MINUTES

The Holly Springs Town Council met in regular session on Tuesday, July 16, 2024. Mayor Mayefskie presided, calling the meeting to order at 7 p.m. A quorum was established as the Mayor and four Council members were present in the Chamber as the meeting opened.

Council Members Present: Mayor Sean Mayefskie, Mayor Pro Tem Dan Berry, Council members Danielle Hewetson, Chris Deshazor, and Annie Drees.

Council Members absent: Council member Forrest.

Staff Members Present in Chambers: Randy Harrington, *Town Manager*; Scott Chase, *Assistant Town Manager;* Daniel Weeks, *Assistant Town Manager*; John Schifano, *Town Attorney;* Linda McKinney, *Town Clerk* (recording the minutes); Mathew Mutter and Kameron Womack, *IT;* Corey Petersohn and MaryBeth Spoehr, *Budget and Sustainability;* Cassie Hack, *Director, Communications and Marketing*; LeeAnn Plumer, *Director, Parks and Recreation;* Jessica Stygles, *Parks & Recreation;* Chris Hills, *Director, Development Services*; Elizabeth Goodson, Sean Ryan, Brett Gosney, Elliot Blonshine, and Grayson Taylor, *Development Services;* Kendra Parrish, *Executive Director of Utilities & Infrastructure*; Kimberly Keys, *Utilities & Infrastructure;* Irena Krstanovic, *Director, Economic Development*; Tina Stroupe, *Finance Director;* Paul Liquorie, *Police Chief;* LeRoy Smith, *Fire Chief.*

2. and 3. The Pledge of Allegiance was recited followed by an invocation by Ahmed Radwan of the Alnoor Islamic Center.

4. Agenda Adjustment: The July 16, 2024, meeting agenda was adopted with changes, if any, as listed: none.

Motion: Berry
Second: Hewetson
Vote: Unanimous

RECOGNITIONS

5. Farmers Market Week Proclamation

Jessica Stygles, Parks and Recreation, said that National Farmers Market Week is celebrated the first full week in August, which this year is August 4th through the 10th. She said the Holly Springs Farmers Market is in its 13th year. She showed how the number of markets per year has increased from 22 to 46, and the average number of vendors has risen from 11 to 40, with last Saturday's market reaching a record high of 47 vendors. The average number of customers has risen from 319 in 2010 to 1,561 in 2024, with the total customers per season reaching 55,560 in 2023. Ms. Stygles highlighted the various nutrition assistance programs and children's programing at the market and highlighted some upcoming special events.

Mayor Mayefskie proclaimed August 4 – 10, 2024 as Farmers Market Week in Holly Springs.

CONSENT AGENDA

The Council passed a motion to approve all items on the Consent Agenda. The motion carried following a motion by MPT Berry, a second by Council member Hewetson and a unanimous vote. The following actions were affected:

6. Minutes – Council approved the minutes of the June 4, 2024 Business meeting and the June 11, 2024 Workshop meeting.

7. Monthly Budget Amendments – The Council approved the monthly budget amendments.
Budget amendments are attached to these minutes.

8. Authorizing Resolution for Kroger Opioid Settlement and Approving Second Supplemental Agreement for Additional Funds – Council adopted Resolution 24-17 authorizing execution of the Kroger Opioid Settlement and approving second supplemental agreement for additional funds.
A copy of Resolution 24-17 is attached to these minutes.

9. Parking and Infrastructure for Garden at Sugg Farm – The Council awarded the construction contract to Lanier Construction Co. Inc. in the amount of $203,500 for the construction of the parking area and support infrastructure for the community garden at Sugg Farm, and authorized the Town Manager to execute any required change orders that are consistent with the project scope and within a sub-project allocation of $223,350 (including the 10% contingency of$203,500.)

10. 911 Upgrade Sole Source Approval – The Council approved the vendor, Motorola Solutions, for sole source exemption to purchase radio console equipment for the Police Department in the amount of $817,594.

11. Voluntary Annexation A24-01 – 2836 & 2908 Piney Grove Wilbon Rd. – The Council adopted Resolution 24-21 directing the Town Clerk to investigate the sufficiency of annexation petition A24-01 and setting the public hearing for August 20, 2024.
A copy of Resolution 24-21 is attached to these minutes.

