



September 6, 2011

MINUTES

The Holly Springs Town Council met in regular session on Tuesday, Sept. 6, 2011 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 five council members were present as the meeting opened.

Council Members Present: Mayor Sears and Councilmen Jimmy Cobb, Parrish Womble, Tim Sack and Chet VanFossen and Councilwoman Linda Hunt Williams

Council Members Absent: None.

Staff Members Present: Carl Dean, town manager; Charles Simmons, assistant town manager; John Schifano, town attorney; Linda Harper, deputy town clerk (recording the minutes); Len Bradley, director of parks and recreation; Don Briscar, cultural center manager; Daniel Weeks, project analyst; John Herring, police chief; Stephanie Sudano, director of engineering; Heather Keefer, environmental specialist; Jeff Wilson, information technology director; Drew Holland, finance director; Melody Cubillos, intern public affairs and communications; and Barbara Koblich, public information assistant.

2 and 3. The Pledge of Allegiance was recited, and the meeting opened with an invocation by Rev. Doug Parlin of South Wake Baptist Church.

4. Agenda Adjustment: The Sept. 6, 2011 meeting agenda was adopted with changes, if any, as listed below.

Motion By: Sack

Second By: Cobb

Vote: Unanimous

Items added to Agenda: A special presentation of Parks and Recreation Bond Referendum.

Items removed from Consent Agenda: None.

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.

Parks and Recreation Bond - Mr. Simmons presented the Council with a presentation of the ongoing initiatives of the Town's facilities and functions such as: police, fire, Town's water and sewer capacity, 1996 Parks and Recreation Bond, the innovative initiatives from the economic department, the transportation network, and how to go forward with the \$200,000 Parks and Recreation Bond.

Mr. Bradley commented on that the 1996 Parks and Recreation Bond started the park programs with leisure, cultural and athletic programs for Holly Springs' residents. He said there are currently 121 programs offered in the Holly Springs programs. Mr. Bradley gave a brief history of the 1996 Parks and Recreation Bond of \$2,000,000, purchase of the following properties:

- Purchase of 46 acres (Womble Park) & Phase 1 development
- Purchase of WCPSS Property 10 acres & 30,000 sq. ft. (Hunt Center)
- Purchase of 23 acres (Jones Park)
- Purchase of +/- 90 acres (Bass Lake Park)
- Cash match \$300,000 grants (Womble Park)

He said the bond also opened doors for other funding, such as, grants, Wake County/WCPSS/Rex, developer land dedications and Ad Valorem Taxes. Mr. Bradley reviewed the potential bond projects and timelines for Phase 1, 2012-2015 and Phase 2, 2015-2018.

Mr. Bradley said the town developed the proposed project list by using the Jones Park master plan, Womble Park master plan, Beyond the Green master plan, pedestrian plan, citizens' surveys and town staff's input.

He said the planned timeline, if the tentative referendum is approved at the November 8th election; will be by spring of 2012 issuance of Bonds (90-120 days after referendum) and summer of 2012 implementation begins.

Councilman Womble complimented Mr. Bradley and town staff for a job well done in the development of the Town's parks system. He stated that he would like to see the Town purchase the Cofield property as previously discussed at the Town Council's Winter Retreat. He also said that he was disappointed that Town denied a car dealership development request several years ago that could have provided additional funding for park projects and also the missed opportunity of the BFI landfill that offered 120 acres that could be used as part of the park system.

Mr. Holland said if the bond referendum was approved at the November's election it would provide the following:

- Provide legal **authorization** to borrow bond funds, however the Town Council is not **obligated** to borrow bond funds;
- Any obligation of bond proceeds will require approval by the Town Council;
- Town has 7 years to obligate the bond funds, although if economic circumstances are not favorable during these years, we have the ability to request a time extension of 3 additional years;
- As future projects are presented to the Town Council there will be opportunities for additional public input;

Mr. Holland said the repayment of the bond would be by the projected tax base growth of the Town. He said the Town's credit rating of the February 2, 2011 Standard & Poor's, upgraded our bond rating from A+ to AA. He said the rating further reflects our view of the town's:

- Rapidly growing residential community within the Raleigh-Durham-Chapel Hill metropolitan statistical area (MSA);
- Large property tax base that has exhibited steady and healthy growth over the past decade;
- Strong financial position, attributable to good financial management and conservative budgeting practices; and
- Moderate debt burden

Mr. Holland said the potential cost to a citizen with a median home sale of \$235,000 in Holly Springs, would be increased by 3.5¢ per/\$100 taxes, averages \$6.85 per month and \$82.25 per year.

