

Holly Springs Town Council Minutes

Regular Meeting May 16, 2006

The Holly Springs Town Council met in regular session on Tuesday, May 16, 2006, in the Council Chambers of Holly Springs Town Hall, 128 S. Main Street. Mayor Dick Sears presided, calling the meeting to order at 7:10 p.m. A quorum was established as the mayor and four council members were present as the meeting opened.

Council Members Present: Councilmen Vinnie DeBenedetto, Parrish Womble, Peter Atwell and Hank Dickson and Mayor Sears.

Council Members Absent: Councilman Chet VanFossen.

Staff Members Present: Carl Dean, town manager; Charles Simmons, assistant town manager; John Schifano, town attorney; Linda Harper, deputy town clerk (recording the minutes); Gina Bobber, director of planning and zoning; Stephanie Sudano, director of engineering; Daniel Weeks, project analyst; Cecil Parker, chief of public safety; Mark Andrews, public information officer; Jenny Mizelle, economic development director; and Drew Holland, finance director.

2 and 3. The Pledge of Allegiance was recited, and the meeting opened with an invocation by Rev. Horace Ferguson of Holly Springs Methodist Church.

4. Agenda Adjustment: The May 16, 2006 meeting agenda was adopted with changes, if any, as listed below.

Motion By: Dickson

Second By: Atwell

Vote: Unanimous

Items Added to the Agenda: None.

Agenda Items Moved: Agenda item 8a., Consider approval of development plan 06-DP-01 for Monument Park and associated waiver request, was moved from New Business to Public Hearings and renumbered as 6e.

Other Changes: None.

Mayor Sears at this time recognized members of Troop #356 who are working on their Communications Merit Badge. One of the requirements is to attend a government meeting.

5a. Kids Appreciation Day, May 20, 2006 - Mayor Sears said the Kiwanis Club of Holly Springs is planning "Kids Appreciation Day" for Saturday, May 20, 2006, from 2 to 4 p.m. at Womble Park to show the children of the community the Town's appreciation.

Mayor Pro Tem Dickson presented a proclamation to the Kiwanis Club of Holly Springs pronouncing May 20, 2006, as "Kids Appreciation Day" in Holly Springs.

Action: None.

5b. Holly Spring Development Corporation Report – Mr. John Wood, 4820 Sunset Flower Circle, and representative of the Holly Springs Development Corporation gave a brief history of the completed projects from years 2002 to 2005. Mr. Wood said the group is currently working on the Urgent Home Repair Program.

Action: None.

6a. Public Hearing: Annexation Ordinance A06-09, Leonard Schaffer - Mr. Jones explained that the Town has received a petition for voluntary annexation filed by Leonard Schaffer requesting annexation of 39.57 acres located along West Holly Springs Road. He said the petition meets all the statutory requirements for annexation.

With that explanation completed, Mayor Sears opened the public hearing to accept input. The following comments were recorded:

Thomas Spaulding, of Spaulding and Norris, P.A., 972 Trinity Road, Raleigh – Mr. Spaulding, representing the applicant, requested that the Town consider approval for the annexation of 39.57 acres into the city limits. He said that the annexation would make a good addition to the Town.

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

Action: The Council approved a motion to adopt Annexation Ordinance A06-09 annexing 39.57 acres owned by Leonard Schaffer, and more particularly described as Wake County PIN: 0649.01-06-6014, into the corporate limits of the

Town of Holly Springs.

Motion By: Atwell

Second By: Dickson

Vote: Unanimous

A copy of Annexation Ordinance A06-09 is incorporated into these minutes as addendum pages.

6b. Public Hearing: Rezoning Zoning Map Change 06-REZ-06, Schaffer Property - Mr. Jones explained that the Town has received a petition to rezone approximately 39.57 acres from Wake County R-30: residential to R-MF-15: multifamily residential. He said the property is located on West Holly Springs Road.

Mr. Jones said the Planning Board discussed the very high-density residential zone and questioned why this area was designated for very high-density on the land use map. He said the rezoning request is in conformance with the very high-density residential designation of the Ten-Year Comprehensive Land Use Plan. He said staff recommends approval, and the Planning Board does as well, following a 6 to 1 vote.

