



MINUTES

The Holly Springs Town Council met in regular session on Tuesday, December 3, 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, Council members Timothy Forrest, Danielle Hewetson, Chris Deshazor, and Annie Drees.

Council Members absent: Mayor Pro Tem Dan Berry.

Staff Members Present in Chambers: Randy Harrington, *Town Manager*; Scott Chase and Daniel Weeks, *Assistant Town Managers*; John Schifano, *Town Attorney*; Linda McKinney, *Town Clerk* (recording the minutes); Kameron Womack, *IT*; Corey Petersohn, *Budget and Sustainability*; Cassie Hack, *Director, Communications and Marketing*; Elizabeth Goodson, and Sean Ryan, *Development Services*; Kendra Parrish, Executive Director of Utilities & Infrastructure; LeeAnn Plumer, *Director, Parks and Recreation*; Irena Krstanovic, *Director, Economic Development*; Anna Murphy, *Economic Development*; Tina Stroupe, *Finance Director*; Jay Osborne, *Assistant Town Attorney*; LeRoy Smith, *Fire Chief*; Kathy White, *Deputy Clerk*.

2. and 3. The Pledge of Allegiance was recited followed by an invocation by Pastor Jonathan Sherrod of Kirk of Holly Springs.

4. Agenda Adjustment: The December 3, 2024, meeting agenda was adopted with changes, if any, as listed: none.

Motion: Forrest

Second: Hewetson

Vote: Unanimous

REQUESTS AND COMMUNICATIONS

5. Annual Comprehensive Financial Report for Fiscal Year Ending June 30, 2024

Tina Stroupe, Finance Director, said the purpose of this item was to receive the audit results from April Adams of Cherry Bekaert for the fiscal year ending June 30, 2024, and review financial highlights for the fiscal year ending June 30, 2024.

Ms. Adams introduced the client service team and said they issued four unmodified opinions/reports as of October 31, 2024: Financial Statements Opinion; Yellow Book Report; Federal Compliance Opinion; and State Compliance Opinion. She said the single audit results showed that Federal and State Major Programs are in compliance with Grant Agreements. She discussed the definitions of Material Weakness and Significant Deficiency and said that they noted no deficiencies that they believe to be material weaknesses. There were no noted corrected or uncorrected misstatements. She said that there were no inappropriate accounting policies or practices; no inappropriate Related Party Relationships and Transactions; no significant unusual transactions; and estimates were reasonable in relation to the financial statements taken as a whole. The financial statement disclosures are neutral, consistent, and clear.

Ms. Adams went through the other required communications with Council and stated that there were no concerns with any of them. She said some upcoming financial reporting changes will

apply in future years and said they would be happy to discuss these with the Town or to assist in implementation efforts.

Council member Drees asked if the reporting changes were due to the requirements or the size of the town. Ms. Adams said it depended on the circumstances, but most of the time they are things that exist in most governments.

Ms. Stroupe highlighted the Town's debt position, debt service expenditure ratio, and debt to assessed valuation ratio. She said that FY24 Ad Valorem Tax Collections totaled \$34 million, an increase of \$2.7 million over the prior year, with a 99.8% collection rate. Sale tax revenues were up \$781,000 over FY23, for a total of \$14.4 million. She said unassigned fund balance increased to 38% (a total of \$22.5 million) which was an increase of \$12.2 million over FY23. She said that Town Policy has a target of 20-25% in fund balance. This increase equals \$8 million to \$10.9 million over policy.

CONSENT AGENDA

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

6. Calendar Year 2025 Town Council Meeting Schedule – Council approved the meeting schedule for calendar year 2025.

7. Monthly Budget Amendments – Council adopted capital project ordinances 24-40 Waste Water Capital Projects, and 24-41 Street and Sidewalk Capital Projects
Copies of ordinances 24-40 and 24-41 are attached to these minutes.