Mr. Simmons said keep in mind that the town is continue growing and is conservative budgeting and the town is open to listen to the concerns of the citizens. He said the Town's government is not in comparison on the Federal level of government, the Town is asking for capital. He said the town has an on-line survey for citizens to participate and website to retrieve more information about the bond. He said there will be booths at the Farmers Market, at the Hollyfest festival, public hearings and staff will be available to speak at local Home Owners Associations.

Councilman Sack commented that a public information session was scheduled for September 12, at the Holly Springs Cultural Center between 5:00 p.m. – 7:00 p.m.

Councilman VanFossen said there were meeting schedules on the Bond Referendum website.

Councilman Sack said that the figure and projects and the affordability was presented and discussed at the Town Council's Winter Retreat.

Councilwoman Williams said town staff has done an excellent job presenting the information to the public.

Mr. Simmons said the timing for the bond is good, construction cost is down, and this will put the Town in a strong position to receive grant funds.

Councilman Womble asked why the town has received so many grants.

Mr. Simmons said that grants are good planning sense for the Town.

6a. Public Hearing: \$20 Million Parks and Recreation Board Order – Mr. Bob Jessup of Sanford Holshouser, LLP representing the Town spoke in keeping with the schedule for Nov. 8, 2011 vote for a \$20 million bond referendum, a draft bond order was introduced by the town council on Aug. 2. He said that final action on this bond order is to take place after a public hearing.

He said the public hearing was advertised in the newspaper, on the Town's Web site, on the HSTV-11 bulletin board and through the Town's social media outlets.

Mr. Jessup said that following the hearing, Council is asked to adopt the bond order, formally ordering a \$20 million bond to acquire land and/or pay for improvements to the Town's opportunities for parks and recreation.

He said additionally, the Council is asked to adopt Resolution 11-30 formally setting the bond referendum question for the Nov. 8 ballot and scheduling the bond referendum in which voters will have a chance to agree or disagree with the bond order.

The bond order will be published in the newspaper and on the Town Web site, and notice of the bond referendum itself will likewise be published in the days before Nov. 8. This will complete the legal requirements for the bond referendum.

In addition to the legal requirements, several community forums and outreach opportunities are planned.

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

Mr. George Smith of 229 Stone Hedge Court said he was in favor of the proposed bond referendum and asked the Town to expand and include a dog park within the parks program.

Mr. Vinnie DeBenedetto of 4445 Lake Flower Drive, thanked the Council for the opportunity to speak on an important issue. He said that his concern was the indebtedness of \$200,000 Bond Referendum to the tax payers. He said it is not a good time for a bond referendum because of the bad economy. Mr. DeBenedetto requested the Town not rush into increasing the Town's debt and was concerned about the installment bank loan of the new W.E. Hunt Center. He said that the bond referendum is ill-timed and could be revisited at a future time when the economy is better.

A copy of Vinnie DeBenedetto's comments is incorporated into these minutes as an addendum page.

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Mr. Robert Edwards of 404 Sunset Grove Drive said that he was in favor of the Parks and Recreation bond referendum and requested the Town Council to consider adding tennis courts to the park program master plan.

Mr. Vinnie D'Agostino of 400 Texanna Way asked the Council the following questions:

1. What will the Town's Standard & Poor's credit rating be on January 1, 2012 if the Town borrows the entire \$200,000; and
2. What will be the Town's debt percentage rate, if the Town borrows the entire \$200,000; and
3. What will be the effects of waiting seven years to retire the Town's debt; and
4. How many jobs will the \$200,000 bond referendum create.

Mr. D'Agostino said he agrees the Town needs to invest in the Parks and Recreation projects, but when is it a good time to invest? He said the best time to invest into the Parks and Recreation projects is when the Town has the money and not be required to borrow the money at a low interest rate.

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

Action: The Council approved a motion to adopt an order authorizing issuance of up to \$20 million in parks and recreation bonds, subject to the approval of voters.

Motion By: VanFossen

Second By: Hunt-Williams

Vote: Unanimous

Action: The Council approved a motion to adopt Resolution 11-30 formally setting the Nov. 8 bond referendum and the wording to be placed on the ballot.

Motion By: VanFossen

Second By: Hunt-Williams

Vote: Unanimous

A copy of Resolution 11-30 is incorporated into these minutes as an addenda page.

