



**TOWN OF FUQUAY-VARINA
BOARD OF COMMISSIONERS REGULAR MEETING
FEBRUARY 21, 2017**

CALL TO ORDER

Mayor John W. Byrne called the regular meeting of the Fuquay-Varina Board of Commissioners to order on February 21, 2017 at 7:00 p.m.

Commissioners Present: Blake Massengill (Mayor Pro-Tem)
 Charlie Adcock
 Jason Wunsch
 Marilyn Gardner

Commissioners Absent: William (Bill) Harris (*absent due to illness*)

Others Present: Town Manager Adam Mitchell
 Assistant Town Manager Mark Matthews
 Town Clerk Rose Rich
 Town Attorney Mark Cumalander

INVOCATION AND PLEDGE OF ALLEGIANCE

Commissioner Marilyn Gardner gave the invocation and Commissioner Charlie Adcock led the Pledge of Allegiance.

APPROVAL OF THE MINUTES

The February 6, 2017, minutes of the regularly scheduled Town Board of Commissioners meeting, were presented for approval.

MOTION: Commissioner Adcock
SECOND: Mayor Pro-Tem Massengill
MOTION RESULT: Passed Unanimously (4-0)

PRESENTATIONS

There were no presentations for tonight’s meeting.

PUBLIC COMMENTS

No one chose to address the Town Board during the public comments period.

ITEMS TABLED FROM PREVIOUS MEETING:

Agenda Item No. 6.A: Rezoning Petition - Wayne Mauldin - 103, 109, 111, 113, and 117 E. Broad Street - PINs 0657933110, 0657933080, 0657935002, 0675925902, and 0657926921 - REZ-2016-03

Purpose – To consider accepting the applicant’s withdrawal request as submitted.

Staff Comments – Town Manager Mitchell advised that at the request of the petitioner (by letter), and due to the extent of delay and amount of time that’s been provided for the applicable conditions and architectural design to be worked out on the petition without resolution, Town Staff is recommending that the withdrawal request for petition, REZ-2016-03 be accepted. This will allow the applicant to resubmit a zoning map amendment petition at a later date.

Board Member Discussion – Commissioner Adcock asked about the process to resubmit the request. Town Manager Mitchell stated that the petitioners would have to go back through the process from the start by resubmitting their petition to the Planning Board.

Recommendation - Accept the applicant's withdrawal request as submitted and recommended.

MOTION: Commissioner Adcock
SECOND: Mayor Pro-Tem Massengill
MOTION RESULTS: Passed Unanimously (4-0)

Agenda Item No. 6.B: Zoning Map Amendment - Tony M. Tate Landscape Architecture, PA and James Minor - 1000 NE Judd Parkway - Portion of PIN 0667434461 - REZ-2016-34

Purpose – The purpose of this agenda item is to consider a requested zoning map amendment for 18.48 of a total of 21.43 acres located at 1000 NE Judd Parkway from the Corridor Commercial Conditional Zoning District (CC-CZD) to the Neighborhood

Mixed-Use (NMU) Zoning District and Urban Mixed-Use (UMU) Zoning District. The subject property is also known as a portion of Wake County PIN 0667434461.

Staff Comments – Town Manager Mitchell provided the following information as it pertained to specific topics related to the zoning map amendment petition:

PROPERTY INFORMATION AND SURROUNDING USES: The subject property is currently undeveloped. The adjacent property to the south is currently used for agricultural purposes, and was recently amended to the Residential High Density (RHD) Zoning District by the Town Board (REZ-2016-21). A single tract of land, currently undeveloped is immediately across Judd Pkwy from the subject property to northeast. The adjacent properties to the west are currently used for agricultural purposes or are undeveloped, and contain a significant environmental feature along the property line. Surrounding uses include single-family residential subdivisions, multifamily, shopping centers, and industrial uses.

ZONING: The current zoning of the subject property is Corridor Commercial Conditional Zoning District (CC-CZD), approved as REZ-2016-09 under the Town's now previous zoning regulations. The current zoning conditions limit use of the subject property to mixed-use development. The previous petition was made due to the Town's form-based zoning option not being adopted at that time. Town Manager Mitchell advised that the petitioner is now requesting a zoning map amendment to change 18.48 total acres of the property to the Neighborhood Mixed-Use (NMU) and Urban Mixed-Use (UMU) Zoning District. He stated that both are optional form-based districts. Surrounding zoning districts include the Residential Agricultural (RA), Residential Low Density (RLD), Residential Medium Density (RMD), and Residential High Density (RHD) Zoning Districts.

