Mayor and Council Workshop
6 p.m. September 13, 2022
Holly Springs Law Enforcement Center and livestream

MINUTES

The Holly Springs Town Council held a workshop meeting on Tuesday, September 13, 2022 at the Law Enforcement Center and via livestream. Mayor Mayefskie presided, calling the meeting to order at 6:00 p.m. A quorum was established as the Mayor and four Council members were present as the meeting opened.

Council Members Present in the room: Mayor Sean Mayefskie, Mayor Pro Tem Dan Berry, and Council members Aaron Wolff, Tim Forrest, and Kristi Bennett.

Council Members present via electronic means: Shaun McGrath.
Note that the audio was not working to allow Council member McGrath to be heard in the room, so he texted his questions and comments to Town Manager Randy Harrington who read them aloud.

Council Members absent: none.

Staff Members Present in the room: Randy Harrington, Town Manager; Linda McKinney, Town Clerk (recording the minutes); Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; Antwan Morrison, Finance Director; Corey Petersohn, Budget, Innovation and Sustainability; Greg Sponseller, Budget, Innovation and Sustainability; Mathew Mutter, IT; John Schifano, Town Attorney; Cassie Hack, Director of Communications and Marketing; Kendra Parrish, Executive Director of Utilities and Infrastructure; Chris Hills, Director, Development Services; Sean Ryan, Development Services; Elizabeth Goodson, Development Services; Daniel Spruill, Development Services; LeeAnn Plumer, Director, Parks and Recreation; Matt Beard, Parks and Recreation; Paige Scott, Director, Public Works.

1. Overview: Randy Harrington, Town Manager, gave an overview of the meeting agenda.

2. Parks and Recreation Policies

A. Fees and Charges Policy / Cost Recovery Philosophy
LeeAnn Plumer, Director, Parks and Recreation, said the purpose of this item was to present a framework for a parks and recreation fee and charges policy, including a cost recovery philosophy based on a community benefit model. She said that Strategic Plan Initiative 3.1 under Engaged, Healthy, and Active, called for staff to analyze the cost of service for functional areas and develop a policy for cost recovery goals. It was also a recommendation in the Parks, Recreation & Greenways Master Plan. This will provide efficiency, accountability, and equity in pricing.
Ms. Plumer said the methodology and philosophy around pricing would be the basis for fees as part of the annual budget process. They looked at a best practices in Wake County and nation-wide. It uses direct and indirect costs by program or “cost center” and provides structure, but is adaptable based on changes in the market, demand for services, and operational expenses.
She explained that services that benefit the community should have a lower cost recovery rate, than specialized services that mostly benefit individuals, and that “core services”

such as camps, recreation leagues, and health and fitness services should have a cost recovery rate between those two. She gave examples of cost recovery rates across the spectrum of Parks and Recreation activities. She said that the typical parks and recreation agency recovers 22.9% of its operating expenditures from non-tax revenue, but with the current fee schedule Holly Springs' Parks and Recreation has a 42% overall cost recovery.

Ms. Plumer then discussed possible cost recovery models and what the rates of recovery would be for a Moderate recovery model vs. a Progressive recovery model for each service level: Specialized, Core, and Community Benefit. She then showed how most programs are currently funded at a Moderate Recovery Model level, with some at the Progressive Recovery Model level. She showed cost recovery at the current fee level for Summer Camp and Youth Athletics Leagues, and estimated potential revenue from those programs.

Ms. Plumer then outlined some special considerations for variances in any given model, such as benchmarking / market comparisons, new program startups, special facility rentals that provide economic impact benefits and a scholarship program (currently 50% fee reduction, not to exceed $200 per year per participant). She requested Council feedback and said that a policy document would be presented to Council at a future meeting for their consideration.

Randy Harrington, Town Manager, said that staff is recommending the progressive level of funding and he thinks it gives us enough flexibility to accommodate those factors Ms. Plumer discussed.

Council discussed the impact of raising fees on the budget and on participation. They discussed how Holly Springs' fees compare to other nearby municipalities and private options, and the consideration of sponsorships for team sports.

Council's consensus was to go with a progressive model.

Mr. Harrington said that fee changes are usually made at budget adoption time, but he suspects there will be some presented at the time the policy is presented.

B. Town Facilities Naming Policy

LeeAnn Plumer, Director, Parks and Recreation, said the purpose of this item was to present a framework for a policy and process for naming public facilities and large events in town. She said that the proposed policy would apply to all town facilities, not just parks and rec facilities, and would establish Town Council as the formal authority. It shall be consistent with Town values and enhance a sense of community and it could be used to recognize the investment of businesses, as pertaining to naming rights.

