



September 4, 2012

MINUTES

The Holly Springs Town Council met in regular session on Tuesday, September 4, 2012 in the Council Chambers of Holly Springs Town Hall, 128 S. Main Street. Mayor Sears presided, calling the meeting to order at 7 p.m. A quorum was established as the mayor and three council members were present as the meeting opened.

Council Members Present: Mayor Sears and Councilmen Jimmy Cobb and Tim Sack and Councilwoman Cheri Lee.

Council Members Absent: Councilman Chet VanFossen and Councilwoman Linda Hunt Williams.

Staff Members Present: Carl Dean, town manager; Chuck Simmons, assistant town manager; John Schifano, town attorney; Linda Harper, deputy town clerk (recording the minutes); Gina Clapp, director of planning and zoning; Seann Byrd, water quality director; Laura Holloman, planner I; Luncie McNeil, public works director; Jeff Wilson, information technology director; Mark Andrews, public information officer; Drew Holland, finance director; Stephanie Sudano, director of engineering; Len Bradley, director of parks and recreation; and Kendra Parrish, senior engineer.

2 and 3. The Pledge of Allegiance was recited, and the meeting opened with an invocation by Bishop Mark Savoldi of the Church of Jesus Christ of Latter Day Saints.

4. Agenda Adjustment: The Sept. 4, 2012 meeting agenda was adopted with changes, if any, as listed below.

Motion By: Sack

Second By: Lee

Vote: Unanimous

Items added to Agenda: None.

Items added to Consent Agenda: Add as 9h. Resolution 12-23 approving several refinancing agreements with PNC Bank.

Items removed from the agenda: None.

Other changes: None.

5. Public Comment: At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council on any variety of topics not listed on the night's agenda. The following input was recorded: None.

6a. Southwest Area Study - Mr. Chris Lukasina of the Capital Area MPO provided a summary update for the Southwest Area Plan. The plan was initiated to create a comprehensive transportation strategy for a 250 square mile area that includes portions of Wake and Harnett counties, including the Towns of Angier, Apex, Fuquay-Varina, and Holly Springs. The process began in February 2011 and is nearing completion.

He offered information regard the outcome of the plan and provided a clear description of the deliverables created during this process including: project summary workbook, project inventory, concept designs, project poster, and continued use of the project Web site. The next

step the project team will take the study to the CAMPO TCC and TAC for a final briefing at the September meetings. After that, CAMPO will begin working to incorporate the findings into the 2040 Metropolitan Transportation Plan as appropriate.

Allison Fluitt of Kimley-Horn & Associates reviewed the objectives, guiding principles, growth options, summary report card, benefits of planning ahead and the comprehensive transportation strategy plan. She also reviewed the key roadway recommendations for concept designs for:

- Friendship Road Realignment- Existing Friendship Road to Bosco Road
- NC 55/ Main Street New Interchange
- Holly Springs Road Widening - NC 55 Bypass to Sunset Lake Road
- Avent Ferry Road Widening - New Hill Holleman Road/Rex Road to NC 55
- East-West Connector - Avent Ferry Road to NC 55 (part on new location)

Mayor Sears asked what will be the next step for implementation of the plan after receiving final approvals.

Mr. Lukasina said the next step will be raising the funds for implementation.

Action: None.

6b. Financial Analysis Report of Findings - Mr. Holland introduced Mr. Ted Cole of Davenport & Company, LLC to review the findings of the Town's Analysis.

Mr. Ted Cole of Davenport & Company, LLC said the firm has completed the Town's Analysis.

Mr. Cole said that after reviewing the Town's tax-supported and utility debt profiles and after much discussion of the funding options, the Town has a number of loans and bonds that could conceivably be refinanced for debt service savings, given the current low interest rates. He said these loans include General Obligation Bonds, Installment Purchase Contracts, (IPC) and Revenue Bonds.