LAND USE: The current land use classification of the subject property is Commercial. The Commercial Land Use Classification is intended for a mix of retail, office and consumer services, with functional urban designs providing access to both vehicles and pedestrians. The proposed zoning districts, NMU and UMU, provide for these types of uses, as well as high density residential uses utilizing the same type of design. For those reasons, the requested zoning districts are consistent with the Commercial Land Use Classification.

TRANSPORTATION: The Town's Community Transportation Plan (CTP) calls for a 100-foot right-of-way with a 4 lane divided street cross-section along NE Judd Pkwy adjacent to the subject property. All required right-of-way adjacent to the subject property has already been publicly dedicated. Future development of the subject property will require construction of half of the Judd Pkwy cross-section mentioned.

UTILITIES: Public utilities are available to serve the subject property.

MASTER PLAN: The zoning map amendment to the Neighborhood Mixed-Use (NMU) and Urban Mixed-Use (UMU) Zoning Districts utilizes the Town's new form-based zoning districts, located in Appendix B RMU, NMU & UMU Form-Based Districts of the Land Development Ordinance. Form-based zoning districts are proposed, reviewed and approved with a master plan. The master plan provides for a description of the following elements of a proposed development: permitted uses, arrangement of uses, open space, thoroughfare network, utilities, pedestrian network, architectural designs and

standards, building layout, landscaping, and written documentation. All of such have been submitted by the petitioner via a master plan and written document, both of which are included with the petition.

RECOMMENDATION: Town Manager Mitchell advised that he and planning staff recommend approval of the zoning map amendment, REZ-2016-34, for the following reasons:

1. The requested zoning districts are consistent with the existing land use classification, further the land use plans' intent to provide for integrated urban design, and advances the principles of the Land Use Plan.
2. Use of the subject property will remain the same as currently permitted, as the property is currently zoned for mixed use development.
3. The master plan and written document submitted with the petition adequately address the master plan and written document requirements for form based zoning, which will be binding to the subject property upon adoption of the proposed zoning districts. The Planning Board unanimously recommended approval of the requested zoning map amendment at the January 10, 2017 Planning Board meeting, finding the zoning map amendment consistent with the land use plan and reasonable and in the best interest of the public for the reasons identified by staff.

Town Manager Mitchell then reported that on February 6, 2017, the Town Board opened and continued the public hearing and tabled consideration of REZ-2016-34. He reminded the Board that the applicant had revised the proposed master plan since the planning board meeting by eliminating a BMP on the eastern portion of the master plan, increasing the footprint of lot 1, and increasing allowable densities in commercial and mixed use lots. He stated that all revisions meet the standards of the proposed form based districts. For the reasons identified above, Town Manager Mitchell advised that he and staff recommend approval of the requested zoning map amendment to the NMU and UMU Zoning Districts, in accordance with the master plan submitted with the petition.

Public Hearing – Mayor Byrne opened the public hearing and he asked if anyone wished to speak in favor of, or in opposition to the zoning petition. No one chose to speak in favor of, or in opposition to the proposed zoning map amendment. Mayor Byrne declared the public hearing closed.

Board Member Discussion – There was no further discussion from members of the Board.

Recommendation - Approve REZ-2016-34, a zoning map amendment for 18.48 acres located at 1000 Judd Parkway NE and more particularly known as a portion of Wake County PIN 0667434461, from the Corridor Commercial Conditional Zoning District (CC-CZD) to the Neighborhood Mixed-Use (NMU) and Urban Mixed-Use (UMU) Zoning Districts. The proposed zoning map amendment is consistent with the land use plan and reasonable and in the best interest of the public for the reasons identified by staff.

MOTION: Mayor Pro-Tem Massengill
SECOND: Commissioner Gardner
MOTION RESULTS: Passed Unanimously (4-0)

PUBLIC HEARINGS

Agenda Item No. 7.A: Fiscal Year 2017-2018 Budget – Public Input Hearing

Purpose – The purpose of this agenda item is to hear comments from the public regarding matters related to the development of the Town’s 2017-2018 fiscal year operating budget.

