Mayor and Council Workshop
6 p.m. January 14, 2025
Law Enforcement Center, and livestream

MINUTES

The Holly Springs Town Council met in a workshop session on Tuesday, January 14, 2025 at 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 Council members were present in the room as the meeting opened.

Council Members Present in the room: Mayor Sean Mayefskie, Council members Danielle Hewetson, Annie Drees, and Chris Deshazor.

Council Members present electronically: Council member Tim Forrest

Council Members Absent: Mayor Pro Tem Dan Berry

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; John Schifano, Town Attorney; Mathew Mutter and Jesse Dixon, IT; Corey Petersohn, Director, Office of Budget and Strategic Planning; Tina Stroupe, Director, Finance; LeeAnn Plumer, Director, Parks and Recreation; Cassie Hack, Director, Communications and Marketing; Chris Hills, Director, Development Services; Irena Krstanovic, Director, Economic Development; Tyler Garner and Anna Murphy, Economic Development; Paige Scott, Director, Public Works; Sara Emig, Utilities & Infrastructure; Chris Hills, Director, Development Services.

Mayor Mayefskie called the meeting to order at 6:00 p.m.

1. Overview: Randy Harrington, Town Manager, gave an overview of the meeting agenda. He suggested swapping the order of the last two items to accommodate guests who were here for other items.

2. Legislative Action Committee Proposed 2025 Advocacy Priorities

Mr. Harrington introduced Phillip Isley, lobbyist for the Town of Holly Springs.

Council member Drees said the Legislative Action Committee had met several times to discuss priorities for 2025 with Wake County Public Schools, Wake County, the State and the Federal government. She presented the committee's recommendations.

WAKE COUNTY PUBLIC SCHOOL SYSTEM

- Support **accessibility/walkability** to schools
- Provide **community engagement opportunities on future student reassignment plans** that offer parents constructive opportunities to share plan impacts and suggested plan adjustment requests
- Continued support for **School Resource Officer partnerships** and school safety

WAKE COUNTY

- Explore partnership opportunities for **expansion of workforce housing** in Holly Springs

- Explore partnership opportunities to advance **regional greenway system connections**
- Begin discussion on **future Library Bond investment to regional/local library** with possibility of potential, continued relationship with Town Cultural Center

CM Deshazor asked if this was around capital expenditures or programing. Council member Drees said facilities. Council member Hewetson said there was a presentation from the Wake County Library recently that said Holly Springs was way down the line. Has there been any discussion since then? Randy Harrington said the $2.3 million is for capital maintenance of the building and inside the library, but in the 7–10-year time frame there will be another bond. We are starting early to be sure we are on their attention. Council member Forrest asked what "future bond" referred to. Council member Drees said they just released a library bond, with minor improvements in Holly Springs. The discussions with them will be when Holly Springs will be part of a future library bond and what their expectation is of that. LeeAnn Plumer said the $2.3 is a separate funding source, not part of the bond that was passed, but they will be making improvements on the library side. Council will follow up on the funding source.

STATE

- **Water Infrastructure to support growth of life sciences and advanced manufacturing in NC –** $25 million to fund a new one-million-gallon elevated water storage tank and associated force-main supply lines to serve Northwest area of town
- **Firefighter Safety –** $700,000 to replace the Town's Self-Contained Breathing Apparatus (SCBA) tanks for all firefighters
- **Local Authority**
    - **Remove restrictions against municipal downzoning** (contained within SB382)
    - **Exempt Town from State bidding requirements** for construction of Utley Creek Greenway Ph. 2 and construction of Utley Creek Water Reclamation Facility upgrade from six (6) to eight (8) million gallons per day (MGD)
    - **Exempt Town from State billboard siting** allowances in commercial areas
    - Preserve ability to execute **long-range community planning and annexation** for the efficient delivery of municipal services and congruent growth of the town
- **NCDOT investments to increase response to acute urban/suburban growth pressures**
    - Advance NCDOT/CAMPO planning and design of **new interchange on US 1** near Friendship area in Northwest Holly Springs
    - **Shorten review times** for roadway projects undertaken by municipal partners
    - Seek relief for municipal tax-payers holding the burden to fund **roadway capacity and safety infrastructure investment needs associated with new public and private schools** in high growth communities

FEDERAL

- **Public Safety –** 1) $2 million for a **heavy rescue fire truck** to serve highways U.S. 1 and I-540 (recently opened new section) vehicular traffic crash responses. 2) $1 million for a **fire training tower** to increase training capabilities for Holly Springs Fire & Rescue and regional mutual aid partner fire agencies.
- **Intelligent Transportation System (ITS) Gap Funding to Complete Townwide ITS System –** Fiber installation, traffic cameras, and NCDOT signal coordination efforts are all funded and underway. Last step in ITS functionality to reduce traffic congestion throughout Town is investment in a $2 million **ITS traffic management center** at the Town's new Operations Facility. New ITS system partnership between NCDOT and the Town is projected to be a model for the entire state.