With that explanation completed, Mayor Sears opened the public hearing to accept input. The following comments were recorded:

Thomas Spaulding, of Spaulding and Norris, P.A., 972 Trinity Road, Raleigh – Mr. Spaulding, representing the applicant, said the requested rezoning designation was consistent with the Ten-Year Comprehensive Land Use Plan. He said activity within the business park supports the very high-density residential designation and with the road improvements in that area, this will be a good product for the Town.

Mr. Jones discussed with the Council members the zoning of adjacent properties and the proposed use of the BFI landfill after closure.

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

Action #1: The Council approved a motion that the following statement is true: The zone map change is consistent with the Holly Springs Ten-Year Comprehensive plan in that it preserves the Very High-Density Residential designation for the use of the property.

Motion By: Atwell

Second By: Dickson

Vote: Unanimous

Action #2: The Council approved a motion to approve Zone Map Change Petition 06-REZ-06 to change the zoning of 39.57 acres of Wake County PIN: 0649-06-6014 from R-40: Residential to R-MF-15: Multifamily Residential as submitted by Tom Spaulding of Spaulding & Norris, P.A.

Motion By: Atwell

Second By: Dickson

Vote: Unanimous

6c. Public Hearing: 900 Holly Springs Road, 06-SEU-01 for Mobile Classrooms - Mr. Jones explained that the Wake County Board of Education is requesting approval for 06-SEU-01, a Special Exception to allow two additional modular classroom units. The proposed units are to be located at the Holly Ridge Elementary and Middle School, 900 Holly Springs Road. He said the first unit would contain six classrooms and be located on the outdoor basketball court adjacent to the Middle School, and the second unit containing four classrooms would be located on the west side of the basketball court.

Mr. Jones said the Council previously approved six mobile classrooms in December 2005. He said in June 2005, the Council approved a total of seven 960-square foot mobile classrooms. He said that two of the seven classrooms were installed adjacent to the Middle School, and one classroom was installed adjacent to the Elementary School. He said adjacent to the middle school two single-classroom buildings and one six-classroom building currently exist, and the petition is proposing to add a six-classroom building, while an additional two single-classroom buildings are approved, but have not been installed.

Mr. Jones explained that according to the Unified Development Ordinance (UDO), in order to utilize temporary mobile classrooms, a Special Exception Use must be granted by the Town Council. The Town Board must base its decision on whether the applicant is making progress towards accomplishing the goals of development indicated on the site plan within a reasonable period of time.

Councilman Atwell asked what would the results be if the town voted not to allow the installation of the requested mobile classrooms -- what would be the impact on the schools.

Mr. Jones explained that the schools would be locating the classrooms at-will, in hallways and the existing structures.

Mr. Jones said the Planning Board discussed the storm water and impervious surface calculations, the utilization of multi-classrooms buildings; site stabilization and landscaping. He said both staff and the Planning Board recommend approval with conditions.

With that explanation completed, Mayor Sears opened the public hearing to accept sworn testimony and qualified evidence. Under oath administered by the Deputy Town Clerk, the following provided testimony to be recorded:

Jerry Bradley, 111 Devroah Lane, Raleigh – Mr. Bradley, representing the Wake County Public School System,

addressed the Council's concerns regarding the location of the units and the growth planning issues. Mr. Bradley requested the Council consider approval of allowing the installation of the additional mobile classrooms. He said it is Wake County's intent to have the classrooms up and running before school starts the next school year.

Councilman DeBenedetto asked what would be the life span of the mobile classrooms.

Mr. Bradley said the life span of the mobile units is approximately 20 years before needing to be replaced. He said Wake County Schools is placing 103 modular units this year located on Wake County Elementary and Middle school campuses, in hopes of solving the growth problem.

Councilman Atwell commented that he was concerned about why the Wake County Public School System does not plan for growth from the beginning for new schools, like everyone else who plans and design facilities.

Mr. Bradley said that the additional mobile classroom will meet the needs for the Elementary and Middle Schools and that the original campus plan was designed for placement of modular units to be added in the future.