8. Cityworks Implementation Services Agreement and Budget Amendment – Council approved the agreement between the Town and Timmons Group to complete Cityworks phased implementation in the amount of \$289,070,00 and the budget amendment to allocate funding for this agreement. And Council adopted Ordinance 24-42 Utility Fund PAYGO Capital Project Ordinance.

Copies of the budget amendment and Ordinance 24-42 are attached to these minutes.

9. Session Law 2023-134 Appropriations Act Directed Project – Water Conveyance System – Council adopted Resolution 24-32 accepting the funding offer for \$15,169,000 from the Drinking Water/Wastewater State Reserve as established in Session Law 2023-134, approved the NC Department of Environmental Quality Division of Water Infrastructure Funding Offer and Acceptance, and adopted Ordinance 24-39 to establish the Holly Springs – Fuquay-Varina Waterline and Storage Facilities project.

Copies of Resolution 24-32 and Ordinance 24-39 are attached to these minutes.

10. Project Management Initiative Contract Phase II – Council awarded and authorized the Town Manager to sign and execute the professional services Phase II contract for developing a framework for a project management system to Freese & Nichols in the amount of \$99,310 (with no additional project contingency.)

PUBLIC HEARING

11. Downtown Investment Grant Application – 109 E. Center St.

Anna Murphy, Economic Development, said this item was to present an application for a Downtown Investment Grant (DIG) from Explora Discovery School. She said the property is located at 109 E. Center Street in the downtown area and showed its location on a map. She said the application was received prior to Council's adoption of the new DIG policy and so was being considered under the old policy. She outlined what the policy covered. The project is located at 109 E. Center St. The property is a historic structure, but the owner is not applying for Historic

Landmark status, but will preserve the historic façade of the building. The proposed use, a preschool, meets the target industry of Entrepreneurship. The project is a renovation of an existing structure which makes it eligible for reimbursement of development fees or 50% of public infrastructure costs or \$25,000, whichever is less. The committee met and considered that an estimate of 11 new jobs will be created, and a significant investment will be provided. The Committee recommends reducing the cost of the fee-in-lieu for the burying of power lines by \$25,000.

Council member Hewetson asked about the inclusion of “entrepreneurship” in the policy. Ms. Murphy explained that that was included in the old policy under which this application is being considered.

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 enter into a Downtown Investment Grant Agreement with Explora Discovery School for the property located at 109 E. Center St. in Holly Springs for a \$25,000 reduction in the fee-in-lieu required for burying of power lines.

Motion by: Forrest

Second by: Deshazor

Vote: unanimous

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: five comments in support of Pine Springs Academy’s upper school;

The following public comments were received in person:

AsheLee Bonham Gahagan said she was the founder of Ashe School of Music. She said that 9 people met as a steering committee to launch an Arts Council. She outlined the mission of the proposed Council. She outlined the membership of the steering committee and the next steps that they were planning to take. She said they want to have a half-day meeting with a facilitator to plan for the future. She asked for the Town to donate meeting space and funds to pay the facilitator.

Martin Abruscato, 105 Arbor Creek Ct., said he was here for information. He has been involved with baseball for many years. Last spring he was signed up to umpire several games and was told that Holly Springs High School would not let them play there. There was a complaint from a neighbor who had lived there since after the high school was built, because of foul balls. Baseball starts up again in the spring. He looked up a joint use agreement between the Town and Wake County Public School System (WCPSS). He wants to know how that is happening without WCPSS having input. We are a big baseball town, and he thinks it is a lost opportunity to the town to not be able to use the field. He asked what he needed to do as a citizen to get that removed.

