Mayor and Council Workshop
6 p.m. November 14, 2023
Law Enforcement Center, and livestream

MINUTES

The Holly Springs Town Council met in a workshop session on Tuesday, November 14, 2023 in the Law Enforcement Center and via livestreaming. Mayor Mayefskie presided, calling the meeting to order at 6:00 p.m. A quorum was established as the Mayor and three Councilmembers were present as the meeting opened.

Council Members Present in the room: Mayor Sean Mayefskie, Council members Aaron Wolff, Tim Forrest, and Danielle Hewetson

Council Members Absent: Mayor Pro Tem Dan Berry and Council member Shaun McGrath.

Staff Members Present in the room: Randy Harrington, Town Manager; Daniel Weeks, Assistant Town Manager; Scott Chase, Assistant Town Manager; Linda McKinney, Town Clerk (recording the minutes); John Schifano, Town Attorney; Mathew Mutter, IT; MaryBeth Spoehr, Budget and Strategic Planning; Tina Stroupe, Director, Finance; Cassie Hack, Director, Communications and Marketing; Kendra Parrish, Executive Director of Utilities and Infrastructure; Aaron Levitt, Dirk Siebenbrodt, Michael Leonas, Seann Byrd, and Rachel Ingham, Utilities and Infrastructure; Paul Liquorie, Chief of Police; Chris Hills, Director Development Services; Elizabeth Goodson, Sean Ryan, Cheryl Caines, Catherine Jacobs, and Aaron Prichard, Development Services; Irena Krstanovic, Director of Economic Development

Staff member present electronically: Randy Harrington, Town Manager

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

2. Friendship Rezoning

Sean Ryan, Development Services, said the purpose of this item was to share information on the Friendship Innovation Park rezoning request and ascertain if there is any outstanding information Council needs to make their decision at the November 21st Town Council meeting. He reminded Council and the audience that the rezoning was a legislative decision, but the Master Plan was a quasi-judicial decision and therefore will not be discussed tonight.

Mr. Ryan explained Council's level of influence on different types of decisions, which for this project means that the rezoning is Legislative, which gives Council more influence and the subdivision plan would be Quasi-Judicial, with less discretion. He reminded Council that in considering a rezoning they should consider consistency with the Comprehensive Plan, including Land Use & Character, Transportation, Parks & Recreation, and Utilities Plans; and to consider all possible uses in a zoning district. He defined the three subareas areas in the proposal and the requested zoning.

Mr. Ryan outlined the concerns that were voiced at the public hearing including density and transportation improvements, and the updates the applicant has made to the proposal in response. The maximum number of residential units remains the same, but in Area 2 it has been increased from 600 to 800, and in Area 3 it has been decreased from 600 to 400. The transfer of units is allowed from Area 3 to Area 2 (up to 400 units) but density transfer from area 2 to 3 is prohibited.

Mr. Ryan said that Subarea 2 would be Mixed Use, intended for Research & Development, Office & Service, Lodging, Retail, and Residential with 75-100 foot building height and a maximum of 800 units plus any transfers in. Subarea 3 would be a transitional area intended for Research & Development, Office & Service, Lodging, Retail, and Residential with a maximum 75' building height, maximum 400 units, with no transfer in.

Council member Forrest asked whether Subarea 3 could be sold off to another owner who would put something different there. Mr. Ryan said that the zoning stays with the land, so if it was sold the same restrictions would apply to the new owner unless they applied for and were granted a rezoning.

Elizabeth Goodson, Development Services, said another area of concern was traffic. She outlined the process for traffic study scoping and explained the Transportation Mitigation Agreement (TMA). She showed which intersections were considered as part of the traffic study for this project, and also improvements being done by other projects in the area. She explained the methodology used in the traffic study to identify which mitigations or improvements are required, and explained how changing the formula affects what improvements are required. She explained how the Comprehensive Transportation Plan (CTP) and Traffic Studies differ in what situations they address.

Ms. Goodson discussed the road widening required by this development along Friendship Road and Holly Springs New Hill Road, as well as the required intersection improvements, both onsite and offsite. She said they have met with developers and residents since the Public Hearing and the applicant has offered to pay a proportional fee-in-lieu for signal and road improvements at the Old US 1 / Friendship Road intersection to address some of their concerns.

