



August 7, 2018

MINUTES

The Holly Springs Town Council met in regular session on Tuesday, Aug. 7, 2018 in the Council Chambers of Holly Springs Town Hall, 128 S. Main Street. Mayor Pro Tem Tom O'Brien presided, calling the meeting to order at 7 p.m. A quorum was established as all five council members were present as the meeting opened.

Council Members Present: Mayor Pro Tem Tom O'Brien, Councilmen Dan Berry and Peter Villadsen and Councilwomen Cheri Lee and Christine Kelly.

Council Members Absent: Mayor Dick Sears.

Staff Members Present: Daniel Weeks, interim town manager; John Schifano, town attorney; Joni Powell, town clerk (recording the minutes); Linda Harper, deputy town clerk; Gina Clapp, director of planning and zoning; Matt Beard, planner; Melissa Sigmund, principal planner; Kendra Parrish, director of engineering; Paul Allen, real estate acquisition agent; Tina Stroupe, senior accountant; Mary Hogan, finance director; Mary DePina, project engineer; Daniel Colavito, environmental specialist; Rachel Jones, development plan reviewer; Irena Krstanovic, economic development director; Mark Andrews, public information officer; Luncie McNeil, public works director; Wayne Wilhelm, assistant public works director; Adam Huffman, assistant parks and recreation director; LeRoy Smith, fire chief; Tamara Ward, communications specialist; Seann Byrd, director of water quality; and Jeff Wilson, information technology director.

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

4. Agenda Adjustment: The Aug. 7, 2018 meeting agenda was adopted with changes, if any, as listed: Remove from new business item 11d. bicycle safety road improvements.

Motion by: O'Brien

Second by: Villadsen

Vote: Unanimous

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 comments were recorded:

Gerald Holleman, 5625 Easton Street – Mr. Holleman addressed the Council to stress that the Town elected officials should travel to Washington D.C. to meet with their federal counterparts and to lobby for road funding for the Town. He said the upcoming referendum is distasteful to him because he knows more funding is available than what the Town is actively pursuing, and he doesn't think the taxpayers should have to foot such a large bill. He asked the Council to postpone the referendum until they have had a chance to buy down the debt amount with federal funds.

Anya McGuirt, 1212 Happy Hunting Hills – Ms. McGuirt addressed the Council to thank members for hearing the voices of those in the Logging Road area of the Southern Area Planning Initiative. She also thanked staff for working with them on the land use designation they desire.

Graydon Armsworthy, 1120 Trotter Bluff Drive – Mr. Armsworthy said he is hopeful a solution can be found to mitigate the odors from the water reclamation facility. He thanked the Town and staff for efforts thus far, and he urged the Council to approve the Hazen and Sawyer contract later in the meeting agenda as it might lead to a permanent solution.

6a. Farmers Market Week – Ms. Clapp said the Holly Springs Farmers Market is celebrating its 12th Season. The farmers market began in 2007 with a handful of vendors hoping to draw residents to downtown and has grown into a vibrant community event with an average of around 800 customers each week.

She added that the week of Aug. 5 – 11, 2018 is National Farmers Market Week as designated by the United States Department of Agriculture. In support of Farmers Market Week, the staff of the Department of Planning & Zoning encourages residents to come out to The Farmers Market to try the delicious, fresh produce and artisanal foods available from local farmers and small businesses each Saturday morning.

Mayor Pro Tem O'Brien presented the mayor's proclamation designating Farmers Market Week in Holly Springs.

Action: None.

7a. FlyTrex Presentation – Mr. Levitt said as discussed at the previous Town Council meeting, the Town has been selected along with lead applicant, NCDOT, to be a part of the FAA's Drone Innovation Pilot Program (UAS IPP).

Wes Schrober of Flytrex presented the details on their plan for what could be the first program in the country to deliver products to consumers using drones. He described the basics of how a meal from a restaurant could be ordered, for instance, stowed inside a weather-proof box and then delivered by drone vehicle to a customer. He described some of the logistics of how and where the drone flies and security measures in place to ensure that goods are delivered to the correct person.

Mr. Schrober showed a video of a FlyTrex demonstration in Iceland to illustrate how the package delivery system would work in Holly Springs. He noted the fuel, time and cost savings for both the business and the consumer.

Mr. Levitt said public information meetings will be scheduled as the program is finalized.

Action: None.