12. Development Plan 18-DP-15-A01 Expiration Extension Request for Wegmans - The Council granted the second of four allowable 6-month extensions for Development Plan 18-DP-15-A01 for Wegmans to extend the expiration date from August 15, 2024 to February 15, 2025, as requested by Wegmans.

13. Interlocal Agreement with Fuquay-Varina for Joint Water Line and Associated Appurtenances - The Council adopted Resolution 24-25 to approve the Interlocal Agreement between the Town of Holly Springs and the Town of Fuquay-Varina for the Joint Construction, Ownership, Management, Maintenance, and Operation of a Joint Water Transmission Line and Related Appurtenances to provide water to both towns from the Expanded Sanford Water Filtration Facility.
A copy of Resolution 24-25 is attached to these minutes.

14. Interlocal Agreement with Fuquay-Varina for the Alston Ridge Greenway – The Council adopted Resolution 24-24 to approve the Interlocal Agreement between the Town of Holly Springs and the Town of Fuquay-Varina for the purpose of creating the Alston Ridge Greenway which will connect two separate greenways located in each town.
A copy of Resolution 24-24 is attached to these minutes.

PUBLIC HEARINGS

15. Explora Discovery School Development Plan

Mayor Mayefskie reminded the public that this is a quasi-judicial decision in which Town Council collects evidence via sworn testimony by fact witnesses, or opinions by qualified experts.

Brett Gosney, Development Services, said this item is to consider a Development Plan for Explora Discovery School. These must present evidence that the standards of the ordinance are met. If the applicant presents sufficient evidence that the standards are met, the applicant is legally entitled to approval. He then outlined the five criteria to be considered in a quasi-judicial proceeding.

Mr. Gosney said that the property is located at 109 E. Center Street in the Downtown Village District. The property is currently zoned DMX Downtown Mixed-Use and the property across the street is residential. He said that this project was submitted prior to the approval of the new Downtown Area Plan. He said that in February of 2023 Capitol Area Preservation came out and said that the building maintained 70% of its historic elements, but staff is aware of interior changes that had been made that make it unlikely that it could achieve Historic Preservation status.

Mr. Gosney said that when a property's use changes from Residential to Commercial, the site and structure must meet commercial standards, including parking, completing road widening and installing sidewalks, bringing the building up to Commercial Building Code, and adding required open space.

Mr. Gosney said the applicant plans to utilize the existing 3,047 square foot building on the site and would provide 397 square feet of Urban Civic Space at the corner of E. Center and Raleigh Streets. No parking is being provided on the site, and the UDO does not require parking in the DMX, although the applicant has a parking plan that they will explain, which involves negotiations with the Masonic Lodge.

Elliot Blonshine, Development Services, said the site is served by existing water and sewer and all required analysis had been completed. A Fire Flow study was conducted. They have provided a Utility Allocation request as part of their application. Staff's opinion is that there is enough water capacity for their request.

Mr. Blonshine said that road improvements, per the Comprehensive Transportation Plan would be completed, which would include curb and gutter on Raleigh Street and sidewalk on Center Street. A tier 1 traffic study was completed, which does not require any mitigations. There is on-street parking on Center St., but there may be an adverse impact on traffic during pick up and drop off times.

Mr. Gosney said that the application is consistent with adopted Plans and ordinances, the use is permitted by the zoning district, and public utility connections are provided. Staff recommends approval. However, there are some concerns about parking and vehicular circulation on the site, potential impacts to adjacent properties, and that the use is not generally consistent with the new Downtown Area Plan,

Sara Kempin, Planning Board representative, said that the Planning Board voted to recommend approval with a vote of 9 – 0. She said most of the discussion was around transportation and the impact of drop off and pick up, but Planning Board ultimately felt they had a plan to mitigate that.

Mayor Mayefskie opened the public hearing and the following sworn testimony was received:

Seth Hackathorn and Sarah Jandora, the applicants, appeared. Ms. Jandora said the project is for a half-day, play-based preschool that would follow the Wake County Public Schools calendar and offer summer camp. There will be no changes to the footprint of the home, and minimal changes to the exterior. She said the applicant has primary and alternate parking plans. Ms. Jandora outlined the mission and vision of Explora.