Mayor Mayefskie asked Randy Harrington, Town Manager, about potential funding for the New Hill / Friendship intersection. Mr. Harrington said that if there was future development in that area, that intersection was one that would be looked at. Chris Hills, Director of Development Services, said that they would look at that intersection as development comes online and it would be improved to make sure traffic flowed smoothly.

Ms. Goodson said that there was a small gap in frontage between Crescent and this project along Friendship Road. It is a residence, not part of either project, and is not being improved at this time.

Council member Hewetson asked about the portion against US 1 and what was being improved. Ms. Goodson said that since their property was on both sides of the road there the developer was doing the full widening.

Council member Wolff asked if the residents would be satisfied with the fee-in-lieu, because their concerns seemed broad. Ms. Goodson said they have not had a chance to share that proposal with residents because they wanted to share it with Council first, but are continuing to work with them to address their concerns.

Council discussed the traffic study process, the possible use for maps like the one in the presentation, the timing of NCDOT deciding to create new interchanges on US 1, and what would trigger them to begin construction.

Ms. Goodson asked Council what outstanding questions remained for them to have the information they need to move forward with this.

Mayor Mayefskie asked about timelines for the project. Jon Keener, speaking for the applicant, said that the priority of the timeline was commercial development for more manufacturing space to create jobs in the first 1 to 3 years, with some retail development and amenities. The remainder of the 7 to10 year buildout would follow and build around that.

3. Utley Creek Water Reclamation Facility Preliminary Engineering Report

Seann Byrd, Deputy Director of Utilities and Infrastructure, said this item was to present the findings of the Preliminary Engineering Report (PER) and Alternatives Analysis for upgrades of the Utley Creek Water Reclamation Facility (UCWRF). He said they were requesting Council feedback on next steps for design and future needs. He reminded Council that the current wastewater treatment capacity was designed and constructed for 6 million gallons per day (mgd) and that at 80% of actual flow the system must be under design for upgrades and at 90% upgrades must be under construction according to Water Resources Management Policy. Holly Springs is expected to hit 90% in 2025.

Mr. Byrd said that future wastewater demand is growing due to emerging contaminants, population growth, industry growth, and we must plan for future potential discharge options. He said the Preliminary Engineering Report (PER) is currently in draft review, and it had two primary objectives: 1. To design and construct an 8 mgd upgrade that is easily expandable for future capacity needs; and 2. To upgrade the existing systems to continue compliance with State and Federal regulations at the lowest cost possible. He said it models domestic and industrial loading rates to determine the best treatment methods.

Mr. Byrd said that treatment alternatives include leveraging existing oxidation tanks by converting oxidation ditch to plug flow configuration and replacing surface aerators with a diffused aeration and blower facility. He outlined three alternatives for solids separation from a conventional installation of two secondary clarifiers for solids separation, to installing hydrocyclones and one secondary clarifier, to installing membrane bioreactors which remove more and different types of solids.

Mr. Byrd outlined the treatment alternatives in terms of how many mgd they would handle, the expansion potential, nutrient removal and synergy with Advanced Water Reuse, and the costs to upgrade to 8 mgd and later to 15 mgd.

Mr. Byrd said the purpose of the Alternatives Analysis (AA) was to fully explore cost and delivery alternatives to provide a guideline for future expansions. This is needed because the ability to discharge into Utley Creek is uncertain beyond 8 mgd. It will also assist with managing the timing a costs of upgrading. He said that 8 mgd expansion is needed by 2027, but expansion beyond 8 mgd will be needed by 2035. Construction costs for utility expansions has skyrocketed in the past two years, necessitating the need to explore what can be done with the lowers financial impact.

Mr. Byrd outlined challenges given the size of Utley Creek and the increasing costs. He said the masterplan approved in 2021 was to expand to 8 mgd. An update to the Master Plan planned for future expansion to 13.4 mgd and to replace certain equipment at the end of its useful life. The PER plans for a future expansion to 15 mgd and accounts for future growth and discharge options. He outlined three alternatives for future expansion to 15 mgd, and the costs, the risks and the benefits of each.