Staff Comments – Town Manager Mitchell advised that the Town staff is in the beginning stages of developing a draft operating budget for the fiscal year 2017-2018. As is customary for the Town of Fuquay-Varina, a public hearing is scheduled to afford the citizens and stakeholders of the community an opportunity to offer input as it relates to the annual operating budget. The public is encouraged to offer input regarding projects, priorities, level of service, and fees. The intent is for the Governing Board to use the information provided in an effort to assist in the direction given to staff as it relates to the formulation of the annual budget plan.

Public Hearing – Mayor Byrne opened the public hearing. No one chose to offer comments as it relates to the 2017-2018 Budget.

Board Member Discussion – There was no discussion from members of the Town Board regarding the matter.

No further action was needed for this matter.

Agenda Item No. 7.B: Annexation Agreement - Town of Angier and Town of Fuquay-Varina

Purpose – The purpose of this agenda item is to consider the requested annexation agreement between the Town of Fuquay-Varina and the Town of Angier.

Staff Comments – Town Manager Mitchell advised that the annexation of the subject property was pursued by the developer of the former Hidden Valley Golf Course property, Pulte Group, as part of a larger land area annexation. This tract of land is adjacent to and part of the larger land area, but because the property is located closer to the Town of Angier's contiguous corporate limits than to the Town of Fuquay-Varina's contiguous corporate limits, the NC General Statutes (§160A-58.1 (b) and (b)(2)) requires that the Town of Angier consents to the property being annexed into the Town's corporate limits. The process to provide for this consent is via a two party annexation

agreement between the Towns of Fuquay-Varina and Angier. The two party agreement has been reviewed and approved for content by legal counsel of both Towns. At the February 7, 2017 Town of Angier Board of Commissioners meeting, the Angier Board of Commissioners approved the agreement as Angier Ordinance No. 005B-2017, after conducting a public hearing. Upon approval by the Fuquay-Varina Town Board and recordation of this annexation agreement, voluntary annexation of the subject property into the Town of Fuquay-Varina corporate limits may proceed. The value of the subject property is listed as \$85,920.

Public Hearing – Mayor Byrne opened the public hearing and asked if anyone wished to speak in favor of, or in opposition to the proposed annexation agreement. No one chose to speak in favor of, or in opposition to the agreement. Mayor Byrne declared the public hearing closed.

Board Member Discussion – There was no discussion from members of the Town Board.

Recommendation – Approve an Ordinance Establishing an Annexation Agreement between the Town of Fuquay-Varina, North Carolina and the Town of Angier, North Carolina.

MOTION: Commissioner Wunsch
SECOND: Commissioner Adcock
MOTION RESULTS: Passed Unanimously (4-0)

Ordinance No. N-17-06

Agenda Item No. 7.C: Extension Agreement for the Purchase and Sale of Real Property - Charles L. Parker Property - 110 N. Main Street - PINs 0656976853 and 0656977850

Purpose – To consider approval of an Extension Agreement to the Offer to Purchase and Sale Agreement for the Charles L. Parker Property located at 110 N. Main Street.

Staff Comments – Town Manager Mitchell advised that the Town has expressed an interest to extend the original Offer to Purchase and Sale Agreement for the Charles L. Parker property beyond the original agreement end date of June 8, 2017. Under the direction from the Town Board, the Town Manager and Town Attorney have negotiated with the property owner an extension to the original agreement to add approximately six months to the examination period ending on or before January 15, 2018. All due diligence fees previously agreed to in the original agreement will remain binding. Due diligence fees beyond the original agreement's 12-month period ending on June 8, 2017 (unless the contract is terminated), will include an additional non-refundable due diligence fee in the amount of \$5,000.00 that will be paid by the Town to the property owner on or before June 4, 2017 and will not apply to the purchase price of the property. The contract extension money is proposed to be funded through the General Fund operating budget for the fiscal year 2016-2017 in the amount of \$5,000 as appropriated in the Economic Development Department. Town Manager Mitchell advised that should the Town move forward with the purchase of the property within the term of the

agreement, the purchase price will be \$450,000 reduced by all due diligence fees paid by the Town as determined in the original agreement and an additional appropriation would be needed at that time.

Public Hearing – Mayor Byrne opened the public hearing and he asked if anyone wished to speak in favor of, or in opposition to the proposed extension agreement. No one chose to speak in favor of, or in opposition to the proposed extension agreement.