- **U.S. Post Office –** Advocate for **facility investments** including but not limited to customer lobby area expansion and implementation of a self-service kiosk at existing Post Office or the acquisition of a second retail location on west side of town.

Council member Deshazor said that ITS is huge because traffic is such a big issue. Mayor Mayefskie said to leave the fire training tower, even if Wake County is building one. Mr. Harrington said that ITS one is an ideal example of federal money being the “last money in” which makes it more appealing to them. He said that while Wake County approved a new fire training tower at Duke, there can be advantages of having our own, so it can go either way.

Philip Isley said the General Assembly came back last week for their gaveling in session, which is ceremonial. They will come back on the 29th to work. The House has a new speaker, from Caldwell County, the youngest in recent history. Committees have not been formed yet so we don’t know who is on them. He doesn’t know if the Land Use Local Government Committee will be reconvened. The Senate has appointed their committees already. He said the new democratic caucus leader is Sidney Batch, who is a Holly Springs supporter. He said filing deadlines have been constricted. Erin Paré is in the majority party in the General Assembly, so she will be helpful to Holly Springs. The General Assembly likes Holly Springs because we bring economic development projects to the state. If Hurricane Helene had not happened, things would be financially robust. Helene changed that, and the state is still figuring it out. That takes options out of your list, as there is not enough funding. But the smaller asks are more likely to be approved, like the fire equipment. He said he hopes we will still be able to accomplish some of Council’s goals. As to SB 382, we were very proactive, but we could not stop it. But we have been invited to have a seat at the table by those who think it went a bit too far.

Council chose Council member Forrest as their voting representative for NCLM Legislative Priorities.

3. Arts Council Update

Irena Krstanovic, Director of Economic Development, said that a steering committee seeking to start an Arts Council had approached Council at a meeting in December and were here to give an update on their plans. She introduced the members of the steering committee, all but one of whom were present. She said that Van Crandall and Ashelee Bonham Gahagan would share an update on the plans.

Ms. Gahagan said the group was proposing to establish a nonprofit Arts Council that would operate as a public-private business model. She outlined the activities that they envisioned the group spearheading, and requested resources and/or fiscal support akin to the public-private model that typically supports local chamber of commerce organizations. She outlined the benefits of having a community arts council, and the opportunities that exist in Holly Springs for such a group. She outlined collaboration opportunities and guidelines, and their vision of working with Parks and Recreation and with local businesses to bring more arts to Holly Springs.

Mr. Crandall said the group envisioned funding coming from grants, donations, sponsorship levels for programs/projects and event administration fees. It would not be a membership organization. Initiatives would initially be volunteer-driven, and they would seek strategic and resource-sharing partnerships. The startup would include drafting a corporate structure with bylaws, a strategic plan, goals, and market-building, with the expectation of getting 501(c)(3) status within six to twelve months. The emphasis would be on operational best practices, and secular events.

Mr. Crandall said they are requesting $5,000 to $8,000 from the town in funds and/or in-kind resources such as space for events and meetings. Initial funding from any source would be used to fund a facilitator-led brainstorming session and report, and to cover start-up expenses for establishing a 501(c)(3). He said they are not necessarily looking for ongoing financial support, but they are asking for startup help. On February 23rd a nationally renowned concert pianist will do a performance and masterclass at Ashe School of Music.

Council discussed the requirement for 501(c)(3) status, or being under the umbrella of another organization with 501(c)(3) status to apply for a nonprofit civic grant. They discussed the benefits an organization like this could bring to Holly Springs. They discussed the possible precedent of providing free meeting space, as we would need to do the same for other nonprofits and we already have a reduced fee schedule for nonprofits. They also felt they would need more information about how frequently the group would meet. They asked, if funds were granted, what they would be used for and Mr. Crandall said they would go toward having an independent meeting facilitator meet with the steering committee for a half day to get all the ideas, opportunities, and challenges on the table and prepare a report for the committee.

Consensus was that Council wanted more information on the group's space needs, and to discuss this as part of the next budget cycle.