David Kasseling 740 Piney Grove-Wilbon Road – Mr. Kasseling said that he had two sons who attend both schools. He requested the Town consider assisting the PTA in replacing the playground areas that the mobile classrooms will be replacing.

Mr. Jones said that staff is unaware of any disturbance of any playground areas. He said the second unit would be located on the west side of the basketball court. He said that there may be open areas that children play, but that they are not designated as a playground.

Councilman Atwell said that he did not agree with Wake County Public School Systems strategy for planning for future growth.

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

Action #1: The Council approved a motion to make and accept the following findings of fact to be recorded in the minutes for Special Exception Use Petition 06-SEU-01 for Wake County Public School System to allow two mobile classrooms on the Holly Ridge Elementary and Middle School campus located at 900 Holly Springs Road as submitted by Gerald Core of Wake County Public School System, dated revised April 15, 2006.

- a. The proposed use will not be injurious to the public health, safety, comfort, community moral standards, convenience or general welfare;
- b. The proposed use will not injure or adversely affect the adjacent area;
- c. The proposed use will be consistent with the character of the district, land uses authorized therein, and the Town of Holly Springs Comprehensive Plan;
- d. The proposed use shall conform to all development standards of the applicable district (unless a waiver of such development standards is requested as part of the special exception use petition and approved as set forth above, in which case the proposed use shall conform to the terms and conditions of such waiver).
- e. Access drives or driveways are or will be sufficient in size and properly located to: ensure automotive and pedestrian safety and convenience, traffic flow as set forth in Section 7.09 – Pedestrian Circulation and Vehicular Area Design; and, control and access in case of fire or other emergency;
- f. Off-street parking areas, off-street loading areas, trash enclosures, trash pick-up and removal, and other service areas are located so as to be safe, convenient, allow for access in case of emergency, and to minimize economic, glare, odor, and other impacts on adjoining properties and properties in the general neighborhood;
- g. The lot, building or structure proposed for the use has adequate restroom facilities, cooking facilities, safety equipment (smoke alarms, floatation devices, etc.), or any other service or equipment necessary to provide for the needs of those persons whom may work at, visit or own property nearby to the proposed use;
- h. Utilities, schools, fire, police and other necessary public and private facilities and services will be adequate to handle the needs of the proposed use;
- i. The location and arrangement of the use on the site, screening, buffering, landscaping, and pedestrian ways harmonize with adjoining properties and the general area and minimize adverse impacts; and,
- j. The type, size, and intensity of the proposed use (including but not limited to such considerations as the hours of operation and numbers of people who are likely to utilize or be attracted to the use) will not have significant adverse impacts on adjoining properties or the neighborhood.

Motion by: Womble

Second By: DeBenedetto

Vote: The motion carried following a 3-2 vote. Councilmen DeBenedetto, Womble, Mayor Sears voted for. Councilmen Atwell and Dickson voted against.

A copy of Special Exception Use application 06-SEU-01 entered into the record by the applicant and addressing the findings of facts is incorporated into these minutes as addendum pages.

Action #2: Having made findings of fact that the project meets the requirements to be granted a Special Exception Use, the Council approved a motion to approve Special Exception Use #06-SEU-01 Holly Ridge Elementary School and Middle School at 900 Holly Springs Road as submitted by submitted by Gerald Core of Wake County Public School System, dated revised April 15, 2006, with the following conditions:

1. Prior to Certificate of UDO Compliance, the following must be completed:
 - a. All dead and missing landscaping is to be replaced and or installed in accordance with the original approved plans.
2. The following item will need to be included with 1st construction drawing submittal (later in the approval process):
 - a. Provide signed and sealed calculations and written explanation of the cubic feet per second of flow existing and the cubic feet per second of the post proposed flow. (Calculations have been received by the town with the latest submittal and will be reviewed and comments made prior to 1st construction drawing submittal.)
3. The following item will need to be addressed prior to construction drawing approval:
 - a. On previously approved Holly Ridge Elementary & Middle School Modular Units, there was a condition of approval about S&EC and stormwater issues for this site. Documentation that this has been satisfied must be received prior to construction drawing approval.

