



Holly Springs Town Council
7:00 PM **Tuesday, June 1, 2021**

Regular Meeting
Holly Springs Town Hall Council Chambers
128 S. Main Street, 2nd Floor

MINUTES

The Holly Springs Town Council met in regular session on Tuesday, June 1, 2021 in person and via video conferencing. Mayor Pro Tem Berry presided, calling the meeting to order at 7 p.m. A quorum was established as five Council members were present in the Chamber as the meeting opened.

Council Members Present: Mayor Pro Tem Dan Berry, Councilmen Peter Villadsen, Shaun McGrath and Aaron Wolff, and Councilwoman Christine Kelly.

Council Members absent: Mayor Sears.

Staff Members Present in Chambers: Randy Harrington, *Town Manager*; Daniel Weeks, *Assistant Town Manager*; Scott Chase, *Assistant Town Manager*; John Schifano, *Town Attorney*; Linda McKinney, *Town Clerk* (recording the minutes); Mark Andrews, *Communications and Marketing*; Jeff Wilson, *Director, IT*; Mathew Mutter, *IT*; Sean Ryan, *Development Services*; Rachel Jones, *Development Services*; Melisa Sigmund, *Development Services*; Beth Trautz, *Development Services*; Andrew Rubley, *Development Services*; Aaron Levitt, *Utilities and Infrastructure*; LeeAnn Plumer, *Director, Parks and Recreation*; Kathy White, *Deputy Town Clerk*.

2. and 3. The Pledge of Allegiance was recited followed by an invocation by Dr. Hamdy Radwan, director of outreach at the Alnoor Islamic Center.

4. Agenda Adjustment: The June 1, 2021 meeting agenda was adopted with changes, if any, as listed: pull both items from Consent to New Business for discussion.

Motion: Villadsen
Second: McGrath
Vote: Unanimous

Public Comment: At this time, an opportunity was provided for members of the audience who had registered to speak to address the Council, and the Clerk was asked for any written comments received prior to the meeting.

The following written comments were received: none.

The following comments were received in person: none

Requests and Communications

5. UNC Rex Holly Springs Hospital Update

Roy Tempke, COO of UNC Rex Health Holly Springs Hospital, said he was here to give an update on the hospital's progress. He said they hope to open by September 20, 2021. He said there are already obstetric patients booked between September and December. He showed photographs of the progress on the building, both exterior and interior. He said that the hospital is working with donors to add more original pieces of art and said that a major donor is being sought for a "lobby stunner." He introduced Tanya Faulkner as Director of Nursing and Clinical Operations and Melissa Parker, Director of Operations and said the hospital is currently hiring for all positions, clinical and non-clinical. Interested applicants can visit jobs.unchealthcare.org to apply. There are currently 80 positions open, with more to come.

6. NCDOT I-540 Update

Dennis Jernigan, NC Turnpike Authority, gave an update on the 540 project. He said that Section R-2721A, from 55 to Pierce Olive Road was 39% complete as of April 15th. Section R-2721B, from Pierce Olive Road to Fayetteville Road (US 401) was 37% complete as of April 22nd, and R-2828, the final section, was 38% complete as of April 30th. The first two sections contract amounts are \$183.5 million and \$160 million, respectively. The third section contract cost is \$403.2 million. He showed locations of interchanges and discussed the relocation of a section of Kildaire Farm Road and Fairview Road. The Holly Springs interchanges are at Hwy 55 and at Holly Springs Road. He discussed how the location of noise walls is first determined by certain data, and then put to a vote of residents in the areas that are approved for noise walls. He showed a screen shot of the Complete 540 website and discussed various features available to the public on it.

Council member Kelly asked if neighborhoods, like Fairview, that don't have HOAs, were being tracked. Mr. Jernigan said they had reached out to those neighborhoods. Usually they reach out if there is something going on in the area, not just periodically. Council member Kelly asked how much of 540 is toll road and how much not. Mr. Jernigan said that everything being built now is toll, and everything that will complete the circle will be toll. The older, northern part of 540 is not toll. The reason for toll roads is to expedite getting the facility. If the southern Wake section had waited for traditional funding, it would just be starting today. There are so many needs and not enough money. Building toll roads helps to get projects completed sooner. Toll roads have to be able to support paying the bonds back and the toll operations, and maintenance. The General Statutes also require that once the bonds are paid back, the tolls are removed. Those using the toll roads also take the burden off of adjacent "free" roads. Council member Kelly asked if DOT goes back and does renovations to the free section of 540, if tolls would be added. Mr. Jernigan said that by law tolls cannot be added unless something is added to the road, like an express lane. Council member Kelly asked how long DOT expected the tolls to remain. Mr. Jernigan said they average 30 to 35 years. NC DOT looks for ways to save people money, so we are constantly looking for ways to shorten that period by refinancing bonds or other methods. Council member Villadsen asked when DOT estimated opening 540. Mr. Jernigan said they were targeting the second half of 2023, but 2020 was the wettest year on record for this part of the state, which delayed construction, but the progress is looking better so far this year.