(Item 4 moved to after Item 5)

5. Facilities Maintenance: Asset Management & Lifecycle Modeling

Paige Scott, Director of Public Works, said that this item was to provide Council with an overview of how the Town's facilities maintenance is evolving in preparation for deeper discussions at the retreat. She outlined best practices for facilities maintenance management including prioritizing critical assets; planning preventive maintenance; training cross-functional teams; and managing inventory. She said that prior to the realignment in 2020 maintenance was decentralized and was mostly reactive. Resources were sporadic and technicians' skill sets met the needs at the time but were not the specialized skills we needed. The FY23 approved budget included facility asset inventory and lifecycle modeling and the creation of a facility maintenance manager position. Since then, a preventative maintenance program has been developed and implemented, facility maintenance has been centralized (both maintenance and funding of maintenance). She said that we have been experiencing asset end of life with HVAC, roofing, and structural issues at some facilities. Lastly, the Business Asset Management Division has been created within Utilities and Infrastructure

Sara Emig, Utilities and Infrastructure, said that Business Asset Management works best across the entire organization, and they are trying to get a better understanding of assets. This will allow for data-driven decisions, allowing the town to be proactive, rather than reactive and to best utilize financial resources. The asset inventory includes making a condition assessment, assessing the remaining useful life of each asset, and rating each asset in terms of its critical impact. They investigated preventative maintenance schedules and life cycle modeling to predict the useful life of an asset. She introduced Malak Bahrami and Hayley Sessons of Withers Ravenel who conducted the study to answer those questions.

Mr. Bahrami said that 2,087 facility and Parks and Recreation Assets were inventoried. The life-cycle modeling was completed for 1,075 facility assets. Of those 1,075, seventy-four percent were in good condition and 1% were in excellent condition. However, 25% were in either fair, poor, or critical condition. They said that with the current funding, there is a $3.9 million backlog, meaning the cost of assets due for replacement. They showed how increasing the budget for maintenance would alleviate some of that backlog.

Ms. Scott said that as the Town evolves, we should take incremental steps towards implementing industry best practices. Those best practices include staffing of 1 technician per 50,000 sq. ft. Current staffing is 4 technicians (including the supervisor) where best practice would be to go to 12. The maintenance budget should be between 2% and 5% of the total insured value of the asset. Current budget is around $300,000; best practice would be $1.3 million. Finally, preventive maintenance should equate to 70% of maintenance activities, and our current workload has less than 10% maintenance.

Ms. Scott said next steps would include building out asset management townwide in order to have a complete asset inventory and lifecycle model and present the completed asset model at a future workshop. At the retreat staff will provide recommendations on various funding scenarios for lifecycle modeling and some funding requests for urgent issues.

Mayor Mayefskie asked if we had a contract for maintaining HVAC. Ms. Scott said yes, and we just signed with a new company for preventative maintenance on the HVAC. Council member Drees asked if the management system included warranty information. Ms. Scott said CityWorks is our software, and we are working on a rebuild that would allow uploading warranties into the system.

Council discussed the importance of lifecycle planning and moving to a system that standardizes parts across facilities. They asked if the $3.9 million backlog covered replacement as well as maintenance. Ms. Scott said that best practice is to budget 2% - 5% of the value of your assets for maintenance and replacement, but we have to get to that point by chipping away at the backlog. Council discussed how that incremental increase would happen. Ms. Scott said that knowing funding is limited, we would make a recommendation to the Manager for things across the organization. There was discussion about how this program would be more cost avoidance than savings, in that it would mitigate some of the spike Council would see without this. Mr. Bahrami said you can expect to spend 7 to 10 times more to repair things than to maintain them.

Council member Drees asked what was next in the asset management process. Mr. Harrington said stormwater and utilities, among others. We will be back later to talk about the other assets. One thing to think about is how quickly we have grown, there has been a heavy emphasis on new. Now a lot of those investments are needing maintenance. We are getting to the point where maintenance is more important.

4. Annual Retreat Preparation

Randy Harrington, Town Manager, shared a draft agenda for the Mayor and Council's retreat in February. He asked Council if there were any adjustments that they wanted to make to these topics. These are the big issues where we want Council's direction, items where Council wants more information, and also budget considerations. He said that Lee Worsley, the COG CEO, is willing to facilitate for this retreat.

Council discussed why there was a change, in removing the affordable housing discussion from the retreat agenda, and what would be added instead. Mr. Harrington said the items on either side really could use the extra time so the 15 minutes would be divided between those topics. Council member Forrest asked about an update on what is in the UDO that affects affordable housing. There was not a majority who wished to add Affordable Housing back on to the agenda.

Mr. Harrington asked for guidance on a microtransit on whether they would like to apply to CAMPO for a grant for up to 50%, but the deadline is in January, before the retreat discussion. He asked permission to engage with CAMPO on that, so we do not miss the deadline. It does not commit the Council to it. Consensus was to grant that authority.

Council member Drees said if microtransit has any impact on the social district it might be prudent to bring that up there.

6. Open Discussion

None that required action.

7. Closed Session: none.

8. Adjournment:

Motion to adjourn was made by Council member Deshazor seconded by Council member Hewetson and passed with a unanimous vote. The January 14, 2025 workshop meeting of the Holly Springs Town Council was adjourned at 8:01 pm.

Respectfully Submitted on Tuesday, February 18, 2025.

Linda C. McKinney

Linda McKinney
Town Clerk