Board Member Discussion – During the discussion, Commissioner Gardner stated that when the Board originally discussed this matter, she was recused by the Town Board due to her employment with the realty company (Century 21 Becky Medlin Realty) who listed the property for sale. She then asked if it was necessary to recuse herself from voting on this matter. Town Attorney Cumalander stated that she may want to continue recusal from discussion and action on this matter.

Commissioner Gardner asked the Town Board to be recused from discussion and action on this matter.

MOTION: Mayor Pro-Tem Massengill
SECOND: Commissioner Adcock
MOTION RESULTS: Passed Unanimously (3-0)

Recommendation – Approve the Extension Agreement for Purchase and Sale of Real Property for the property described as 110 N. Main Street (PIN 0656976853 and PIN 0656977850) containing approximately 0.55 acres from Charles L. Parker under certain terms and conditions as presented and recommended.

MOTION: Commissioner Wunsch
SECOND: Commissioner Adcock
MOTION RESULTS: Passed Unanimously (3-0)

Agenda Item No. 7.D: Offer to Purchase and Sale Agreement and Budget Amendment (BA-2017-28) - Stephenson Property - 103 N. Fuquay Avenue and 109 E. Academy Street - PINs 0656979719 and 0656979713

Purpose – To consider approval of an Offer to Purchase and Sale Agreement for the Stephenson properties located at 103 N. Fuquay Avenue and 109 E. Academy Street and approval of Budget Amendment (BA-2017-28).

Staff Comments – Town Manager Mitchell advised that Town staff has expressed interest to acquire the Stephenson property to support existing nearby town-owned property. Parties have agreed to a contract with a 60-day closing term. Under the direction from the Town Board, the Town Manager and Town Attorney have negotiated with the property owner certain terms and conditions related to the acquisition of the Stephenson properties. The property owner has agreed to \$1,000.00 in earnest money payable upon execution of the contract. As a fiscal note, the earnest money is proposed

to be funded through the appropriation of fund balance from the General Fund in the amount of \$1,000. Town Manager Mitchell advised that should the Town move forward with the purchase of the property within the terms of the agreement, the purchase price will be \$50,000 and the amount owed would be reduced by the earnest money paid by the Town.

Public Hearing – Mayor Byrne opened the public hearing, and he asked if anyone wished to speak in favor of, or in opposition to the proposed offer to purchase and sale agreement budget amendment. No one chose to speak in favor of, or in opposition to the proposed offer to purchase and sale agreement, and budget amendment. Mayor Byrne declared the public hearing closed.

Board Member Discussion – There was no discussion by the members of the Town Board.

Recommendation – Approve the Agreement for the Purchase and Sale of Real Property for the property described as 103 N. Fuquay Avenue and 109 E. Academy Street (PINs 0656979719 and 0656979713) containing approximately 0.21 acres from Billy Stephenson under certain terms and conditions and approve Budget Amendment (BA-2017-28) as presented and recommended.

MOTION: Commissioner Gardner
SECOND: Commissioner Adcock
MOTION RESULTS: Passed Unanimously (4-0)

Agenda Item No. 7.E: Offer to Purchase and Sale Agreement - Robert J. Barker Property; Wake Chapel Properties, LLC Property; and Jones Street, LLC Property - 0 N. Main Street; 107 E. Academy Street; 127 N. Fuquay Avenue; and 131 N. Fuquay Avenue - PINs 0656977885, 0656978744, 0656978874, and 0656988051

Purpose – To consider approval of an Offer to Purchase and Sale Agreement for the Robert J. Barker property; Wake Chapel Properties, LLC property; and Jones Street, LLC property located at 0 N. Main Street; 107 E. Academy Street; 127 N. Fuquay Avenue; and 131 N. Fuquay Avenue.