Mr. Byrd discussed possible funding sources for expansion. He showed Council comparable projects and their costs per gallon of capacity from 2004 to 2023, with a cost-per-gallon in 2023 dollars ranging from $18.80 to $54.20, which shows that the Holly Springs expansion is within the range of these comparable projects.

Mr. Byrd discussed the difficulties in discharging more than 8 mgd into Utley Creek. He outlined the monitoring and modeling plan for an expansion in discharge and other alternatives.

Mr. Byrd then walked Council through the timeline of options and where the “off ramps” were should situations change. He walked through the projected financing needs to accomplish the expansion. He said the staff recommendation is to move forward with Membrane Bioreactor Technology and investigate the capability of an Utley Creek discharge beyond 8 mgd. He said that next steps would be to complete the PER and AA in January of 2024 and start full design in the first quarter of 2024; to continue to pursue research into Utley Creek to determine the maximum amount of loading it can handle while keeping within environmental standards; and to continue to explore discharge and conveyance options beyond 8 mgd in the Cape Fear Basin to ensure future alternative are ready for pursuit, if needed. This includes potential partnerships with other communities.

Randy Harrington, Town Manager, said a lot of work has gone into this and he thanked staff. He said the MBR approach is the one that gives us the best chance of getting the discharge that we want, and the highest quality of water. He mentioned the importance of working with our partners on finding the best solution. Mayor Mayefskie asked if there was a timetable for working with partners. Mr. Byrd said that Sanford is looking at 7 to 10 years on their project. Staff has reached out to other communities and they are in the same situation as us. There isn't anyone but Sanford interested in partnering on this. We have the permit for 8 mgd already. That can go into Utley Creek. He said he thinks that we could discharge 10 mgd into Utley Creek safely. If things fall through with that model, then we can make the decision to move to the Cape Fear River discharge. Putting high treatment options in gives us enough resiliency that, if we have to bail on one plan we can move to another.

Kendra Parrish, Executive Director of Utilities and Infrastructure said that by the end of 2027 we have to have 8 mgd. We would exceed 8 mgd by the 2030s.

Council member Hewetson asked what do staff saw as Holly Springs' maximum need, 50 years down the line. And if Utley Creek can't handle 10 mgd, how far does it take us. Mr. Byrd said going to 10 mgd will get us well beyond 2040 – probably to 2045. Full buildout would be the 15 mgd. Mr. Harrington said if we are successful at getting the 10 mgd, that gives us breathing room for future expansion.

Council discussed the need for increased capacity as an economic development factor and the options available both for increasing the discharge into Utley Creek and discharging into the Cape Fear River. Council discussed the environmental risks associated with each option, and the viability of the current timeline. They discussed when various decisions would come to Council in the future and what effect that would have on water rates. Mr. Harrington said that there would be an update at the retreat. He reminded Council and the public that the costs posted were in today's dollars, and we know that they will have to be revised.

4. Downtown Area Plan Update

Chris Hills, Director of Development Services, said that this item was to provide an update on the final draft of the Downtown Area Plan and discuss next steps. He said the plan is out for public comment right now. He discussed the process staff went through to create the plan, starting in September of 2022, and said the Plan would go to Council for adoption in December of 2023. He said that previous feedback was to focus on the Downtown Core, keep building heights low, provide parking, and work on funding and implementation.

Sean Ryan, Development Services, showed how the map had altered to concentrate on the core and said the plan's name had been changed to Downtown Area Plan to reflect that. He said it would provide opportunities for infill development and enhanced character while seeking to protect the integrity of the surrounding neighborhoods. He discussed the building height changes Council had requested. He said that they had determined that an additional 860 spaces would be needed at full buildout and recommended creating a Downtown Parking District and developing a parking strategy for Downtown including phased parking locations and financing. He said implementation would have three components: design guidelines, an implementation matrix, and an action plan. He discussed the details of each component.

Aaron Prichard listed the six steps of the Action Plan: developing parking strategy; develop an updated plan for Mims Park; Study the feasibility of the Public Market; Roll out a new Downtown Brand; Install Phase 1 sidewalks and bikeways; and Update the Unified

Development Ordinance. He and said that next steps would be taking the plan to the Advisory Committee on November 20th for a check in, to Planning Board on November 28th, and holding the public hearing and adoption at the December 5th meeting. The document is posted on the Town website and staff is collecting public comment through December 5th.