Consent Agenda

The Council removed both items from the Consent Agenda to New Business.

7. Minutes – minutes of the Council business meeting held May 18, 2021.

8. Minimum Housing Ordinance –Resolution 21-04.

NEW BUSINESS

9. Fiscal Year 2021-2022 Budget Adoption

MPT Berry said there was no staff presentation on this item. The manager's proposed budget was presented to Council on May 11, 2021. A public hearing was held on May 18, 2021 at which no one spoke, but one written comment was received. At the budget workshop on May 25th, Council discussed details and made adjustments to the manager's proposed budget to arrive at the document in the agenda packet. At this point the budget is back for formal adoption.

Action: Motion to adopt the Fiscal Year 2021-22 Town Budget Ordinance 21-14.

Motion by: Villadsen

Second by: Wolff

Vote: unanimous

10. 2021 Street Resurfacing Project

Aaron Levitt, Utilities and Infrastructure, said the purpose of this item is to outline the proposed 2021 street resurfacing program. He showed 13 road sections that are slated for resurfacing. They consist of approximately 17,161 linear feet, or 3.25 miles and are located throughout town. They were selected according to their scores, combined with the amount of traffic they receive. He said that a Pavement Condition Survey is completed every five years. This is the fifth year on the current study, and a new study was approved in this year's budget. Utilities and Infrastructure staff completed the design in-house, saving the Town approximately \$100,000. Five bids were received to do the resurfacing. The anticipated start of construction is July 2021, ending in December 2021, for a total duration of about 150 days. He outlined the outreach efforts that will be made during the project to work with residents who will be affected.

Council member Kelly asked John Schifano, Town Attorney, if there were clauses that we should have in contracts, such as background checks, to protect residents. Mr. Schifano said it is not a bad idea. We added a lot of that language in service contracts where contractors are on Town property for a long period of time. We have not done that with construction contracts. We cannot do it on this one because it has already been bid out, but we can do it in future. There is a balance to be maintained to prevent them from becoming employees rather than independent contractors. Council member McGrath asked where we draw that line. Mr. Schifano said he would probably draw it at checking the sex offender registry. He said he thinks that is allowable, but will need to research the law. Council member McGrath said that there are people with a lot of concerns in a lot of different areas, whether that is citizenship or other things. Opening it up could open up other concerns. Mr. Schifano said he would not suggest adding too many restrictions to independent contractors. Vendors already have to comply with federal and state law. Currently they have an eVerify affidavit that they have to swear that their employees are documented.

MPT Berry asked what the balance of Powell Bill funds was. Mr. Levitt said that might be a better question for Finance. He will look into it and respond to Council later by email. Randy Harrington, Town Manager, said Powell Bill funds are in a reserved account that by law must be used for this purpose.

Action 1: Motion to approve budget amendment for \$654,752 appropriating restricted Powell Bill funds balance for additional funds needed.

Motion by: Wolff
Second by: Kelly
Vote: unanimous

Action 2: Motion to award the 2021 Street Resurfacing Project contract to Turner Asphalt Inc. and provide funding in the amount of \$1,105,000, which consists of the base bid amount of \$1,004,555 plus \$100,445 in contingency.

Motion by: McGrath
Second by: Kelly
Vote: unanimous

Action 3: Motion to award the geotechnical contract to NV5 Engineers and Consultants, Inc. and provide funding in the amount of \$14,000, which consists of the contract price of \$12,500 plus \$1,500 in contingency.

Motion by: Villadsen
Second by: Wolff
Vote: unanimous

11. Oakview Innovation Park Phase 1 Development Plan and Developer Agreement

Sean Ryan, Development Services, said the purpose of this agenda item is for Council to consider the request for Development Plan, Waivers, and to approve or deny the Developer Agreement for Oakview Innovation Phase 1. He showed where Oakview is located along Holly Springs New Hill Road, and said that in the Future Land Use plan it is designated Business and Industrial, and is zoned RT: Research and Technology. He said the Development Plan covers a 25.2-acre site. It would contain two buildings for lab, manufacturing, and warehouse uses and would be approximately 208,000 total square feet. The applicant is requesting waivers for loading, building massing, and façade modulation.