Motion by: Womble

Second By: DeBenedetto

Vote: The motion carried following a 3-2 vote. Councilmen DeBenedetto and Womble voted for. Councilmen Atwell and Dickson voted against. Mayor Sears broke the 2-2 tie by voting for the motion.

6d. Public Hearing: Shoppes at Holly Springs Development Agreement – Mr. Schifano explained to the Council that with the new adopted developer agreement ordinance a public hearing is required before the Town can enter into an development agreement. He said the public hearing was opened on April 18 and continued because the terms had not yet been agreed upon.

Mr. Schifano said the final draft that is before the Council and sets forth aspects for signage; on- and off-site infrastructure; road improvements; parking lot lights; permits and development standards.

He said the Council is to resume the public hearing and take action on the development agreement.

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

There being no input, the public hearing was closed.

Action: The Council approved a motion to enter a development agreement with Holly Springs Retail Investment, LLC for the development of Shoppes at Holly Springs.

Motion By: Womble

Second By: DeBenedetto

Vote: Unanimous

A copy of the draft Holly Springs Retail Investment, LLC, development agreement is incorporated into these minutes as addendum pages.

6e. Monument Park, 06-DP-01 – Mr. Jones said 06-DP-01 proposes a development of 94 attached dwelling units and the conversion of both the Mims and Wright houses for non-residential uses. He said the overall development is located on an approximately 19-acre site west of Avent Ferry Road between Earp and Ballentine Streets within the boundaries of the Village District Area Plan.

Mr. Jones said six acres is planned for dedicated open space, including the historic natural spring site.

Mr. Jones said the plan proposes 39 parking spaces to be shared between the Mims and Wright houses along Ballentine Street. Also, additional on-street parking spaces are proposed adjacent to Holly Springs United Methodist Church and parsonage.

Mr. Jones explained that the proposed plan calls for a higher density than what was submitted to the Town in January 2006. He said that staff encouraged the developer to add as much density as possible.

Mr. Jones reviewed the original layout of the proposed plan and the current revised plan. He said the revisions affect the townhomes and the residential areas, which took the houses closer to the streets.

Mr. Jones said the applicant is requesting approval for the development plan as well as consideration for waivers to the UDO regulations and an exception to the town's Engineering and Construction Design Standards to allow waterlines not to be required along the entire roadway frontage length of a proposed project (i.e. Avent Ferry Road.).

Councilman Womble asked which street the single-family homes would be facing. Mr. Jones said they would face Ballentine Street.

Mr. Jones said the Planning Board discussed the impacts of storm water; the absence of building elevations; the driveway configuration along Avent Ferry Road; safety along West Ballentine Street; the proposed grading and site clearance; and the adequacy of the perimeter landscaping along the southwest boundary of the site. He said both staff and the Planning Board recommend approval with conditions. He said the developer is proposing to install a new greenway trail.

Councilman DeBenedetto asked if the definition of very high density would be considered apartments.

Mr. Jones explained that the site is located within the Village District Area Plan (VDAP) which has the site(s) designated for Park/Open Space and attached residential uses. The VDAP does encourage higher density residential uses within the Village District and the conversion of existing homes to non-residential uses, which the current plan proposes.

There was discussion among the Council members regarding similar townhome developments in other areas of the

Town with very high density and the proposed single-family residential area with front-loaded garages.

Don Mizelle of 5429 Shoreline Court – Mr. Mizelle, representing Stafford Land Company, addressed the Council regarding the proposed single-family homes with garages facing the front and the alley ways. He reviewed the proposed townhomes, the buffer areas and the areas that would remain natural. He said that the property would not be mass graded. Mr. Mizelle described the recreational facilities and said that the open space, which is approximately six acres of the 19 acres, is to be dedicated to the Town.

There was much discussion among staff and the Council regarding parking and site elevations.

With that explanation completed, Mayor Sears opened the public hearing to accept input. The following comments were recorded:

Councilman DeBenedetto said that he would be in favor of tabling the development plan until the town receives the building elevations.

