds that are due from the NC DOT.

Mr. Schifano explained that the thought process behind asking for the appraisal money ahead of the project budget is because of the length of time it takes to get the appraisals. He said the money will not be wasted if the Town runs into delays because getting an appraisal update is much cheaper and faster than getting a new appraisal. Mr. Harrington said that staff thinks the current estimates are low and wants actual appraisals to take to NC DOT to get more funding. Ms. Parrish said that there are many facets that are time sensitive in order to get additional funding for the project and to avoid the federal government rescinding the money.

Council instructed staff to request an additional extension and report back to them next Wednesday.

Action: none taken

10. Unfinished Business:

10a. Norris-Holland-Hare House Sales Update and Minimum Bid Modification Consideration

Gina Clapp, Director of Planning and Zoning, said that to date, no bids have been received for the Norris-Holland-Hare House. Some interest has been expressed by five parties, three for non-residential purposes. Concerns expressed include cost of property, unknown renovation costs and structural integrity. She said that staff (Parks & Recreation, Public Works, and Planning & Zoning) are spending time monthly in maintaining and taking care of the house and property.

She said that staff will be working with Capital Area Preservation, who has budgeted funding and is seeking a consultant to prepare a Wake County Local Landmark Status application for the house this year. The property can potentially also be designated a National Historic Landmark in

the future. She said that staff from Planning & Zoning and Communications & Marketing have been working on a new advertising and marketing campaign, webpage and a video which she then presented.

She said that some options include lowering the minimum bid amount; keeping the bid period indefinite; adding that renovation plans must be approved by Capital Area Preservation (CAP) in order to submit the bid, so that the Town doesn't risk an individual buying the home and being unable to agree with CAP. The house was lived in until 2017, but not since the town bought it. There is considerable renovation work that will need to be done. CAP estimates between \$20 to \$25k would be an acceptable bid price, but it is up to Council.

Council discussed the various options. They suggested that staff work with the Realtors at the Chamber of Commerce. Council reached a consensus to keep the bid open for an indefinite period with a \$60,000 asking price but no stated minimum bid, and asked staff to report back to them after the house has been listed on the MLS for thirty days.

11. Other Business – None that required action.

12. Manager's Report:

Mr. Harrington offered his thanks to staff for the Village District Open House, which was well attended and a success. He recognized Christine Quante with the Chamber and the representatives from Rex Hospital who were there.

This evening was the Avent Ferry Realignment open house. Upcoming is the Grigsby Avenue Improvements open house on Aug 20th from 5-7 in Holleman room to discuss the transportation bond project to improve Grigsby Avenue from Raleigh Street to Sugg Farm.

Aug 16th the Holly Springs Police Department is partnering with McDonalds to promote the Special Olympics and connect with the community. Stop by McDonalds from 4 -7 pm to find officers taking and filling orders, and manning a coloring station for the kids.

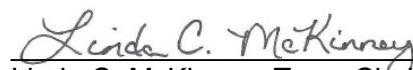
Finally, there is no workshop next week as Council cancelled it a couple of months ago. So the next Council Meeting is August 20th.

13. Closed Session: At 8:47 pm Councilman Berry made a motion to go into closed session to discuss a procedure relative to the yearly evaluation of the Town Manager, pursuant to NCGS 143-318.11(a)(6). The motion was seconded by Councilman Villadsen and passed with a unanimous vote.

Councilwoman Lee made a motion to return to open session. It was seconded by Councilman Berry and the vote was unanimous.

14. Adjournment: Councilwoman Lee made a motion to adjourn at 9:50 pm. It was seconded by Councilwoman Kelly, and passed unanimously.

Respectfully Submitted on Tuesday, August 20, 2019.



Linda C. McKinney, Town Clerk

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