OTHER BUSINESS

Council member Hewetson asked if Council could talk about a venue for the arts council meeting. Council member Drees asked if it could happen at the workshop in December. Council member Forrest said he would like to add a discussion of what can we do to support an arts council. Randy Harrington, Town manager, asked if the key question was around the facility, and the 2nd part was learning more about the group. And was now the time, or wait until after they have done some work to come back to you? Council member Forrest said his point is what are we allowed to do legally and morally. Secondly could the newly formed Arts Council provide a

presentation. He said now is the right time while they are forming. Council member Hewetson said if they are in the process of working with a consultant, to truly understand their direction, finding the touch point of where the two bodies meet is important. Mr. Harrington said they have a full workshop in December, but we can carve out time for them to give a brief conversation.

Council member Forrest said the DIG was well presented. He outlined why it was a good project. In addition, when it comes to the baseball conversation, he said he would like to hear the backstory from Parks & Recreation to find out what happened. Mr. Harrington said there would be a report in Friday's briefing. But one of the things we did do, in general, was to shift where groups are playing. We have the youth at the High School because they are less likely to hit powerful foul balls. But staff will give Council more context. Council member Deshazor said baseball is huge in this town, hotels sell out, it brings lots of people and money into the town.

Council member Forrest asked when they would get an update on Holly Springs Rd West. Mr. Harrington said there will be a full discussion at the retreat, but if there is something specific Council would like to know we can put that in a briefing. Council member Forrest asked about Holly Springs Road East. Mr. Harrington said that winter of 2025 is the expected timeframe.

Council member Drees echoed the enthusiasm behind the Arts Council. She reminded people of the Winterfest Sensory Hour. Also the Holly Springs Police Cadets are conducting their toy drive through Dec. 17th.

Mayor Mayefskie said there is a lot coming up. Thursday he and Mr. Harrington are going to the Metro Mayors Meeting. Saturday is Light the Springs – menorah and tree. Before the next council meeting is the Happy Holly Days parade on December 14th. Kris Kringle is riding around the neighborhoods on a fire truck. Check out the website and social media to stay up to date.

MANAGER'S REPORT

Randy Harrington, Town Manager, said December 11th from 4-7 at Cultural Center, was Santa Cares, the sensory event we have been doing for the last 4 years, a calm environment for kids to interact with Santa. Dec. 13th and 14th Winterfest by the Chamber.

He said he will be reaching out to the legislative action committee to work on your priorities for next year. This will be discussed at the January workshop and adopted at the January meeting.

He introduced Sean Ryan to give the preview of upcoming land use cases.

12. Preview of Upcoming Development Services Land Use Cases

Sean Ryan, Development Services, said he was here to present the quarterly update to Council on upcoming land use cases. He discussed the following new applications:

- 5260 Sunset Lake Road – conditional zoning district
- 3020 Avent Ferry Road - conditional zoning district

Mr. Ryan then gave updates on the following projects:

- 420 Green Oaks Parkway (Holly Springs Business Park PUD) – upcoming public hearing
- 1100 Piney Grove Wilbon Road
- Wade Nash North
- Sunset Lake Commons Apartments
- Graham Wood Property
- Evans Property
- 4500 Old Holly Springs Apex
- 600 Grigsby Avenue

Mr. Ryan then gave an update on the state's 2026-2035 State Transportation Improvement Program (STIP) projects in Holly Springs. He said the Wake Transit Plan is in the review process, but one highlight is that it is shifting away from commuter rail for more and better bus service across the region and Phase 2 of public engagement is December 2nd through January 31st. Next steps for

Microtransit include staff presenting program considerations for Council's consideration at the retreat in February.

Mr. Harrington said he had one other update. Council has been focused on supporting small businesses in the downtown. Or Economic Development department has been promoting "Shop the Springs" from Dec 7-14 to bring people downtown and into local businesses.

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

Motion by: Deshazor

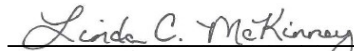
Second by: Forrest

Vote: Unanimous

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

Adjournment: Council member Forrest made a motion to adjourn at 8:41 pm. It was seconded by Council member Deshazor and passed with a unanimous vote.

Respectfully Submitted on Tuesday, January 21, 2025.



Linda C. McKinney, Town Clerk

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