6b. Public Hearing: Novartis Development Agreement – Mr. John Schifano said that Novartis has requested an amendment to the 2006 Development Agreement to add a parcel of land to the company's campus. The additional property is located just south east of the current Novartis tract, and currently is land-locked.

He said the agreement would extend the protections that Novartis received under the 2006 agreement to this parcel. By using such an agreement, a landowner can master plan parcels without concern for a subsequent Town Council's changing the zoning spontaneously. Therefore, for the next 20 years, the Town Council would not be able to change the zoning from the PUD designation on both the original 160-acre Novartis tract and the newly acquired 12-acre tract.

He said this modification also would allow the manager to approve a minor amendment to the Development Agreement, which is defined as anything that is less than 25% of the original 160 acres, without further town council action.

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

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

Action: The Council approved a motion to approve a development agreement for Novartis to extend protection of a added parcel of land and allow the town manager to approve future minor amendments to the development agreement which are less than 25% of original 160 acres without the town council's approval.

Motion By: Womble

Second By: Cobb

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Vote: Unanimous

7. 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:

7a. Minutes – The Council approved minutes of the Council 's regular meetings held July 19, Aug. 2 and Aug. 16, 2011.

7b. Parks and Recreation Policy Manual Updates – The Council adopted updates to the Parks and Recreation Department Policy Manual. *A copy of the amendments are incorporated into these minutes as addendum pages.*

7c. Budget Amendment, \$14,150 – The Council adopted an amendment to the FY 2010-11 budget in the amount of \$14,150 to cover the Town's portion of the cost of the Arbor Creek Greenway project. *A copy of budget amendment is incorporated into these minutes as an addendum page.*

7d. Fee Schedule Amendment – The Council approved to modify the Erosion and Sedimentation Control Program fee schedule for plan reviews and grading permits. *A copy of amended fee schedule is incorporated into these minutes as addendum pages.*

7e. Resolution 11-31 – The Council adopted Resolution 11-31 authorizing submission of a North Carolina Governor's Highway Safety Program grant application for \$17,750. *A copy of Resolution 11-31 is incorporated into these minutes as addendum pages.*

7f. Resolution 11-32 - The Council adopted Resolution 11-32 authorizing submission of a North Carolina Governor's Highway Safety Program grant application for \$84,847. *A copy of Resolution 11-32 is incorporated into these minutes as addendum pages.*

8. Other Business: Councilman Cobb said as of September 6th the Holly Springs Food Cupboard purchased the property at 621 w. Holly Springs Road.

Councilman Sack commented that the Holly Springs Farmers Market was Number #1 of the small markets in North Carolina and 17th nationally in small markets.

9. Manager's Report: Mr. Simmons reminded the Council Members of the Holly Springs Chamber of Commerce leadership conference scheduled for September 14, through September 15, 2011 at River Landing in Wallace, North Carolina. He also reminded the Council of the Bond Referendum public information session scheduled for September 12, at the Holly Springs Cultural Center between 5:00 p.m. – 7:00 p.m.

10. Closed Session: The Council approved a motion to enter into Closed Session, pursuant to NCGS 143-318.11(a)(5), to discuss a matter of donation of real estate property subject to seizure by the U.S. Attorney and U.S. Marshall Services.

Motion By: Sack

Second By: Cobb

Vote: Unanimous.

General Account Closed Session – Sept. 6, 2011

In Closed Session, the Council received a report regarding a donation of real estate property in the process of being seized and donated by the U.S. Attorney and U.S. Marshall Services. The property in question was being used in criminal activity in Holly Springs. It was discussed that the property will be best suited for a police substation or training classroom for the town.

The Council Members was in consensus to move forward on the matter and directed staff to work with the U. S. Marshall's Service with a proposal.

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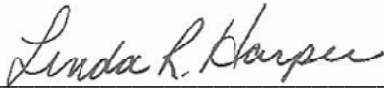
-- End of the General Account

No further action was taken in Closed Session other than the motion to return to Open Session.

Councilman VanFossen made a motion to return to Open Session, and it was seconded by Councilman Sack. The vote was unanimous in favor of the motion.

11. Adjournment: There being no further business for the evening, the Sept. 6, 2011 meeting of the Holly Springs Town Council was adjourned following a motion by Councilman VanFossen, a second by Councilman Sack and a unanimous vote.

Respectfully Submitted on Tuesday, Sept. 20, 2011.



Linda Harper, MMC, Deputy Town Clerk

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