7b. Launch Holly Springs Presentation – Mr. Bob Shimmel addressed the Council to provide an overview of Launch Holly Springs and the benefit to our community in terms of job growth and employment. Mr. Shimmel explained that the free training course would seek to provide business resource information for people interested in creating small start-up businesses.

Action: None.

8a. Public Hearing: 2018 Transportation Bond Order – Ms. Stroupe said that in keeping with the schedule for a Nov. 6, 2018 vote on a \$40 million transportation bond referendum, a draft bond order was introduced by the town council on June 19. Final action on this bond order is to take place after a public hearing, which opened on July 17, and was continued until tonight. No action followed the July 17 public hearing. The transportation bond committee had asked that the public hearing be continued to make sure all residents would have a chance to speak.

With that explanation completed, Mayor Pro Tem O'Brien opened the public hearing. The following input was recorded:

Jenny Appleton, 4600 Sunset Lake Road – Ms. Appleton spoke against the Town's holding a bond referendum. She expressed her opposition to road design elements like raised divided medians for various reasons. She recommended center turn lanes instead. She said raised divided medians will be inconvenient and unsafe. She commented on speed limits.

On the topic of the bond referendum, she said the tax rate increase would make properties in Holly Springs harder to sell.

She asked why the Town needed a 5-cent increase in taxes if we have partnered in the past with NCDOT to build \$28 million in roads for only \$15 million in Town participation. She said she did not think the Town needed to have a bond referendum or raise taxes to support a bond issue.

Ms. Appleton expressed a lot of concerns about actual road design.

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

Councilman Berry said whether the Town issues the transportation bonds is up to the public to decide. That is what the referendum is for, he noted, for the public to vote yes or no on Nov. 6. If the referendum fails, the Town won't issue the bonds or raise taxes. If the referendum passes, he said, then the Town will, and citizens will get new road projects that will make travel in Holly Springs better.

Action: The Council approved a motion to adopt Order 18-02, a bond order calling for a \$40 million bond issuance to pay for improvements to the Town's transportation systems, pending voter approval on Nov. 6, 2018.

Motion by: Lee

Second by: Berry

Vote: Unanimous

A copy of Order 18-02 is attached to these minutes.

Action: The Council approved a motion to adopt Resolution 18-32 setting the bond referendum for the Nov. 6 general election and setting the ballot question.

Motion by: Villadsen

Second by: Kelly

Vote: Unanimous

A copy of Resolution 18-32 is attached to these minutes.

8b. Public Hearing: Rezoning Petition 18-REZ-05 - Mr. Beard said this is a request for a zone map change for the properties located on the south side of Holly Springs New Hill Rd just west of the split in New Hill Rd, with the addresses of 1307 and 1309 New Hill Rd. The request includes two adjacent parcels, with a combined area of 2.93 acres.

He said the applicant is requesting to rezone the property from R-10: Residential to BT-CU: Business & Technology Conditional Use. The parcels are occupied by several single-family dwellings. The requested BT-CU: Business & Technology Conditional Use zoning is consistent with the comprehensive plan designation as part of the Holly Springs Business Park.

Zoning conditions are offered by the property owners to be placed on the property and are not required by the Town.

The applicant addressed the Council to give an overview of the project proposed for the property.

Mr. Schifano noted for the Council that the question was about zoning, and the Council would need to make its decision based not on the proposed development plan but on all allowed uses within the zoning district.

With that explanation completed, Mayor Pro Tem O'Brien opened the public hearing. The following input was recorded: None.

There being no input, the public hearing was closed.

Action 1: The Council approved a motion to accept the following statement as being true: *"The requested zone map change from R-10 to BT-CU: Business & Technology Conditional Use is consistent with the objectives of the Vision Holly Springs Comprehensive Plan since the Future Land Use Plan Map indicates this property as Business Park and the Business & Technology District allows for a variety of "clean" industry uses."*

Motion by: Kelly

Second by: Berry

Vote: Unanimous

Action 2: The Council approved a motion to adopt ordinance 18-REZ-05 to approve and enact Zone Map Change Petition #18-REZ-05 to change the zoning of 2.93 acres of Wake County PIN #'s 0649352198 & 0649351291 from R-10: Residential to BT-CU: Business & Technology Conditional Use as requested by Logan Burnett with the following zoning conditions offered by the petitioner:

1. Any warehousing, self-storage will be 100% indoors and majority climate-controlled.
2. There will be no truck rentals originating from this location.
3. Not to include kennels with outdoor runs.
4. Any self-storage (mini-) warehouse will have accompanying office spaces of no less than 2,400 SF.
5. If a more intense use is pursued than proposed on original Traffic Impact Analysis (TIA) Scope, then updated request for scope and/or TIA may be required.