Ms. Jandora showed the alterations to the exterior of the building which include ADA accessibility. The connection point from the garage to the home and the garage will be altered to feel like they were built at the same time instead of being additions. The garage will have windows added as it will be used as a classroom. There will be an exterior staircase to the second floor for future use, as children cannot use the second floor. A new deck will be built as the current one is failing. There are wiring issues that need to be addressed to meet Commercial code which will require interior walls to be removed.

Ms. Jandora said that they had two plans for parking. They looked at adding parking on the lot, but they were only able to get three spots that way. Their next plan was to contract with the Masonic Lodge next door to use their lot. The lodge desired the school have approval from the town before they would sign the contract, but it is anticipated that this would work. She outlined the approval process which includes approval by the Regional Masonic Lodge, which they have obtained, then the local Masonic Lodge, and legal review. She said the alternate parking scenario would be for the parents to line up in the parking on Center Street next to the church, enter the drive on Raleigh Street and exit onto Center Street. Drop-off and pick-up times would be staggered for each classroom, so that a maximum of 15 cars would be in this line at a time: five in the drive and ten on the street. This is a half-day preschool and they will not have the same drop-off and pick-up times as the preschool at The Lake church. The seven staff members would utilize street parking in front of the school or park in the public lot on the corner of Center and Main St.

Ms. Jandora said that they agree to install an 8-foot sidewalk across Center St. and provide bike parking. For visibility they would remove four required street trees on Center Street. They agree to pay a fee-in-lieu to widen the road one foot for power line burying and curb and gutter. They would also design and construct the required civic use space. She said this is a much needed program, and there is nothing like it in Holly Springs. She summarized her testimony and said that the criteria have been met and she requested Council approval.

Council member Deshazor asked about fencing for the children to be outside. Ms. Jandora said there would be a 6-foot privacy fence around the backyard of the property.

Council member Drees asked about the nearest crosswalk across Raleigh St. Ms. Jandora said there is one across Center St. Mr. Hackathorn said there is a sidewalk on Raleigh but no crosswalk.

Mayor Mayefskie asked if they currently own the property. Ms. Jandora said they have owned it for years. Mayor Mayefskie asked how long they had been in daycare and Ms. Jandora said it was their first attempt. Mayor Mayefskie asked about full day offerings in the future. Ms. Jandora said half-day relieves her of many requirements that the state has for full day programs that must be licensed. She said it might happen in the future, but for at least the next five years it will stay half-day.

Mayor Mayefskie asked how much time there would be between the staggered drop offs. Ms. Jandora said about 15 minutes.

MPT Berry asked if they received feedback from the nearby residents. Ms. Jandora said that at neighborhood meeting there was some concern with traffic, and one neighbor was concerned about the civic space because people would loiter, and it was right across the street from her house.

Council member Drees said day care hours sometimes change due to local events, and asked if they were prepared for an ongoing relationship with The Lake to be sure they don't overlap if things change. Ms. Jandora said she did not have a relationship with them now, but it was something she would definitely look into.

Mr. Blonshine said the ultimate cross section on Raleigh just requires curb and gutter and on Center St. sidewalk is all that would be constructed. The UDO does require burying of overhead power lines. The applicant will provide a fee-in-lieu for that since Duke won't do it unless it is a long stretch.

There being no further testimony, Mayor Mayefskie closed the public hearing.

Action 1: Motion to adopt/deny/defer Resolution 24-22 to adopt Findings of Fact and approve with conditions Development Plan 23-DP-15.

Motion by: Berry
Second by: Deshazor
Vote: unanimous

Action 2: Motion to approve/deny/defer Utility Allocation Request for Explora Discovery School 23-DP-15.

Motion by: Berry
Second by: Deshazor
Vote: unanimous

16. Ragan Mixed-Use Rezoning and Development Agreement 23-REZ-03

Brett Gosney, Development Services, said this item was a request for a Conditional Zoning District (CD) and Development Agreement for Ragan Mixed-Use at 3313 Avent Ferry Road. He said the request was to open the public hearing and continue it to August 20, 2024. He said that the applicant proposed additional terms after the initial discussion. Staff sent mailed notice to adjacent property owners that the hearing would be continued.