Ms. Plumer said that naming should follow one or more of the following categories: Geographic; indigenous, cultural, or historic reference; native flora, fauna, or natural feature; individual, family, or organization that made a significant contribution over many years; businesses (pursuant to naming rights); or other factors supported by the Town Council.

She discussed the process, saying that a temporary name may be utilized during acquisition and development, but when possible, a permanent name should be identified prior to award of the construction contract. Names could be suggested by a Council member, a Council appointed board or committee, or the Town Manager and would be considered by council during a public meeting. The Clerk's office will maintain a registry of named facilities, including naming rights terms.

Ms. Plumer said that renaming of facilities would be generally discouraged, but if a name change is desired it should not diminish the original justification for the name or the prior contributors. If it is found that the individual, family, or organization's character is not in the best interest of the Town or community, that would be a reason to consider a name change.

Ms. Plumer said that naming rights should be considered for facilities or components of a facility (room, field, stage, etc.) and that naming rights for events would only be considered for large events where the contribution was $25,000 or more. Naming rights shall have a separate agreement with defined terms and would require Council approval. She requested feedback and said the next step would be to present a draft policy document to Council for consideration at a future meeting.

Council discussed the process for suggesting names, and what types of names would be considered. They also discussed the dollar amount of a donation required to request naming rights for an event.

4. Sustainability Program

Greg Sponseller, Budget, Innovation and Sustainability, said the purpose of this item was to present a progress report on the Town's Sustainability program, receive feedback, and answer any questions Council may have. He gave an overview of the program, defining sustainability as the "triple bottom line" where Economic, Environmental, and Social goals intersect.

Mr. Sponseller said that the annual utility cost for Town facilities is more than $2 million, with electricity alone at $1.45 million. The fuel cost for the Town Fleet is $550,000. There are about 200 utility accounts across 36 town facilities. He said that Initiative 3.1 under Strategic Priority Responsible & Balanced Growth calls for completing an action plan and protocols for implementation of sustainability and resiliency practices in fleet management, solid waste, and facility maintenance and energy efficiency. The objectives of the Sustainability Plan are to:

- Maximize efficiencies and eliminate waste;
- Improve operations and services;
- Improve community resiliency;
- Remain fiscally responsible;
- Stay within the Town's legal authority; and
- Focus on the Town's municipal operations.

Mr. Sponseller said that he will be meeting with staff in three teams, Buildings and Energy, Fleet, and Waste and Other, to discuss implementation for Buildings and Energy, Fleet, and Waste and Other. The program began in July with assessment, to discuss what we are doing now. Then departments will offer the Design Phase, for projects that they think are doable. Then actions will be prioritized with deployment set to begin in December, with potential recommendations to be brought to Council at the Mayor and Council's retreat in February.

Mr. Sponseller said that Initiative 2.1 under Responsible and Balanced Growth is to Develop guidelines for the application of sustainable and resilient practices for new town facilities and capital infrastructure. He said that two projects for town facilities were Occupancy sensors such as automatic shut off sensors for interior lighting systems, and Energy Audits / Performance Contracting. The second would evaluate opportunities for energy performance contracting at select facilities, pending implementation of utility data management software and facility condition assessment.

He said another thing staff has been working on are design guidelines for new town facilities, to focus on lower total operating costs over the life of an asset; low impact design (i.e. stormwater); energy and utility efficiency; enhanced occupant health and wellness; site and transportation elements; and to prioritize elements that produce a return on investment. He explained utility data management software as a data tool automatically to collect, track and provide analysis for Town facilities' energy use. This increases the town's ability to track cost and consumption, and benchmark against expected facility performance while accounting for live weather data. He showed how a peer municipality was able to realize a 41% annual energy savings, equaling about $17,902 annually by using the data from utility management software to identify issues and fix them.

Regarding Fleet, Mr. Sponseller said that staff is looking at right-sizing the fleet and determining the suitability of existing vehicles for electrification or alternative fuel replacements when those vehicles reach their life expectancy. Staff is developing an electric vehicle program and implementation plan and working on charging station hardware and software deployment. Fleet Idle Reduction Measures are developing education and awareness resources to reduce unnecessary vehicle idling, reducing total fuel consumption and operating costs. This has the added benefit of extending the useful life of equipment and reducing negative impacts on local air quality. He said that staff is evaluating opportunities for expansion of public charging infrastructure and was awarded a $10,000 grant for two ports at the Town Hall Commons parking deck. Other priorities would be preparing shovel-ready projects at Town facilities and proactively considering EV-ready parking at new Town facilities.

Mr. Sponseller said that, as Town Manager Randy Harrington announced at their last meeting, the Town recently achieved the SolSmart Silver community designation, and he congratulated Council for their work to achieve that designation. He said that next steps would be strategic plan updates presented to Council alt their retreat in February, and possible budget considerations for next fiscal year. He asked for feedback or questions.