Rachel Jones, Development Services, said that six intersections were studied as part of the TIA for the previously approved master plan. This addition required some adjustment to that TIA. The applicant will pay a fee-in-lieu of intersection realignment at Holly Springs New Hill Road and Old Holly Springs Apex Road, as well as for signals at the intersections of Holly Springs New Hill Rd. and Green Oaks Parkway, and Holly Springs New Hill Road/Ancient Oaks Drive at the new Site Drive. She said that Holly Springs New Hill Rd. would be widened along the property frontage with a 10-foot side path and she showed where the interior streets would be located within the parcel. The site will connect to water, sewer, and reclaimed water. A hydraulic water and fire-flow study, as well as a sewer study, were completed with the development plan.

Ms. Jones said the Developer Agreement includes the three fees-in-lieu of design and construction for the traffic signals and intersection realignment mentioned above.

Rick Madoni, Planning Board, said that they recommended approval with a vote of 7-0-2.

Applicant, Elizabeth McMillan, with Crescent Communities introduced her team, Chase Kerley, Blake Hall with Timmons Group, and Steven Harris with O'Brien Atkins. She gave an overview of Crescent Communities, and why they were attracted to Holly Springs.

Blake Hall said this development is a small section of a larger development south of 12 Oaks. He said the two buildings would be built in phases with 2.5 parking spaces per 1000 square feet of building. He discussed the buffers and screening that would be provided, with 30-foot Type B buffer along Holly Springs New Hill Road and the new interior street, and Type C Opaque Landscape buffer around the loading area. The proposed improvements include the interior roads being completed by another developer as part of the Oakview Masterplan. Holly Springs New Hill Road would be widened to town standards, and a fee-in-lieu paid for signal improvements and road realignment. Waivers requested are for alternate landscaping, a waiver for loading area on a front-facing façade (because the building has three front-facing façades) and alternate compliance with architectural and design requirements.

He showed elevations of the proposed buildings, parking lots, and landscape buffering. The buildings are set down below the road, and Type B buffer will be sufficient.

Steven Harris said the buildings are speculative shell buildings. They will target life science and technology and are flexible to attract a single tenant or two tenants for each building. With the current design they will be LEED v4.1 and the shell design offers tenants 12 points with the ability of an additional 65 points, which allows for a possible Gold Certification. He said wellness is important and they are including sidewalks and walking trails to connect to the planned amenities. The waivers being requested are for a variation of massing relating to the structural bays. The structural bays are longer due to the type of businesses they are trying to attract. A reduction from 4" to 2" depth on defining features is requested due to the construction material of precast concrete. The requested waiver of the façade modulation on three sides is due to the types of tenants they are trying to attract.

Council member McGrath asked what normal traffic volume of large trucks going in and out they would expect, and the maximum weight of the trucks. Mr. Hall said it could be 5-10 trucks per day. Council member McGrath said he was less concerned with volume than with the weight. The bridge is a limiting factor, which would send large trucks into central Holly Springs. MPT Berry asked about proportionate impacts for the fees-in-lieu. Mr. Hall said it was 20% for Holly Springs New Hill/Green Oaks Parkway, 15% for Old Holly Springs Apex Rd/New Hill Rd., and 30% for Holly Springs New Hill/Ancient Oaks/Site Driveway.

Council member McGrath asked staff about the intersection coming out of Target and said it would be reasonable to let residents know that there is no plan for a light at that intersection, but there is a plan to straighten the road. Those issues are not going to become less problematic with large vehicles traveling that road. Mr. Ryan said that Kimley Horne, our Comprehensive Transportation Plan consultant is doing an in-depth study as part of the CTP to consider improvements to some of those roads. That whole corridor is one of the areas being studied as part of the CTP, and staff expects to have some recommendations on how to improve that entire corridor. MPT Berry said that would be helpful from an engineering standpoint. We are getting close with fees-in-lieu to being able to address these, particularly the “K” intersection there. We might want to start looking at grant opportunities to assist with that. We need to get ahead of some of these improvements now that we have fees coming in to assist with the projects.