Thomas Spaulding 971 Trinity Street, Raleigh – Mr. Spaulding, representing the developer, explained to the Council that the development plan is proposing as much storm water studies and protection as the library site.

Councilman DeBenedetto said that it appears that 15 to 16 houses are in the impervious surface areas. He asked if the drainage for those houses will drain down toward the creek.

Mr. Spaulding said that he will review that area and evaluate further during the construction drawing submittals.

Kevin Heyel of 416 W. Ballentine Street – Mr. Heyel said that his main concern was for the drainage on the corner lot located near Utley Creek. Mr. Heyel distributed pictures of Utley Creek during a rain storm and a photo of the flow when it's not raining. He requested the Council consider removing the townhomes that are adjacent to the existing residential dwellings from the proposed development plan.

Ken Macier of 117 Dutch Hill Road – Mr. Macier said that he was concerned with the overall view of the town, being this is one of the core areas. He said that the Ten-year Comprehensive Plan, before the revisions, proposed a theater and park area, and low-density for that area. He said that he was concerned about the townhomes being so close to the cultural center and library because it would increase the current traffic problem. Mr. Macier said he didn't understand why townhomes would benefit the Town instead of the theater and park areas.

Shannon Harris of 409 Ballentine Street – Mr. Harris said that he was concerned about the area leading to the springs. He said that the property behind the church is too steep to walk to the springs and if the property is developed it would limit the access. He said his major concern would be the increased traffic and current speeding problem along Ballentine Street and that with the additional proposed townhomes, it would get worse.

Daniel Waterman of 412 W. Ballentine Street – Mr. Waterman said that because he does not know what the developers are planning will look like, he requested the Council consider tabling action on the development plan until the town receives the building elevations. He said his second concern is that the plan proposes only one access for the townhomes.

Glenn Myrto of 408 W. Ballentine Street – Mr. Myrto said that he is concerned about the impact that this development would have on the neighborhood and the town. He said being that the Avent Acres pool is located on W. Ballentine Street and that the children of Oaks of Avent Acres would be crossing W. Ballentine Street, he sees a potential danger along that area with the increased traffic of the cultural center and library plus the proposed townhomes. He said that he was also concerned about the environmental issues this development may cause. He was also concerned about the park and greenway areas. He said the proposed development plan does not reflect what the Ten-Year Comprehensive Land Use Plan is designating for that area.

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

Councilman Atwell said he agrees with the need of high density in the downtown areas, but he is not in favor of townhomes for this area.

Mayor Sears asked Mr. Mizelle at what time can the Town receive the building elevations.

Mr. Mizelle said that the elevations cannot be provided at this time because the developer needs the Town approval for loan purposes, and the property has not yet been marketed for sale to contractors. He asked the Council for suggestions regarding the development plan and what they would like to see on a revised plan.

Councilman Atwell agreed that the use of the area should be as a park and that townhomes at that particular location would not be best for the town.

After much discussion, the Council voiced their likes and dislikes regarding the plan. The Council members suggested tabling the development plan to allow the developer to revise the configuration of the plan with less townhome units.

Mr. Mizelle said that he agreed with tabling the development plan for more study.

Action: The Council approved a motion to table Development Plan #06-DP-01 for Monument Park as submitted by Stafford Land Company, Inc., project number 596-05, revised April 10, 2006, and to reopen the Public Hearing at the August 1, 2006 Town Council meeting.

Motion: Womble

Second: DeBenedetto

Vote: The motion carried following a 3-1 vote. Councilmen DeBenedetto, Womble and Atwell voted for. Councilmen Dickson voted against.

7. Consent Agenda: All items on the Consent Agenda were approved following a motion by Councilman Atwell, a second by Councilman DeBenedetto and a unanimous vote. The following actions were affected:

7a. Minutes - The Council approved the minutes of the council's regular and special meetings held in April, 2006.