Mayor Mayefskie reopened the public hearing.

Action: Motion to continue the public hearing to August 20, 2024.

Motion by: Deshazor
Second by: Drees
Vote: unanimous

17. Voluntary Annexation A24-02, Operations Campus

Sean Ryan, Development Services, said this item was to consider annexing +/- 31 acres for the Holly Springs Operations Campus. He showed where the property was located, in the vicinity of Baumgardner Drive in the town's Extra Territorial Jurisdiction.

Mayor Mayefskie opened the public hearing and the following input was received: none.

There being no input, Mayor Mayefskie closed the public hearing.

Action: Motion to adopt Ordinance A24-02 to approve the annexation.

Motion by: Hewetson
Second by: Deshazor
Vote: unanimous

18. Operations Campus Phase 1B, Guaranteed Maximum Price

Tina Stroupe, Finance Director, said that this item was for Council to review the process for the issuance of Limited Obligation Bonds for the Operations Campus, to hold a public hearing, adopt the approving resolution, and accept the Guaranteed Maximum Price.

Mayor Mayefskie opened the public hearing and the following input was received: none.

There being no input, Mayor Mayefskie closed the public hearing.

Kimberly Keys, Utilities and Infrastructure, showed elevations of the exterior of the Administration Building and Operations Building planned for Phase 1B. She said the Administration Building would be two stories but only the first floor finished, as it is sufficient for our needs at this time. She outlined the sustainability features of the buildings.

Ms. Keys outlined the roles and responsibilities of a Construction Manager at Risk. Ms. Keys said that Edifice had qualified over 125 subcontractors prior to accepting bids and received, reviewed, and validated more than 80 bid packages from over 25 different construction trades. They will be responsible for any overages outside of the Guaranteed Maximum Price and the single point of contact for all subcontractors. Ms. Keys said that Edifice had achieved the 10% Statewide Minority Participation Goal, surpassing it with a 22.8% participation rate, amounting to a total of $8,185,997.

Ms. Keys outlined the construction phase expenses for Phases 1A and 1B, including the owner's soft costs like architectural, engineering, and surveying consultant fees, furniture, and equipment, for a total project budget of $45,997,192. She said that the Administration Building would start construction in the Fall of 2024 with anticipated completion in the Winter of 2026. The Operations Building would begin in the winter of 2024 with anticipated completion in spring of 2026. The entrance roads and utilities would be completed between the winter of 2024 and fall of 2025, with an anticipated move-in date of Springs 2026.

Ms. Stroupe said the 2024 Limited Obligation Bonds approving resolution would have a not to exceed amount of $53 million for consistency. The refunding of the 2014 LOBS is $8.5 million, contingent on the savings calculated before closing, if the interest rate will provide significant savings. The total $44.5 million for the Operations Campus includes the $41.8 million actual issuance, the $2.9 million 2023 LOB issuance and premium, $1 million in interest earnings, and $300,000 in design phase savings.

Ms. Stroupe said that after tonight's approvals, staff will meet with the rating agencies, in July and in August receive LGC approval and close the bond sales.

Council member Deshazor asked what would happen with the 2nd floor right now. Ms. Keys said the 2nd floor would be open, so they would need to build walls and buy furniture to use it in the future. Council member Hewetson asked for an anticipated date for the 2nd floor. Ms. Keys said we do not need it now so we do not have a date. Mr. Harrington said it is difficult to anticipate, but probably in the 10-to-20-year range. It is cheaper to shell it out now than to build it later.

Council member Drees asked when the vehicles would be moved over. Ms. Keys said in the spring of 2026. Council member Drees asked if the gas pump would be moved. Mr. Harrington said the fuel farm and maintenance facility would come in a later phase, but we do not have a date for that yet.

Action 1: Motion to adopt Approving Resolution authorizing the delivery of the official statement, authorizing the execution of the contract, authorizing the execution of the deed of trust, authorization to execute the bond purchase agreement and to proceed with the financing in the not to exceed amount of $53,000,000.