Council member Kelly asked if the buffers were based on conversations with 12 Oaks residents or something the developer came up with on their own. Mr. Ryan said they were partially based on the UDO requirements and partially on conversations with staff. The UDO allows built in design standards that encourages placing buildings closer to the road, but requires double the density of the buffer. The increased buffer for the loading area stems from the UDO requirements. This lot has three frontages and without the waiver, they couldn’t have loading areas. Staff encouraged them to place loading areas facing the interior streets and to increase the buffer to shield them from pedestrians. Council member Kelly asked the developer to reach out to the 12 Oaks HOA to let them know what was coming.

Action 1: Motion to adopt Resolution 21-14 to make and accept the Findings of Fact for consideration of and to approve Waivers.

Motion by: Wolff

Second by: Kelly

Vote: unanimous

Action 2: Motion to approve Oakview Innovation Park Phase 1 with the conditions stated in the agenda packet.

Motion by: McGrath

Second by: Villadsen

Vote: unanimous

Action 3: Motion to approve Oakview Innovation Park Phase 1 Developer Agreement.

Motion by: Kelly

Second by: McGrath

Vote: unanimous

7. Minutes of the Council business meeting held May 18, 2021. MPT Berry said that this was pulled from consent due to the mix-up on the Parks and Recreation Advisory Committee. There was a mis-tallying of votes. He read the correct tally. He asked if his colleagues wished to re-open this matter to reflect the nominations. He said that the Clerk has not sent out notifications, pending Council’s determination of this matter. We can revert back to our balloting, and appoint the person who received three nominations, or we can move forward with the appointments we made on the 18th. Council member Kelly said she was comfortable with the appointments as they were made. Council member Wolff said he would defer the decision to the three members who nominated Mr. Ballard, and would support whatever they decide. Council member McGrath said he asked for this to be pulled from Consent for clarification. He did not want the minutes to go out showing the tabulation without an explanation. Councilmember Villadsen asked Town Attorney, John Schifano, to weigh in on whether there is any legal requirement to choose those with the most nominations. Mr. Schifano said Council can choose to nominate people any way they wish. The fact that

someone received nominations from three of you and the person chosen only received nominations from two of you, does not affect the validity of the final vote. Your ballot system is serving as a nomination process. There is no requirement. Every applicant is well qualified, and it is not a slight on anyone. The Motion was passed with a unanimous vote, so if any one of you wants to re-open the motion it is in your discretion. Council member McGrath said Council had a discussion about the candidates and agreed that they were all good candidates, so it is a win, no matter who is seated. He said he thought it would be fair to give these individuals a chance to protest, if they want. Otherwise we could stick to what we decided after our discussion. Perhaps allow these two individuals to come forward. Council member Kelly said conceptually, that's a good idea, but she was thinking of the practicalities. She said she likes that we are adding more transparency to the votes, but misses the older process when they discussed the reasoning of why they chose certain candidates. It allows future applicants to know how to apply successfully. Councilmember McGrath said that might have prevented this problem. MPT Berry said we moved to ballots for expediency and to keep track of names. It was the right thing to do to pull this for discussion and acknowledge the error, but he was not hearing much desire to reconsider the motion. If someone wants to make that motion, they can. There was an opportunity for it to be raised on the floor at the time, but for that reason will support either. Randy Harrington, Town Manager, suggested there could be another option, that, were there a vacancy during the current term, Mr. Ballard could be an automatic choice for that vacancy. MPT Berry said he liked giving him right of first refusal if there is a vacancy. Council member McGrath said this is a good idea. He still likes the balloting, but likes the idea of adding discussing the choices in open meeting. Council member Kelly asked if someone could reach out to Mr. Ballard. Mr. Harrington said staff can reach out. Consensus to keep the appointments as is, and make Mr. Ballard the *de facto* appointee if there is an opening between now and the first business meeting of December 2021.

Action: Motion to approve the minutes of May 18, 2021 business meeting with the changes discussed.

Motion by: Wolff

Second by: McGrath

Vote: Unanimous

8. Minimum Housing Ordinance – Request to defer Resolution 21-04 for 90 days to August 30, 2021. (moved from Consent)

MPT Berry said this was pulled for a technical clarification. Councilmember Kelly said that the agenda said Council was asking for a delay, but the packet said “adopt or defer” the Resolution. The home went from dilapidated to deteriorated, so there is improvement. She supports deferring for 60 days, and wanted to make sure this was clear.

Andrew Rubely, Development Services, said that the owner is making progress and is contact with staff so they support giving her more time.

Action: Motion to defer Resolution for Town Attorney to Petition Court for Compliance with the Minimum Housing Ordinance at 1113 N. Main St. for 60 days.