Mr. Davenport said once collected all data and researched the best options to make a recommendation for the Town to reflect the refunding. He reviewed the steps and process of arriving with a recommendation for the Town, to take advantage of lower rates, maintain future prepayment flexibility, minimize additional collateral requirements and to lock-in new interest rates. It is recommended based on the current market conditions and interest rates provided by current debt holders that the Town pursue the modification strategy with 5 loans currently held by PNC which are:

Tax-Supported Debt

- Industrial Development IPC, 2006 (PNC)
- Land Acquisition IPC, 2007 (PNC)
- Industrial development IPC, 2008 (PNC)

Water & Sewer Debt

- Sewer IPC, 2008 (PNC)
- Water & Sewer Revenue Bond, Series 2008 (PNC)

Mr. Cole said the deadline from PNC to close modification of outstanding IPCs is scheduled for Sept 7th and Sept. 20th is the deadline from PNC to close modification of outstanding Revenue Bonds.

He said by doing the modification strategy with the 5 loans, it will provide the Town substantial savings while minimizing the interest rate risk.

Mr. Cole reviewed the cost savings to the Town for Tax-Supported Debt will be as follows:

Gross Savings	Net Value Savings	Percent Present Value Savings
\$1,153,941	\$1,037,241	10.80%

Less a cost to the Town of \$108,513.38 from gross saving will be a grand total of \$1,045,428

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savings for the Tax-Supported Debt of Industrial Development IPC, 2006 (PNC); Land Acquisition IPC, 2007 (PNC); and Industrial development IPC, 2008 (PNC).

Mr. Cole said the cost savings for the Water & Sewer Debt will be as follows:

Gross Savings	Net Value Savings	Percent Present Value Savings
\$2,579,868	\$2,195,951	13.88%

Less the cost to the Town of \$347,487 from gross savings will leave a grand total of \$2,232,381 savings for Water & Sewer Debt of Sewer IPC, 2008 (PNC) and Water & Sewer Revenue Bond, Series 2008 (PNC).

A copy of summarized estimated savings modifications of installment purchase contracts with PNC is attached to these minutes.

Mr. Cole reviewed refunding of six General Obligation Debt for debt savings. He reviewed the schedule and actions required for the General Obligation (GO) Bonds debt, beginning Sept.4th, ending November 13th at bond closing. Mr. Cole said the cost savings for the GO Bonds debt is estimated as follows:

Gross Savings	Net Value Savings	Percent Present Value Savings
\$3,381,969	\$2,118,960	15.94%

Councilman Sack asked will there be two separate GO bonds, one for the refunding GO Bonds and one for the new Parks & Recreation Bond.

Mr. Cole said that all bonds will be set-up as one Bond combined. He said staff can track each bond individually, but for marketability bonds will be set-up as one GO Bond, which will benefit the Town financially.

A copy of refunding of general obligation debt for debt service savings is attached to these minutes.

Action: None.

7a. Certificate of Achievement Award - Mr. Holland said that the Certificate of Achievement for Excellence in Financial Reporting has been awarded to the Town of Holly Springs Finance Department by the Government Finance Officers Association (GFOA) of the United States and Canada for its comprehensive annual financial report (CAFR.)

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government, its management and its financial office staff.

He said this is the seventh year that the Town of Holly Springs has earned this prestigious award. Mr. Holland recognized members of the Town's Finance Department, who all contributed to this achievement.

Action: None.

8a. Public Hearing: Ordinance 12-06, UDO Amendment 12-UDO-01 - Ms. Holloman explained these UDO Amendments and public hearing were continued from last Town Council meeting on August 21st. This occurred because the street tree policy was also continued from a previous meeting and staff suggested discussing both at one time would be most productive.

Ms. Holloman said the benefits of having street trees are as follows:

- serve as a natural traffic calming device;
- provide safer pedestrian environments,
- protection from the wind, rain and sun,
- trees add value to adjacent homes; and
- lower urban air temperatures.

She said the amendments will regulate the tree size, spacing and location. Also, it will address street trees located near intersections and at street lights.

With that explanation completed, Mayor Sears opened the public hearing. The following comments were recorded: None.

There being no further comments, the public hearing was closed.

Action #1: The Council approved a motion to accept the following statement as true: “The requested UDO Text Amendment is consistent with the Vision Holly Springs Comprehensive Plan: Executive Summary in regards to “Using the Plan to Implement the Town’s Vision” and “Adopting and Implementing the Plan”; and Section 4: Community Character “Objectives”, “Defining the Village Streetscape”. The proposed UDO Amendments provide the tools necessary for staff and the development community to implement the goals and objectives stated in the Plan.”