Motion by: Kelly

Second by: Lee

Vote: Unanimous

A copy of Rezoning Ordinance 18-REZ-05 is attached to these minutes.

8c. Public Hearing: Annexation Ordinance A18-02, 4016 and 4020 Berman Edge Rd., - Ms. Sigmund said the Town has received a petition for voluntary annexation of .276 +/- acres located at 4016 and 4020 Berman Edge Road. The property owners are Sire Development, LLC and Elbert and Kathryn Hockaday, and the property is contiguous with city limits.

The petition meets all the statutory requirements for annexation.

With that explanation completed, Mayor Pro Tem O'Brien opened the public hearing. The following input was recorded: None.

There being no input, the public hearing was closed.

Action: The Council approved a motion to adopt Annexation Ordinance A18-02 annexing .276 +/- acres owned by Sire Development, LLC and Elbert and Kathryn Hockaday, and more particularly described as Wake County Pins: 0648-49-6146 and 0648-48-8641, into the corporate limits of the Town of Holly Springs.

Motion by: Villadsen

Second by: Kelly

Vote: Unanimous

A copy of Annexation Ordinance 18-02 is attached to these minutes.

8d. Public Hearing: Annexation Ordinance 18-03 - Ms. Sigmund said the Town is requesting annexation of 5.132 +/- acres located along Avent Ferry Road also known as Buckhorn Duncan Road. The property owner is the Town of Holly Springs, and the property is contiguous with city limits.

The petition meets all the statutory requirements for annexation.

With that explanation completed, Mayor Pro Tem opened the public hearing. The following input was recorded: None.

There being no input, the public hearing was closed.

Action: The Council approved a motion to adopt Annexation Ordinance A18-03 annexing 5.132 +/- acres owned by the Town of Holly Springs, and more particularly described as Wake County Pin: 0638-51-6486, into the corporate limits of the Town of Holly Springs.

Motion by: Kelly

Second by: Lee

Vote: Unanimous

A copy of Annexation Ordinance A18-03 as amended is attached to these minutes.

8e. Public Hearing: Annexation Ordinance 18-04, Bass Lake Road – Ms. Sigmund said the Town has received a petition for voluntary annexation of .997 +/- acres located along Bass Lake Road. The property owner is Crosswind Development, LLC, and the property is contiguous with city limits.

The petition meets all the statutory requirements for annexation.

With that explanation completed, Mayor Pro Tem O'Brien opened the public hearing. The following input was recorded: None.

There being no input, the public hearing was closed.

Action: The Council approved a motion to adopt Annexation Ordinance A18-04, annexing .997 +/- acres owned by Crosswind Development, LLC, and more particularly described as Wake County Pins: 0658.02-59-9890 and 0658.02-69-0786, into the corporate limits of the Town of Holly Springs.

Motion by: Lee

Second by: Berry

Vote: Unanimous

A copy of Annexation Ordinance A18-04 is attached to these minutes.

8f. Public Hearing: Annexation Ordinance 18-07, S. Main Street ROW – Ms. Clapp said the Town is requesting annexation of 13.02 +/- acres of mostly right of way located along S. Main Street / Piney Grove-Wilbon Road / Ralph Stephens Road. The property owner is the Town of Holly Springs, and the property is contiguous with city limits.

The petition meets all the statutory requirements for annexation.

With that explanation completed, Mayor Pro Tem opened the public hearing. The following input was recorded: None.

There being no input, the public hearing was closed.

Action: The Council approved a motion to adopt Annexation Ordinance A18-07 annexing 13.02 +/- acres owned by the Town of Holly Springs, and more particularly described as Wake County Pins: 0648-75-7826, 0648-74-9518, 0648-74-6435, and 0648-74-6306, into the corporate limits of the Town of Holly Springs.

Motion by: Berry

Second by: Kelly

Vote: Unanimous

A copy of Annexation Ordinance A18-07 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 Mayor Pro Tem O'Brien, a second by Councilman Villadsen and a unanimous vote. The following actions were affected:

9a. Minutes – The Council approved minutes of the Board's meetings held in July 2018.

9b. ABCZ Properties LLC Extension – The Council approved to extend the due diligence period with ABCZ Properties, LLC.