Staff Comments – Town Manager Mitchell advised that Town staff has expressed interest in the Robert J. Barker Property; Wake Chapel Properties, LLC Property; and Jones Street, LLC Property to conduct in-depth analysis as to the condition of the properties and their development feasibility. Parties involved have agreed to a 12-month due diligence contract. Under the direction from the Town Board, the Town Manager and Town Attorney negotiated with the property owner certain terms and conditions related to the acquisition of the Robert J. Barker Property; Wake Chapel Properties, LLC Property; and Jones Street, LLC Property. The property owners have agreed to \$10,000.00 in earnest money payable upon execution of the 12-month contract. Earnest fees shall be non-refundable to Town, but the purchase price shall be reduced by

earnest fees paid by the Town. As a fiscal note, the earnest money is proposed to be funded through the Town's General Fund operation budget for the 2016-17 fiscal year as appropriated in the Economic Development Department in the amount of \$10,000. Town Manager Mitchell advised that should the Town move forward with the purchase of the property within the terms of the agreement, the total purchase price of the property is \$625,000 reduced by the earnest fees paid by the Town and an additional appropriation would be needed at that time. Further, he advised that should the Town close on the property, an additional expense not to exceed \$250,000 may be needed and if so, would need to be appropriated as described in Exhibit C of the Agreement.

Public Hearing – Mayor Byrne opened the public hearing, and he asked if anyone wished to speak in favor of, or in opposition to the proposed extension of an agreement for purchase and sale of real property owned by Bob Barker. No one chose to speak in favor of, or in opposition to the proposed extension agreement. Mayor Byrne declared the public hearing closed.

Board Member Discussion – Commissioner Adcock stated that twelve months is a longer period of time than what the town normally places properties under contract, and asked if this period of time will be used for due diligence and to determine if this is something that the Town Board feels is in the best interest of the Town. Town Manager Mitchell stated that was the purpose for the 12 month due diligence period in the contract.

Recommendation – Approve the Agreement for Purchase and Sale of Real Property for the property described as Robert J. Barker Property; Wake Chapel Properties, LLC Property; and Jones Street, LLC Property - 0 N. Main Street; 107 E. Academy Street; 127 N. Fuquay Avenue; and 131 N. Fuquay Avenue - PINs 0656977885, 0656978744, 0656978874, and 0656988051 under certain terms and conditions as presented and recommended.

MOTION: Commissioner Adcock
SECOND: Commissioner Massengill
MOTION RESULTS: Passed Unanimously (4-0)

CONSENT AGENDA

Agenda Item No. 8.A: Utility Allocation - Bentwinds Bluffs Phases 2 and 3

Purpose – To consider a utility allocation request for Bentwinds Bluffs Subdivision, Phases 2 and 3, 10,500 gpd sewer and 10,500 gpd water.

Recommendation – Approve the utility allocation request for Bentwinds Bluffs Subdivision, Phases 2 and 3 as presented and recommended.

Agenda Item No. 8B: Utility Allocation - Adalyn Place

Purpose – To consider a utility allocation request for the Adalyn Place Subdivision, 27,600 gpd sewer and 27,600 gpd water.

Recommendation – Approve the utility allocation request for Adalyn Place as presented and recommended.

Mayor Pro-Tem Massengill requested that “Item A” be removed from Consent Agenda for further discussion.

Motion to approve only “Item B” on the Consent Agenda.

MOTION: Commissioner Adcock
SECOND: Mayor Pro-Tem Massengill
MOTION RESULTS: Passed Unanimously (4-0)

ITEMS REMOVED FROM CONSENT AGENDA

Agenda Item No. 8.A: Utility Allocation - Bentwinds Bluffs Phases 2 and 3
(Consent Agenda Item 8.A)

Purpose – To consider a utility allocation request for Bentwinds Bluffs Subdivision, Phases 2 and 3, 10,500 gpd sewer and 10,500 gpd water.

Recommendation – Approve the utility allocation request for Bentwinds Bluffs Subdivision, Phases 2 and 3 as presented.

Board Member Discussion - Mayor Pro-Tem Massengill requested to be recused from taking action on the proposed utility allocation for Bentwinds Bluffs Phases 2 and 3 due to a personal financial interest in constructing properties within Bentwinds Bluffs Subdivision

Motion to recuse Mayor Pro-Tem Massengill from action on Consent Agenda “Item 8.A”.

MOTION: Commissioner Adcock
SECOND: Commissioner Wunsch
MOTION RESULTS: Passed Unanimously (3-0)

Motion to approve “Item 8.A” on the Consent Agenda.