Motion By: Sack

Second By: Cobb

Vote: Unanimous

Action #2: The Council approved a motion to adopt Ordinance # 12-06 to approve and enact UDO Text Amendment #12-UDO-01 to modify the text of UDO Section 7.01 as submitted by the Town of Holly Springs.

Motion By: Sack

Second By: Cobb

Vote: Unanimous

A copy of Ordinance 12-6 is attached to these minutes.

9. Consent Agenda: The Council approved a motion to approve all items on the Consent Agenda. The motion carried following a motion by Councilman Sack, a second by Councilman Cobb and a unanimous vote. The following actions were affected:

9a. Minutes - The Council approved minutes of the Council’s regular meetings held August 7, and August 21, 2012.

9b. Contract Report - The Council received a report of contracts approved by the town manager.

9c. Davenport & Company LLC Agreement Amendment - The Council approved an amendment to the Davenport & Company, LLC agreement.

9d. Utley Creek WRF Overflow Project - The Council approved to enter a contract with KM Machine Co. in the amount of \$16,090 for the Utley Creek WRF Overflow project .

9e. Resolution 12-22 - The Council adopted Resolution 12-22 enacting supplemental Bond Order for Sewer and Water Revenue Bond refunding. *A copy of Resolution 12-22 is attached to these minutes.*

9f. Avent Ferry Road Temporary Sidewalk Repairs - The Council approved to paving of a 6’ temporary sidewalk located along Avent Ferry Road with conditions of NCDOT approval and project amount not exceeding \$15,000.

9g. Avent Ferry Road Fire Station Project - The Council approved to enter a contract with Enon Electric Company, Inc. in the amount of \$34,250 for the Avent Ferry Road fire station project.

9h. Resolution 12-23 - The Council adopted Resolution 12-23 approving several refinancing agreements with PNC Bank. *A copy of Resolution 12-23 is attached to these minutes.*

10a. Street Tree Maintenance and Enforcement Policy - Ms. Holloman said the street tree policy was first brought before the Town Council at the August 7th meeting. At that time, staff received much feedback suggesting to re-work the policy before council could consider adopting.

She said council had mixed reactions to requiring property owners to maintain street trees that are located within the public right-of-way. However, the council was in agreement that property owners should not be charged for any work that the Town does and requested that

those requirements be removed. Through collaborative meetings with the town attorney, planning & zoning, engineering, and public works, staff has eliminated the language regarding charging property owners for work completed by the Town, and has also added language suggesting the town create a street tree maintenance program as necessary to rectify the problems existing street trees are causing.

Ms. Holloman said this policy is needed because of the existing street tree maintenance issues in many subdivisions in town since the Town did not previously have any regulations regarding the location, spacing, and specific acceptable species of street trees.

Ms. Holloman reviewed the list of subdivisions in Holly Springs where street trees are required, because either the subdivisions are part of a Planned Unit Development, or a Development Options Neighborhood, or was a Traditional Neighborhood, or because the developer requested to install street trees. She said the chart specifies who is currently responsible for the maintenance.

She also reviewed how other municipalities in nearby areas handle street trees.

Mayor Sears said that there were conflicting language in the street tree maintenance section of #6 and #2. It was suggested to remove #2 or make changes that would benefit the town and property owners.

Councilman Sack said that he would like to give the homeowner the opportunity to prune the trees with guidance or education of maintaining the trees. Mayor Sears suggested to table and make revisions to the policy and bring make to the Council at the next meeting. Councilwoman Lee said that it needs more work and to define "tree maintenance".

Action: The Council approved a motion to table the street tree maintenance and enforcement policy until the Sept. 18th, Town Council meeting and to reword #2 under street tree maintenance section.

Motion By: Cobb

Second By: Sack

Vote: Unanimous

11a. Ordinance 12-07 Sewer Use Amendment - Mr. Byrd said this request is to consider amendments to the Town's Sewer Use Ordinance to update the language on grease interceptors to include community grease interceptor requirements and operating requirements for all grease interceptors.

Action: The Council approved a motion to adopt Ordinance 12-07 amending Chapter 16, Article III, Division 3 of the Holly Springs Town Code.