7b. Budget Report– The Council received a report of budget amendments #121 through #136 approved by the town manager. *A copy of the budget report is incorporated into these minutes as addendum pages.*

7c. Budget Amendment, \$17,000 – The Council adopted a budget amendment to the fire station project fund. *A copy of the budget amendment is incorporated into these minutes as an addendum page.*

7d. Town Project Change Orders – The Council received a report of town project change orders approved by the town manager. *A copy of the project change orders are incorporated into these minutes as addendum pages.*

7e. Set Public Hearing for FY 2006-07 Budget – The Council set a public hearing for 7 p.m. Tuesday, June 6, 2006 to receive input on the Town of Holly Springs FY 2006-07 budget.

7f. Western Wake Regional Water Reclamation Facility Inter-local Agreement– The Council approved an amendment to the Western Wake Regional Water Reclamation Facility inter-local agreement. *A copy of the draft inter-local agreement is incorporated into these minutes as addendum pages.*

8a. Monument Park, 06-DP-01 – This item was moved to public hearings and renumbered as agenda item 6e during agenda adjustment.

8b. Ordinance 06-09, Amendment to the Animal Control Code – Mr. Schifano explained that this ordinance would amend the Town Code, Chapter 12 Public Safety, Section 12-65 addressing animal cruelty. He said the ordinance revision is one of the most comprehensive approaches to animal protection. He reviewed the ordinance amendment with the Council members.

Councilman Atwell asked the meaning of section “(C), (2) Failing to keep an animal under sanitary and humane conditions which are not detrimental to the animal's health and general welfare and which maintain a condition of good order and cleanliness and reduce the possibility of transmission of disease” and suggested modifying the language not to read as a double negative.

All were in consensus to amend the section (C) (2) at the town attorney's discretion.

Action: The Council approved a motion to adopt Ordinance 06-09 enacting an amendment to the Town Code, Chapter 12, Public Safety, Article III, Animals, Section 12-65 with the requested modifications.

Motion By: Womble

Second By: Atwell

Vote: Unanimous

A copy of Ordinance 06-09 is incorporated into these minutes as addendum pages.

8. 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. None.

9. Other Business: None.

10. Manager's Report: Mr. Dean invited the Council members to Kids Appreciation Day on Saturday, May 20, 2006, from 2 to 4 p.m. at Womble Park.

Mr. Dean said that the Town of Cary was contacted regarding the old Cary landfill located on Holly Springs Road. He said the Town of Cary sent someone to the site on Monday, May 15, to correct the problem.

Mr. Dean followed up with the items that the Council requested at the Budget Workshop. He said that Human Resources Director Erika Phillips will be submitting a revised Personnel Policy to tie the Cost of Living Adjustment with merit increases at the June 6th Town Council meeting for review and adoption. He said that this amendment to the Personnel Policy will not affect the proposed budget.

Mr. Dean said staff added an additional \$100,000 to the line item from park reserves to include another parking lot at Jones Park. He said that based on evaluating the site, the town can construct the parking lot near the water tank and stay off of school property. He said he recommends amending the proposed budget using the park reserve funds.

Mr. Dean said that he has not heard from any civic clubs as discussed as it relates to additional funding for Veterans Park, and staff feels that the funding proposed can get the project completed. Any additional funds will allow us to expand the scope of what we want to do, he said, and he recommended proceeding with the funding level proposed, and work with any civic clubs that come forward to assist with this project. He said that there would be no effect on the proposed budget.

Mr. Dean said in conversations with Mr. Tillage, the Mag Meter purchase can wait an additional year. He said that Mr. Tillage does everything by policy from a safety standpoint, and can do the same thing for an additional year. Mr. Dean said that staff recommends not to include this purchase in this year's budget.

He said that the Bass Lake sidewalk surveying proposals are scheduled to be presented at the first meeting in June. The right of way agreements would be drawn up for residents to sign after the surveying is completed. He said this project will be expedited and will not affect the proposed budget.

Mr. Dean said the cost of contracting a tub grinder would range between \$30,000 and \$40,000 per month. The cost of having a contractor come on site for grinding would be approximately \$400 to \$600 per hour.