MOTION: Commissioner Adcock
SECOND: Commissioner Wunsch
MOTION RESULTS: Passed Unanimously (3-0)

ADMINISTRATIVE REPORTS

Agenda Item No. 10.A: Project Ordinance Amendment and Contract Award - Sunset Lake Rd, Purfoy Rd, and Main Street Intersection Design - \$150,000

Purpose – To award a contract for the Locally Administered Projects Program (LAPP) project for the Sunset/Purfoy/Main Street Intersection, to amend the existing project ordinance to include funds for preliminary design of subsequent phases of intersection improvement that are a part of the Town's Transportation Bond Program, and award surveying to support the Bond Program Project.

Staff Comments – Town Manager Mitchell advised that as a part of the Town's 2015 Transportation Bond Program, the Town intends to complete improvements to the Sunset Lake Rd, Purfoy Rd, and N Main Street intersection. Initial phases of this project are being completed in cooperation with NCDOT and as a part of a Locally Administered Projects Program (LAPP) grant. The Town intends to expand on these initial phases that are on the south side of the Norfolk Southern Rail crossing and extend them north to the back of the current Kroger shopping center. Improvements will generally include expansion to a full width section including four travel lanes and supporting turn lanes. In order to time this project so that it is completed on the heels of the NE Judd intersection project and NW Judd Parkway construction, design activities need to begin. This project ordinance will provide funds to support the survey and first phases of design. Once these items are complete and the full design scope is better defined, additional funds will be added to the project to continue. The planned budget for the entirety of these improvements from the 2015 Transportation Bond plan is \$4.5 million. Town Manager Mitchell reminded the Board that at their February 2, 2017 meeting, Mott MacDonald was selected as the design engineer for the LAPP project. He then referred to the Mott MacDonald scope and fee for the design work in the amount of \$112,854.11. Town Manager Mitchell advised that he and town staff believes the scope and fee is reasonable for the work to be performed. He advised that this work is reimbursable with 80% FHWA funding matching 20% Town funding. The original project ordinance of \$858,000 only included funding for the design and construction of the LAPP project, and did not include funding for planned subsequent phases of the project that include construction across the railroad and up to the limits of the Kroger shopping center. As a result, a project ordinance amendment in the amount of \$150,000 is recommended to provide a budget to begin preliminary design for the next phase of improvements. The project ordinance amendment will provide the initial budget needed to begin the design. Town Manager Mitchell then advised that Mott MacDonald has provided an estimate of \$22,977.75 to complete the surveying for the Bond Project portion of this work under their status as an on-call contractor for the Town, as previously authorized by the Town Board. He stated that this will allow the Town to complete the surveying for all phases of work at the time surveying for the LAPP project is completed. He further stated that this work is not reimbursable by the LAPP grant and is therefore accounted for separately. Town Manager Mitchell advised that once surveying is complete and the initial LAPP work is underway, a subsequent amendment to complete the full design will be brought to the Town Board. The preliminary surveying and design work will allow the Town to better develop a full design proposal and estimate right-of-way requirements. Town

Manager Mitchell stated that he and staff recommend the Town Board approve the project ordinance amendment, award a design contract to Mott MacDonald, and authorize the Town Manager to enter contract with Mott MacDonald under the on-call services agreement as specified in the recommended motion. He shared that these actions will continue forward momentum on both the current and next phase of transportation improvements at Sunset Lake Rd/Purfoy Rd/Main St identified in the 2015 Transportation Bond and in the capital plan approved by the Town Board. Town Manager Mitchell also provided that as a fiscal note, the current project ordinance budget for the Sunset Lake Rd, Purfoy Rd, and Main Street Intersection project is \$858,000, which supports the LAPP project. The contract award for design for this project will be paid for from within the existing budget, and is eligible for 80% LAPP reimbursement. The proposed project ordinance amendment will increase the project budget by \$150,000 to be funded from bond proceeds and covered by the Town Board's previous reimbursement resolution. The project ordinance amendment will support additional surveying and preliminary design for the larger intersection improvements not included in the LAPP project in the amount of \$22,977.75.