Mayor Mayefskie asked where things stood with the Pack House. John Schifano, Town Attorney, said it is still held in trust by Dr. Grigsby's trust. Chris Hills, Director of Development Services, said that we heard that the property sold last week, but he doesn't know who the buyer is and when the sale will close. He said there has been lots of public feedback and input for this plan, so he thinks it reflects the goals of the public as well as the Council.

Council expressed that they were happy with the plan as it was put forward.

5. Pedestrian Safety Along Avent Ferry Rd. Corridor

Aaron Levitt, Utilities and Infrastructure, said the purpose of this item was to give Council an overview of recent pedestrian and bicycle incidents along Avent Ferry Road, near Autumn Park and at Cass Holt Road, and to review safety improvements that are being proposed or installed. He said that staff is engaging with NCDOT on proposed improvements. He showed the current pedestrian safety infrastructure along Avent Ferry from Holly Meadow Dr. to NC 55, showing locations of signals (current and proposed) and the Avent Ferry Rd. widening Phase II.

Mr. Levitt outlined the incident at the entrance to Autumn Park and said that the pedestrian crossing meets the current warrants. He said that high visibility (Hi-Vis) crosswalks are proposed for crossing Autumn Park Avenue and School Entrance Drive at Avent Ferry Road.

Mr. Levitt said that the existing intersection of Avent Ferry at Cass Holt Road and Capeside Avenue has several issues that need to be addressed. The existing intersection is at capacity. Capeside Drive is offset, which skews the intersection. There have been 11 incidents reported in the past 3 years. The signal timing has been balanced the best it can be. A pedestrian crossing signal has been added with a "No Right Turn" message triggered by the pedestrian crossing button press. He explained how the non-90 degree crosswalk is more difficult for drivers on Cass Holt Road to see, as they are focused on the oncoming traffic from Avent Ferry Road. He said suggested short term improvements would be signs on Cass Holt warning "Crosswalk Ahead." Mid-term improvements could include adding a colored background to the crosswalk to make it more visible, or the crosswalk could be relocated to a more 90 degree angle to provide more visibility and increase the distance between the right turn lane and the crosswalk. Long-term solutions could include analyzing creating a pedestrian only phase to the traffic signal, adding audible signal to the pedestrian signal and relocating or duplicating the "No Right Turn" sign. Future improvements include Phase II of the Avent Ferry Road Widening project; the Holly Meadow Drive traffic signal and the realignment of Capeside Avenue to line up with Cass Holt Road.

Michael Leonas said that Holly Springs Police Department went out and got the traffic counts that were needed to get the warrants for these corsswalks. Mayor Mayefskie asked if the cones were going to be continued. He thinks it draws attention to the intersection. Police Chief Liquorie said that the cones were a temporary option to slow traffic, because it makes the street appear narrower. In the short term it has had an effect. He said that were able to continue this until these longer-term projects come to fruition. Mr. Levitt said that when you fix one thing, something else becomes a problem. The cones could draw drivers' attention away from the signage or other traffic issues.

Council discussed the timing of the Capeside realignment and Avent Ferry Road widening projects and the possibility of flashing “crosswalk ahead” signs.

Open Discussion:

Council member Forrrest said he feels more comfortable with the Friendship Innovation project. He would like to see more maps that overlay different development’s traffic improvements, which makes it easier to understand.

None that required action.

Closed Session: The Council entered into closed session, pursuant to N.C.G.S. 143-318.11(a)(4) to discuss an economic development project.

Motion by: Wolff
Second by: Forrest
Vote: Unanimous

Motion to leave closed session was made by Council member Wolff seconded by Council member Forrest and passed with a unanimous vote.

6. Adjournment:
Motion to adjourn was made by Council member Wolff seconded by Council member Forrest and passed with a unanimous vote. The November 14, 2023 workshop meeting of the Holly Springs Town Council was adjourned at 8:50 pm.

Respectfully Submitted on Tuesday, December 5, 2023.

Linda C. McKinney

Linda McKinney
Town Clerk