Motion by: Kelly

Second by: McGrath

Vote: Unanimous

OTHER BUSINESS

Mayor Pro Tem Berry said that during the budget adoption, he failed to mention, as a matter of public record, the two changes from the Manager's proposed budget. The Police Department's SRO position at Holly Springs High School is maintained and an additional Investigation position was approved. The second change was to request the disbursement of funds to the Chamber of

Commerce be subject to a presentation to Council on how the funds will be spent, their priorities and objectives. He wanted to clarify those changes for the public.

His second item was about a potential schedule change for the June 15th meeting. Because two members will be out of town, and the Mayor is likely to still be out there would not be a quorum. He suggested two options Council could take: either suspend the Electronic Meeting Policy for that one meeting, allowing a member to attend remotely; or reschedule the meeting to June 22nd or 29th. Council member Wolff said he was more than happy to reschedule to the 22nd or 29th, but he is also willing to travel back for that meeting. He said he was not supportive of suspending the Electronic Meetings policy. He said he thought meeting in person was important enough that he was willing to drive back. Council member Villadsen said he was willing to reschedule. Council member Kelly said she was willing to reschedule. Council member McGrath asked about the impact is on staff; people have already made plans and presenters have made plans. He asked the Town Manager what impact it would have to change the meeting date. Mr. Harrington said staff is happy to meet whenever the Council is willing to meet, but he would suggest the 22nd, as it would allow time for the end-of-fiscal year items that have to happen by June 30th. Planning Board meets that night, but they have been meeting virtually. Council member Kelly asked about conflicts for staff between the Planning Board and Town Council meetings. Melissa Sigmund, Development Services, said that there is currently no staff conflict, but if something came up they could see about moving the Planning Board meeting to a different time.

Action: Motion to amend the Council meeting calendar to cancel the June 15th meeting and add a meeting on June 22nd.

Motion: Wolff

Second: Villadsen

Vote: unanimous

Council member Wolff thanked staff for their flexibility.

Council member Kelly said that there is a lot going on in June, beginning with Pride month. Also, gun violence awareness is on June 4th, and she plans to wear orange. The summer is starting to happen, with kids getting out of school. Things are looking up and she is looking forward to summer.

Council member McGrath gave an update on the TJ COG meeting last week. Traffic is picking back up at RDU airport. RDU is not being funded like some of the other regional airports. He asked that anytime we have an opportunity to talk about the value of a local transit hub to our economy, that we take that opportunity. In previous years there have been more people traveling in and out of RDU than live in the state. As we look forward to regional transportation plans and talk to our colleagues in other elected bodies, include these projects. They also talked about the American Rescue Plan, and potential regional projects.

He said he appreciated those who took a moment yesterday, on Memorial Day, to remember those who didn't make it home. He asked that residents to check in on those who did make it home and make sure they're ok, and we don't lose any more of them.

MANAGER'S REPORT

Randy Harrington, Town Manager, said next week's June workshop would be a joint Planning Board Town Council meeting. Updates on the UDO and the CTP would be presented to and discussed with both boards.

He said that we are all enjoying the opportunity to get back to doing things we enjoy. The music series at the Cultural Center starts Friday, June 4th with the Rt. 55 Jazz Orchestra, from 6-9. This is a family friendly music series. On June 5th, at the Farmers Market, there will be a petting zoo from 9:30 to 11:30 sponsored by Nurtured Nest.

CLOSED SESSION: The Council entered into closed session, pursuant to N.C.G.S. 143-318.11(a)(4) to discuss two economic development matters, and pursuant to N.C.G.S. 143-

318.11(a)(3) to consult with the attorney on two litigation matters, *Meritage Homes v. Town of Holly Springs* and *Matemu v. Brienzi, Tew, Harrington, Herring, and Town of Holly Springs*.

Motion by: Wolff

Second by: Villadsen

Vote: Unanimous

- *General Account* –

Irena Krstanovic, Director of Economic Development, gave an update on two economic development projects and received guidance on negotiations from Council.

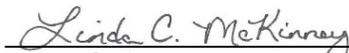
Town Attorney, John Schifano, updated Council on a potential litigation matter and a settlement offer.

- *End of General Account*

Motion to leave closed session was made by Council member McGrath, seconded by Council member Wolff, and passed with a unanimous vote.

Adjournment: Council member Wolff made a motion to adjourn at 9:55 pm. It was seconded by Council member McGrath and passed with a unanimous vote.

Respectfully Submitted on Tuesday, June 22, 2021.



Linda C. McKinney, Town Clerk

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