Motion By: Sack

Second By: Lee

Vote: Unanimous

A copy of Ordinance 12-07 is attached to these minutes.

11b. Old Apex/Holly Springs Road Extension Project - Ms. Parrish said with the super street modifications currently being constructed along GB Alford Highway, additional roadway connections within the Industrial Park are proposed to mitigate adverse circulation problems. She said staff is beginning work on design of the extension of Old Holly Springs - Apex Rd from Holly Springs - New Hill Rd to Thomas Mill Rd, while the economic development department is beginning to solicit grant funding from NCDOT. In order to move forward with design, survey information is required. Turner Survey has provided a proposal to complete survey work along the proposed roadway corridor in the amount of \$18,265.

Action: The Council approved a motion to award contract to Turner Land Surveying, PLLC in the amount of \$18,265 for surveying of Old Apex/Holly Springs Road extension.

Motion By: Lee

Second By: Cobb

Vote: Unanimous

11c. 2012 Street Improvement Projects - Ms. Parrish said sealed bids were received on August 28, at 2 p.m. for the 2012 Street Improvements project. She said this annual project includes work associated with repairs to multiple streets (resurfacing, patching and curb and gutter). Approximate quantities include 26,000 square yards of resurfacing, 8,500 square yards patching, 230 linear feet of curb and gutter. Some pedestrian signage and marking has also been included this year. All Town streets are ranked annually by condition and the worst streets are included in the project.

Ms. Parrish said that staff will be executing a contract change order to add additional streets to the project list at a future meeting.

Action: The Council approved a motion to award contract to Turner Asphalt in the amount of \$440,000 includes contingency, for 2012 Street Improvement projects and adoption of budget amendments.

Motion By: Lee

Second By: Cobb

Vote: Unanimous.

A copy of budget amendment is attached to these minutes.

11d. WWTP Level Spreader Repair Project - Mr. Parrish said the Town received sealed bids on August 29, at 2 p.m. for the Wastewater Treatment Plant (WWTP) Level Spreader Repair project. This project includes work associated with repairs to 3 level spreaders (water quality treatment devices) located on the WWTP site. These devices need to be repaired in order to stay within compliance of our NPDES Phase 2 permit. This work was anticipated and funds have been reserved for these improvements in the WWTP project budget.

Ms. Parrish said only one contractor responded to the informal bid in the amount of \$28,000.

Action: The Council approved a motion to award contract to Ideal Landscaping in the amount of \$28,000, includes contingency, for WWTP level spreader repair project.

Motion By: Cobb

Second By: Lee

Vote: Unanimous.

12. Other Business: Councilman Sack asked when and if NCDOT will be resurfacing Main Street. Mr. Dean said that currently NCDOT don't have the funds for resurfacing Main Street. He said he will discuss with NCDOT about the Town taking over Main Street after receiving all sidewalk grant funds.

13. Manager's Report: Mr. Dean reported the Holly Springs Chamber of Commerce Retreat is scheduled for September 13 - 14, 2012 in Wallace. He invited the Council to attend the NC League Municipalities Annual Conference in Charlotte, Oct. 21 - 23, 2012.

14. Closed Session: The Council approved a motion to enter Closed Session, pursuant to General Statute 143-318.11(a)(6) to discuss a personnel matter.

Motion By: Sack

Second By: Cobb

Vote: Unanimous

General Account of Closed Session - **Sept. 4, 2012**

In general, the town manager and assistant town manager discussed with the Council a matter of restructuring one of the town's departments. Mr. Simmons discussed the matter and suggested the solution would be to reorganize the department, reclassify job positions and make salary adjustments.

The Council provided the town manager with directions on how to proceed. No action was made in closed session.

The Council approved a motion to return to open session. The motion was made by Councilman Sack and seconded by Councilman Cobb, and the vote was unanimous.

-- End of General Account

15. Adjournment: There being no further business for the evening, the Sept. 4, 2012 meeting of the Holly Springs Town Council was adjourned following a motion by Councilman Cobb, a second by Councilman Sack and a unanimous vote.

Respectfully Submitted on Tuesday, Sept. 18, 2012.

Linda R. Harper, MMC, Deputy Town Clerk

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