Board Discussion – Mayor Byrne stated that it is most important to keep moving these projects forward. Mayor Pro-Tem Massengill asked the Town Manager to reiterate that the work at the intersection of Main Street, Sunset Lake and Purfoy Road is not complete. Town Manager Mitchell stated that the last work (realignments of lanes and resurfacing work) was Phase 1A of the work. Additional work (Phase 1B) will include installing medians on U.S. 401, widening the turning radius on U.S. 401 north bound to allow the opening of the additional left hand turn lane on Purfoy Road onto U.S. 401 south bound, providing for permanent stripping, and installing pedestrian crossings. Town Manager Mitchell advised that Phase 2 of the project (Bond Program) involved the remaining portion of the scope of work that includes improvements beyond the railroad track to the furthest property boundary of the Kroger Shopping Center on Sunset Lake Road as well as improvements on Purfoy Road just beyond the entrance to Old Sexton Place. Commissioner Wunsch asked the Town Manager to remind everyone of the grants obtained for these roadway projects. Town Manager Mitchell stated that so far the Town received \$12.355 million in grants for roadway projects. He also stated that the N.E. Judd/Main Street intersection improvements project will be bid the summer of 2017. The N.W. Judd Parkway project will be bid the latter portion of 2017 or first part of 2018, and Phase 2 of the Sunset Lake/Purfoy Road/Main Street intersection project will move forward in 2019. Mayor Byrne reminded the audience that these are NCDOT roads, which normally take some time for project approval as well as approval from the Norfolk Southern Railroad for improvements around the crossings.

Recommendation – Amend the project ordinance for the Sunset, Purfoy, and Main Street intersection project by increasing by \$150,000, authorize the Town Manager to enter into contract with Mott MacDonald for the Sunset, Purfoy, and Main Street LAPP project in the amount of \$112,854.11 subject to NCDOT concurrence and approval by the Town Attorney as to form, and authorize the Town Manager to enter into contract with Mott MacDonald for surveying services in the amount of \$22,977.75 under the terms of the on call contract with the Town.

MOTION: Mayor Pro-Tem Massengill
SECOND: Commissioner Gardner
MOTION RESULTS: Passed Unanimously (4-0)

Ordinance No. N-17-07

Agenda Item No. 10.B: Contract Award, Budget Amendment (BA-2017-29) and Project Ordinance Amendment - Arts Center

Purpose – To consider awarding a contract for construction of the Fuquay-Varina Arts Center to Daniels & Daniels Construction Co., Inc., in an amount not to exceed \$3,610,118 subject to Town Attorney review and authorize the Town Manager to execute the contract, as well as approve a budget amendment (BA-2017-29) in the amount of \$2,779,762 and a project ordinance amendment in the amount of \$3,797,510 to account for the total expected project expenses.

Staff Comments – Town Manager Mitchell advised that based on the results of public polling in support of the 2014 Parks, Recreation & Cultural Resources Master Plan, the Town Board committed to undertake the development of an Arts Center. The process began with the purchase of the former Stars Theater building in May 2015, and the identification and contracting of Szostak Design, Inc. in November 2015 to design the new layout. *(Mr. Szostak attended the meeting and was available for questions.)* Over the period of the next four months, Szostak team members scheduled and facilitated public forums to gather information regarding perceived needs for the new facility. In May 2016 Szostak presented multiple design options based on feedback from their meetings with the public. The Board provided guidance regarding size and budget and, in August 2016, Szostak presented the Board with 25%-design renderings of three building options. Based on the Board's preferred option, Szostak completed design and presented the final results to the Board in October 2016. The project for renovation and construction of the Fuquay-Varina Arts Center solicited bids in January 2017. The Town received five bids, with Daniels & Daniels Construction Co., Inc., of Goldsboro, providing the lowest bid of \$4,144,000 for the contract. Town Manager Mitchell advised that bids for this project were higher than anticipated, reflecting a general upswing in construction projects available to contractors and subs in our area. He stated that it is his and staff's opinion that rebidding this project will not result in lower quotes, but will only serve to extend the time frame in which the project can be completed, and potentially raise the associated costs further. Negotiations with the lowest bidder were initiated to identify savings and move the final price closer to the previously supported budget. Town Manager Mitchell reported that town staff and design consultants were successful in reducing the quoted construction cost by \$247,600. In an effort to aid in further reducing the cost of the construction, management and staff recommend sourcing the theater equipment and furnishings directly rather than through the general contractor. Management and staff recommend based on negotiated figures, the bidding climate, and the goal of advancing the project forward and staying on schedule for the opening of the facility, that the Town Board award the proposed contract and appropriate the necessary funds as presented on both the budget amendment and project ordinance amendment. As a fiscal note, the breakdown of total project cost is as follows:

Construction	\$3,610,118
Owner Contingency 5%	\$180,506
Theater Equipment and Furnishings	\$329,152
Design	\$370,334
Professional Fees and Surveys	\$12,400
Legal	\$10,000
Property Acquisition	\$575,000
Furnishings	\$50,000

Board Discussion – Mayor Byrne stated that there could be added savings in contingency if the Town is able to manage the project without significant change orders. Town Manager Mitchell agreed with the Mayor’s statement, stating that the goal is to not have a lot of change orders that would reduce those funds. Commissioner Wunsch recognized Mr. Randy Bryant (President of the Fuquay-Varina Arts Council) who was in attendance at the meeting. Mayor Byrne thanked interested citizens who were in attendance as well as Mr. Phil Szostak.

Recommendation – Award a contract for construction of the Fuquay-Varina Arts Center to Daniels & Daniels Construction Co., Inc., in an amount not to exceed \$3,610,118 subject to Town Attorney review and authorize the Town Manager to execute the contract, as well as approve a budget amendment (BA-2017-29) in the amount of \$2,779,762 and a project ordinance amendment in the amount of \$3,797,510 to account for the total expected project expenses as presented and recommended.

MOTION: Commissioner Wunsch

SECOND: Mayor Pro-Tem Massengill

MOTION RESULTS: Passed Unanimously (4-0)

Ordinance No. N-17-08

OTHER BUSINESS

- A. Manager’s Report – Town Manager Mitchell reported that the 2017 Strategic Planning Retreat (that was held the previous weekend) was a great session and provided for an opportunity to strategically discuss numerous opportunities ahead of the Town. He also reported that Parks & Recreation’s reached 2,000 registrants for spring sports, almost a 13% increase over last year. He further reported that Police Chief Laura Fahnestock was absent tonight due to illness, and Captain Bob Adams attended in her stead.
- B. Fiscal Year 2017-2018 – Budget Discussion – Town Manager Mitchell stated that he would be happy to hear the Board’s comments on the proposed budget. There were no comments from members of the Town Board on this matter at this time as many of their thoughts and comments were discussed at the Town Board retreat the prior weekend.
- C. Coffee with a Cop – Village at Marquee Station – February 28, 2017 – 9:00 am - 11:00 am
- D. 2035 Community Transportation Plan (CTP) Public Workshop - Public Service Center - March 2, 2017 - 5:30 - 7:30 pm
- E. State of the Town Address – March 6, 2017 at Town Hall Board Room at 6:30 pm
- F. 2035 Community Vision Land Use Plan (LUP) Public Drop-In Session - Town Hall Board Room - March 9, 2017 - 5:30 - 7:30 pm

TOWN BOARD MEMBER COMMENTS

Mayor Pro-Tem Massengill – stated that he appreciates all of the information that was provided at the 2017 Strategic Planning Retreat that was held in Pinehurst, N.C. He stated that the Retreat was excellent.

Commissioner Adcock – stated that he had no further comments or business to discuss.

Commissioner Harris – Absent

Commissioner Wunsch – stated that the Strategic Planning Retreat was over 30 hours of very intense discussions, and it was one of the best that he has attended. He stated that he appreciates the staff and Town Manager Mitchell for their work in planning and facilitating the Retreat.

Commissioner Gardner – stated that it was a grueling and amazing three day Retreat.

Mayor Byrne – stated that there was so much preparation for the Retreat and he appreciates the Town Manager and Assistant Town Manager for helping to bring things into focus and assisting the Town Board to set priorities for the next five to ten years. He stated that all Town Board members were engaged in great dialogue.

CLOSED SESSION

The Town Board did not go into Closed Session.

ADJOURN

A motion was made to adjourn the meeting at 8:16 p.m.

MOTION: Mayor Pro-Tem Massengill
SECOND: Commissioner Wunsch
MOTION RESULTS: Passed Unanimously (4-0)

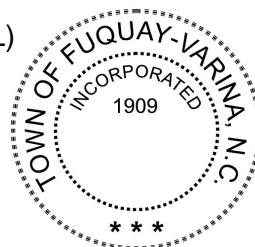
Adopted this the 6th day of March 2017 in Fuquay-Varina, North Carolina.

FUQUAY-VARINA, NORTH CAROLINA

John W. Byrne, Mayor

ATTEST:

(TOWN SEAL)



Rose H. Rich, Town Clerk