9c. Engineering Design and Construction Standards, Supplement #3 - The Council approved Supplement #3 updates to the Engineering Design and Construction Standards.

9d. Budget Amendments - The Council adopted an amendment to the FY 2018-19 budget to increase Insurance Proceeds (30.340.07) by \$14,225 and increase Meter Dept. Capital Purchase-Vehicle (30.440.42.90.02) by \$7,725 and increase Meter Dept. Maint. & Repair-Vehicle (30.440.42.41.02) by \$6,500.

9e. Duke Energy Line Relocation – The Council approved payment of the Duke Energy invoice in the amount of \$58,116.35 as budgeted for power line relocation.

10a. Comprehensive Plan Amendment 18-CPA-04 – Ms. Sigmund said at the July 17 meeting, the Town Council held a public hearing regarding 18-CPA-04. During discussion of the item, several members of the public spoke requesting changes to the proposed Future Land Use Plan designation for their particular properties. Town Council closed the public hearing and tabled action on this item to allow time for staff to provide additional information and alternative options for the proposed Future Land Use Plan map to assist with further discussion.

In particular, Ms. Sigmund said, staff developed map options illustrating the following:

Map 1: Original proposed Future Land Use Plan Map, presented to Town Council July 17.

Map 2: Transitional Residential designation (2.5-6.0 units/ac) for a number of properties located near Avent Ferry Road and Logging Road, in lieu of the previously proposed designation of Rural Residential (1-2.5 units/ac).

Map 3: Industrial designation for several properties located between the existing Hansen Aggregates quarry and Rex Road.

Map 4: Maps 2 and 3 described above shown on the same map.

Map 5: Residential designation (2.0-3.25 units/ac outside of a CGA) for the properties located near Avent Ferry Road and Logging Road and identified in Map 2.

Action: The Council approved a motion to adopt Resolution 18-27 to adopt Comprehensive Plan Amendment #18-CPA-04 to modify the Future Land Use Plan Map (Versions 5 and 3) and the text of Section 1: Future Land Use Plan of the Comprehensive Plan as submitted by the Town of Holly Springs and modified to use the label, "suburban residential."

Motion by: Berry

Second by: Villadsen

Vote: Unanimous

A copy of Resolution 18-27 is attached to these minutes.

11a. Ordinance Amendment 18-10 – Mr. Wilhelm said that in March 2004 Public Works went before Council with the newly implemented Federal regulation that backflow devices must be installed on all commercial water services, and all irrigation services.

Although the recommendation at that time was to conduct annual testing, council opted for biennium testing to allow customers to become familiar with the new process, Mr. Wilhelm said. He added, at this time, Public works would like to revisit the Town ordinance to consider establishing the industry- and EPA-standard annual testing for residential and commercial customers.

Mr. Wilhelm said the integrity of the Town's water supply was critical, and this amendment would be in the best interest of the Town.

Councilman Villadsen asked the average cost of a backflow prevention device inspection.

Mr. Wilhelm said about \$100.

Councilman Villadsen said he was concerned about the sudden impact to residents.

In discussion, Mr. Wilhelm noted that as many as 25 percent of backflow prevention devices fail during spot inspections, and the annual certifications would reduce that number and the potential threat to the Town's water system.

In other discussion, Council asked how the timing of the schedule change would occur in respect to the transition from customers with biennial inspections to annual ones.

Mr. Wilhelm said those with recent biennial inspections would transition to annual inspections upon the due date of their next inspection due date two years from now. Those who have their inspections Oct. 1, 2018 or after will have an annual inspection, due for renewal in 12 months.

Councilman Villadsen asked that communications on the change be made clear for residents.

Action: The Council approved a motion to adopt Ordinance 18-10 requiring annual certification of backflow prevention devices, effective Oct. 1, 2018.

Motion by: Lee

Second by: Berry

Vote: Unanimous

A copy of Ordinance 18-10 is attached to these minutes.

11b. Condemnation Resolution 18-33 – Mr. Schifano said this is a condemnation resolution affecting a small portion of the property currently listed at 1432 Avent Ferry Rd. The condemnation is for the installation of a force main for sewer to bring the sewer line from the Honeycutt regional pump station to the wastewater treatment plant. After negotiations, the involved party has indicated they are not in favor of granting the Town any required easement.

Action: The Council approved a motion to adopt the Honeycutt Sewer Condemnation Resolution 18-33 in accordance with Chapter 40A of the North Carolina General Statutes.