Council discussed which projects and facilities these actions would apply to, and asked for clarification on the timeline. They discussed increased lifespan and decreased lifecycle costs, and the cost of the utility data software.

5. Locally Administered Project Program (LAPP) Prioritization

Sean Ryan, Development Services, introduced Daniel Spruill, a new transportation planner. He said Tim Athy and Matt Beard also participated in the project selection.

Mr. Ryan said that the purpose of this item was to provide Council with an update on the FY24 Locally Administered Projects Program (LAPP) submittal process and recommended projects for this application cycle. Council would be asked to authorize staff to proceed with LAPP applications on selected projects.

Mr. Ryan gave some background on the LAPP program which provides funding for local transportation projects in the CAMPO region. There is roughly $25 million available for roadway, bike/pedestrian, and transit projects. These have a minimum of 20% local match requirement. Project selection will be in February of 2023. He said that projects must be part of the Metropolitan Transportation Plan and that Holly Springs is eligible to apply for LAPP funding for 1 roadway project and 1 bike/pedestrian project. He explained the filters used by staff to select projects to submit, and the level of importance attached to the various criteria used. He showed possible projects and how they rated, and highlighted those that were more favorable for LAPP funding.

Mr. Ryan said that staff recommended applying for a Roadway Project for Holly Springs Rd. West. It would require an estimated investment of $15.3 million and staff recommends a 65% match ($9,945,000) with a 35% Federal Grant ($5,355,000) in order to make the project more likely to be funded. Determining factors were that this is a Council priority and an existing bond project. The current volume is over the roadway capacity and this project will increase capacity to acceptable levels through at least 2050.

The Bike/Pedestrian project staff recommends, Mr. Ryan said, is Utley Creek Greenway Phase 2. This has an estimated investment of $3.1 million and staff recommends a 20% match ($620,000) and 80% Federal Grant ($2,480,00). Determining factors were that this extends the Utley Creek Greenway Phase 1. It is a Comprehensive Transportation Plan priority improvement corridor, and it would provide access to downtown for residents west of NC 55.

Mr. Ryan said that next steps would be to receive Council's concurrence to move forward on the two projects, the application date is October of 2022 with the funding decision made in February of 2023.

Council requested clarification that Holly Springs Road West is the same project that used to be called Holly Springs Road Phase III. They discussed the different levels in matching funds and the funding strategy for those matches. Council also asked for updates on other transportation projects in town.

Council authorized staff to proceed with LAPP applications for Holly Spring Road West and Utley Creek Greenway.

Open Discussion

MPT Berry asked when Council would get an update on the bond projects. Randy Harrington said they would get an update at their next council meeting. MPT Berry asked how many leaf trucks we have now. Paige Scott, Director, Public Works said we have 5 trucks and 2 tow-behind vacuums, but the tow-behinds cannot be used in subdivisions because of tight spaces. MPT Berry said the HOA at Sunset Ridge is concerned with the leaf schedule and he asked that staff take a look and see what can be done. If it is a staffing problem and if Council can help, and create an opportunity to increase pickup in neighborhoods with more trees. Ms. Scott said that was on her radar, and how the schedule works depends on whether leaves fall all at once or trickle down. But with this model staff can get into some other neighborhoods on an as-needed request basis. Mr. Harrington said that staff is connecting with HOAs to discuss this issue.

Council member Forrest asked if there was an update on DOT's plan to widen Avent Ferry from Cass Holt to Ralph Stephens. He said there has been a rash of accidents there lately. Mr. Harrington said that right now it is on the state STIP, scheduled for right-of way acquisition in 2028 with bidding in 2029. The good news is that it is back on the plan at the state level, which shows a higher level of commitment. Council member Forrest asked if we could see where NCDOT is with NC 751, because even though that is out of our jurisdiction, it affects our residents. Mr. Harrington said we will be happy to reach out. With Amgen and other investments, that is on NCDOT's radar. Council member Forrest said he was happy about the partnership with RTA, and asked when can we get an update on the US 1 interchange and what we can do to assist.

Mayor Mayefskie thanked Parks and Rec leadership for quick action on the tennis court weed problem. He reminded Council to go back to Winter Attire next week.

Mr. Harrington said that next week he would be at the International City and County Managers Assoc. meeting and Scott Chase would be at the dais at the next meeting.

6. Adjournment: There being no further business for the evening, motion to adjourn was made by MPT second by TF and passed with a unanimous vote. The September 13, 2022 meeting of the Holly Springs Town Council was adjourned at 7:47pm.

Respectfully Submitted on Tuesday, October 4, 2022.

Linda C. McKinney
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Linda McKinney
Town Clerk