Motion by: Hewetson
Second by: Berry
Vote: unanimous

Action 2: Motion to adopt Town Building Capital Project Ordinance 24-31 and accept the Guaranteed Maximum Price from Edifice for the total amount of $45,997,192 which includes construction and design contingencies, and authorize the Town manager to approve any contracts within the approved project budget and scope.

Motion by: Hewetson
Second by: Berry
Vote: unanimous
A copy of Ordinance 24-31 is attached to these minutes.

Public Comment: At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council, and the Clerk was asked for any written comments received prior to the meeting.

The following public comments were received in writing: one comment regarding road widening at Hollemans Crossroads; one comment on Ragan Mixed-Use development; two comments on Tassel Ridge development.

The following public comments were received in person:
Joe Cuccurullo said he was speaking for himself, not as a member of the Planning Board. He spoke about political discord in our country in light of the events of last weekend. He wants to preserve Holly Springs as a place to live. His neighborhood is getting more political. He spoke of polarization and said the tone and tenor of local interactions is the place to start to improve the civic discourse. He said we should not allow the national-level divisive rhetoric to affect the civic discourse in Holly Springs.

OTHER BUSINESS

Council member Deshazor said he met a woman whose son has an auto-immune disorder who moved here to be near medical care. On Saturday, September 21st they are doing a motorcycle ride to raise awareness. This is what makes Holly Springs great. He will get more information and get that out to the public.

Council member Drees said she would like to see a summary of Parks & Recreation offerings, revenue, and expenses at a future workshop if Council is interested. Mr. Harrington said it could be at the September workshop. Council member Drees congratulated Andrew Capobianco and wished him luck at the Paris Olympics. And she challenged everyone to complete their Parks & Recreation Bingo card.

Mayor Mayefskie said he went to Raleigh for the Metro Mayors meeting last week and the Chief of Police of Raleigh spoke about their issues, which are similar to ours. She asked that we stand behind our Police Departments, and we do. He said they had lunch with the Governor. Then last week they went to Raleigh's Chamber *State of the Town, State of the City*. One of the things he took away was there is a large need for foster families. He said anyone who had ever thought of fostering kids, this is a good time to do it. This Friday, Meg's Smile has a Casino Night fundraiser. 100% of the funds go to the charity. We have good things going on in Town. Finally, to be clear on why he moved Public Comment. He said it used to be at the beginning but he moved it closer to when Council gets to speak because those people had already left when Council got the opportunity to engage. Council doesn't have to respond to Public Comment, but when they choose to, having it later in the meeting allows that. Signup sheets are out around 2:00 pm and people can come in if they choose to, and people can submit comments in writing.

Council member Drees said she would like information added to the web site on when the sheets are put out, what the rules are, and save people some time.

MANAGER'S REPORT

Randy Harrington, Town Manager, said he had three updates. First, the Select Site Readiness program, administered by the State Department of Commerce to identify the municipalities or counties with unique, well positioned sites, had 70 applicants this past year, and Holly Springs was one of the 15 selected. This positions us from an Economic Development standpoint, and also as a marketing matter. It puts us in a good position when the General Assembly is considering funding.

Second, he wanted to recognize Daniel Weeks who received his Credentialed Manager certificate, the highest designation in the Manager's profession. It is a big commitment and now all three managers have that designation.

Third, the revenue bond sale for utility system was tremendously successful. As part of that, we were rated AA2, which is extremely strong. Usually only large cities get a AAA rating because of their size. We projected a 4.21% interest rate. He said he was happy to report that we got a rate of 3.987%. He congratulated the team for their work on this project. Ultimately this comes down to a better value for our rate payers. He said he would like to bring the financial advisor back to put this in context.

CLOSED SESSION: The Council entered into closed session, pursuant to N.C.G.S. 143-318.11(a)(4) to discuss an economic incentive matter.

Motion by: Berry
Second by: Deshazor
Vote: Unanimous

Motion to leave closed session was made by Council member Deshazor seconded by MPT Berry and passed with a unanimous vote.

Adjournment: MPT Berry made a motion to adjourn at 9:00 pm. It was seconded by Council member Deshazor and passed with a unanimous vote.

Respectfully Submitted on Tuesday, August 20, 2024.

Linda C. McKinney
Linda C. McKinney, Town Clerk
Addenda pages as referenced in these minutes follow and are a part of the official record.