Motion by: Berry

Second by: Lee

Vote: Unanimous

A copy of Resolution 18-33 is attached to these minutes.

11c. Utley Creek Water Reclamation Facility – Mr. Byrd said that odor samples taken at the treatment plant head works have confirmed odors are being generated in the waste streams as they enter the plant. The results revealed that hydrogen sulfide and organic odors have been prevalent at certain times of the day. Some of these odors can be corrosive and have caused Town infrastructure to degrade and can be a nuisance for the surrounding areas.

The most effective remedy determined to help resolve these issues is to capture the air and treat it using industrial grade biofilters and carbon scrubbers, Mr. Byrd said. To achieve this at our wastewater plant would entail retrofitting these elements into existing structures, he added.

The proposal contains comprehensive improvements to ensure air quality at multiple locations on the Wastewater Treatment Plant site. In addition to odor control, these upgrades would repair and enhance current infrastructure and equipment. This contract is not to exceed \$499,943 and Mr. Byrd said he also is asking for a 10% contingency.

Action: The Council approved a motion to enter a contract with Hazen and Sawyer for engineering services to design and construct odor control upgrades to Utley Creek Water Reclamation Facility for \$499,943 plus 10% contingency and to adopt a budget amendment to transfer \$499,943 from sewer reserves account #24.95 to project account #45-817-12.03.

Motion by: Villadsen

Second by: Lee

Vote: Unanimous

11d. Bicycle Safety Road Improvements – This item was removed from agenda during agenda adjustment.

11e. Watershed Master Plan – Mr. Colavito said through a multi-year study, the Town will be assessing the health of the jurisdictional watersheds, creating an inventory of storm drainage infrastructure and identifying opportunities for repair, retrofit and reduction of pollution, urbanization of stream channels and flooding.

Action: The Council approved a motion to enter a contract with Freese and Nichols, Inc. and to approve funding in the amount of \$64,598 from budgeted funds.

Motion by: Villadsen

Second by: Lee

Vote: Unanimous

11f. Holly Springs Road Widening Project – Ms. DePina said the Town applied for and was awarded, through the Locally Administered Projects Program (LAPP) funds for construction and right-of-way acquisition, to widen Holly Springs Road to a consistent cross section (4-lane median-divided). The preliminary limits of the project extend from Flint Point Lane to Main Street.

She said that staff initiated a municipal agreement with NCDOT in the amount of \$2,014,496 toward the construction, utility relocation and right-of-way acquisition for the Holly Springs Road widening project.

She said the Town's responsibility is for the remainder of the project, which is projected to be around \$500,000.

Action: The Council approved a motion to enter a municipal agreement with N.C. Dept. of Transportation for the widening of Holly Springs Road.

Motion by: Lee

Second by: Berry

Vote: Unanimous

12. Other Business: None that resulted in Council action.

13. Manager's Report: None that resulted in Council action.

14. Closed Session: The Council entered into closed session, pursuant to N.C.G.S. 143-318.11(a)(4) to discuss with the town attorney and economic development director matters relating to the recruitment of a major employer to the Town of Holly Springs and pursuant to N.C.G.S. 143-318.11(a)(3) to discuss with the town attorney under the attorney-client privilege the litigation matter of Currin Builders vs. the Town of Holly Springs.

In closed session, the Council gave direction to Mr. Schifano and Ms. Krstanovic regarding the recruitment of a major industry.

The Council heard results of mediation in the Currin Builders vs. the Town of Holly Springs matter.

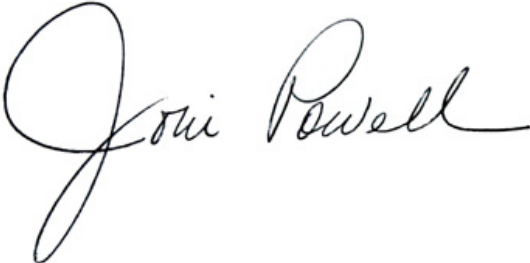
Action: The Council approved a motion to seal the minutes of the Aug. 7 closed session until such time as the release of the information contained therein would no longer frustrate the purposes of the closed session.

Motion By: Berry

Second By: Lee

Vote: Unanimous.

15. Adjournment: The Council returned to open session. There being no further business for the evening, the Aug. 7, 2018 meeting of the Holly Springs Town Council was adjourned.

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21, 2018.

and are a part of the official record.



Closed Session Minutes below to be unsealed if and when there is an announcement of a new major employer that is the subject of the closed session.