Mr. Dean said he recommends that the Town keep the purchase of a chipper in the budget and add enough funding (\$10,000 range) to rent a tub grinder during the year and delay the purchase of a tub grinder until the Town's usage would justify it.

Mr. Dean said that staff has reviewed the public safety positions proposal, and recommends to leave the fire positions as stated in the budget, and to move the half-year police department positions to full-year positions. He said the added three positions in the fire division, which would increase each shift by one person, and if additional positions were required, they would need to be added in groups of three (one per shift). He said the cost for each new firefighter position is \$40,690 or a total of \$122,070 for the three.

He said in the police division, the cost of moving the two positions from half- to full-year is \$50,454. To add new positions, the town would have to adjust the operating budget by cutting other department budgets or increasing the tax rate.

Mr. Dean said that staff recommends to shift the two police officer positions from half-year to full-year positions at a budget increase of \$50,454 and make no changes in the fire department for FY 2006-07.

Mr. Dean at this time discussed the possibility of separating the police and fire divisions and making two departments. He said that this has been discussed over the past several years, because of the growth rate of the town. He said that separating the two divisions in the future was a suggestion in the last pay classification study.

Mr. Dean said that because this is such a big change and not knowing how the change would affect the budget, staff recommends that the town research those costs as well as how the transition of separating the police and fire departments would be handled before a decision is made by the Council.

All the Council members were in consensus to proceed with this study and develop a strategy and incorporate the associated costs for inclusion in this year's budget.

Mr. Dean said that are still several small departmental adjustments in the budget prior to final budget consideration at the June 6th meeting.

Mayor Sears clarified that staff's recommendation is not to add additional firefighters to this year's budget.

Mr. Dean said that was correct.

Councilman DeBenedetto said that he agreed with separating the police and fire departments and to study the possibility. He said he agreed with adding money to the FY 2006-07 budget to conduct the study and implementation. Mr. Dean said that not knowing what the cost will be to make the changes, he recommends to research the separation of the two departments and bring the findings back to the Council for review.

Councilman Womble said that the town needs more information on the salary classification and job descriptions before making a decision.

Councilman Atwell asked if the separating of the two divisions have anything to do with the police and fire departments performance or problems as the department is currently operating.

Mr. Dean said that there is not a problem with the operation or performance, but as the town grows and gets larger the Town needs to make this change to meet the demands of town's growth.

Mr. Dean explained that staff has been interviewing each department's employees in the past year for job performance.

There was much discussion on the comparison of the debt service and fund balance of Holly Springs and other municipalities. Mr. Holland said that he reviewed and compared Holly Springs' fund balances with other towns and that the Town is in sound financial shape and has nothing to worry about.

Council members were in consensus with the town manager's recommendation to continue the study of a separation of the police and fire departments and will await more information at the June 6th Town Council meeting.

Mr. Dean reminded the Council that June 7th is Town Hall Day and encouraged them to register with the town clerk if they wished to attend.

11. Closed Session: The Council approved a motion to enter into Closed Session, pursuant to G.S. 143-318.11(a)(4) to discuss a topic involving an economic development project and pursuant to G.S. 143-318.11(a)(3) to discuss matters of right of way acquisition for sewer and road improvements easement on property located in the western part of Town.

Motion By: Dickson

Second By: Atwell

Vote: Unanimous

General Account of Closed Session – May 16, 2006

In Closed Session, the town manager updated the Council members on the progress of a potential new industry to be located in the Holly Springs Business Park. Also, he reviewed the original economic incentive package that the Council previously approved.

Mr. Schifano discussed the matter of negotiations of possible infrastructure easements to be located on the Mosley

Family Venture property or the BFI property. The Council gave the town attorney direction.

-- End General Account

The Council approved a motion to return to Open Session. The motion was made by Councilman Atwell, seconded by Councilman Dickson and carried unanimously.

12. Adjournment: There being no further business for the evening, the May 16, 2006, meeting of the Holly Springs Town Council was adjourned following a motion by Councilman Atwell, a second by Councilman Dickson and a unanimous vote.

Respectfully Submitted on Tuesday, June 6, 2006.

Linda R. Harper, CMC, Deputy Town Clerk

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