



Town of Indian Trail
Special Meeting Minutes of Town Council
August 8, 2012
Civic Building
7:00 P.M.

The following members of the governing body were present:

Mayor: Michael L. Alvarez

Council Members: Robert Allen, David Cohn, Christopher King, Darlene Luther, and David Waddell.

Staff Members: Town Manager Joe Fivas, Town Clerk Peggy Piontek, Town Attorney Keith Merritt, Finance Director Marsha Sutton, and Director of Community & Economic Development Kelly Barnhardt.

CALL MEETING TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Alvarez called the meeting to order and led in the Pledge of Allegiance.

CENTRALINA COUNCIL OF GOVERNMENTS COUNCIL REPRESENTATIVE APPOINTMENT

Mr. Fivas advised that there was a resignation and staff is looking for a replacement of our Council of Government Representative.

Christopher King nominated Darlene Luther and Council unanimously voted in favor of the nomination. Darlene Luther nominated Robert Allen as the alternate representative and Council voted unanimously in favor of the nomination.

DISCUSSION OF SELLING BONDS PROCESS

Mr. Fivas referred to the previous discussion on the Pathways 2 Progress initiative advising that to enable us to fund those initiatives we need to entertain the discussion of selling bonds. In 2010 the community approved 2 road/street bonds totaling \$17,000,000; staff has had discussion with our bond legal counsel and our financing consultants. We would like to start the Chestnut Parkway and the design elements on Old Monroe Road and Sardis Road along with other various projects a list will be forthcoming. The number for our first sale is approximately \$3,000,000 worth of bonds which presents many complexities. We have been very fortunate to be given the option to have a private sale by the LGC. The difference between the private and public is eliminating the necessity to go to New York and get rated resulting in saving funds by not having to go through that process. There is a possibility that the interest rates are very low, so it could be a good time to borrow. Mr. Fivas inquired if Council is interested in staff putting out an RFP to the private markets, see what rates we will get and then the consultants can advise if the public route will be a lower interest rate. We would like to have the funds and projects moving in October pending Council direction to get our process geared up for that.

Council had a general discussion topics included: shelf life and approximate cost of study, expedition of the project, obtaining designs now in preparation of bond sales, the cost of the process and strategy to minimize those costs, results of feasibility study determining where to start and stop on Old Monroe Road, 80-85% of Right of Way owned by Town, the hope that DOT will expedite their project once they see that we are initiating the widening, the bulk of the funds would be applied towards the first section of Chestnut Parkway.

FINANCING FOR NOVEMBER PARK BOND

Mr. Fivas reviewed the procedures Council has gone through to this point, but feels it's important for staff and community that we are clear on the intention of payment of the bond should it pass. Mr. Fivas asked Council if they want to pay for it out of the General Fund or keep their options open, stating that it's important for clarity on the question of whether there will be a tax increase or not if it passes.

Christopher King made a motion to approve if passed the \$8,500,000 bond will be paid for out of the Capital Investment Fund therefore no tax increase will occur.

Motion Passed 4 - 1 with David Waddell opposing.

Ms. Sutton pointed out that the usual motion is stated "the debt service payments for the bond will be paid out of the Capital Reserve Fund". If there is funding left over it would be used for roads, sidewalks or whatever. The first priority of the fund is to fund the debt service for the park. Ms. Sutton expressed she is clarifying the intent of the motion for the purpose of eliminating any misunderstandings. Council agreed that they were fully aware and understood that's what they had voted on.

CONSIDER CAROLINA COURTS PROJECT AGREEMENT

Mr. Fivas advised that we are getting close to having an agreement to move forward and make it happen. To ensure that Council had a clear understanding, Mr. Fivas presented the first draft of the

design for the 51 acre park and explained the framework of the agreement and project responsibilities for Carolina Courts and the Town. This facility could create a synergy resulting in private development on Highway 74 to hopefully include hotel, restaurants, and other business, as well as the benefit of our established businesses in the area and really putting Indian Trail on the map with the high volume and attendance of tournaments held at this facility every year. We are hopeful to have the agreement available to you to vote on next week.

Town obligation: building parking lots, pad ready site with utilities, grading permit with design, grading parking lot, grading Chestnut Parkway hopefully in October with the hopes to have it open in early spring. The town will sell 3 acres for approximately \$5,000 requiring a legal process involved to ensure there are no upset bids, stating that if there is someone out there who can build the same facility and meet the same criteria and timeline that is willing to pay more for the property we are required to take that bid.

Carolina Courts obligations: once our obligations are completed, they will start building. They will provide an opportunity for our citizens to have free use of the facility; we can hold events in there, creating a location for the community to come together all year long since we currently do not have any community center.

If the park bond doesn't pass the funds for the parking lot were budgeted in this budget and will come from the bond discussion we just had. Carolina Courts has the funding for their part.

Mr. King clarified if the bond being put on the ballot for this November has anything to do with the Chestnut Parkway, grading, parking lots or Carolina Courts.

Mr. Fivas replied no, if it fails, you will still have the parkway and parking lots and we will need to determine what to do with the rest of the land.

Mr. King confirmed for the audience that if the bond doesn't pass, Carolina Courts will still move there.

Mr. Merritt clarified the upset bid issue, advising the town is not obligated to sell the property but a municipality has certain requirements that must be met prior to selling the property.

Mr. Fivas explained the lease agreements, stating that it is creating the best deal for both parties to ensure success, so we are considering a Use Agreement that includes not only the sale of property but some type of contribution for 15 years for the residents to have access to the property, the Town having use of the facility for events along with marketing options. Mr. Fivas explained the value of having a facility providing free of charge, 1300 hours a year for the residents use.

Council had a general discussion on the matter, topics included: trees, largest inside area of facility, construction costs and timeline, town marketing and branding, Carolina Courts business model, Carolina Courts commitment regardless of bond outcome in November, parking, food concessions, and allocation of use to other athletic organizations/schools.

CLOSED SESSION NCGS 143-318.11(a)(3) Consult with attorney to protect the attorney-client privilege and NCGS 143-318.11(a)(4) to discuss matters relating to the location or expansion of business in the area served by this body.

No Closed Session was called at this meeting.

POSSIBLE ACTION REGARDING LOCATION OR EXPANSION OF BUSINESS IN THE AREA SERVED BY THIS BODY

This matter was not heard.

ADJOURN

Robert Allen made a motion to adjourn
Council voted unanimously in favor of the motion.

APPROVED:

Michael L. Alvarez , Mayor

Attest:

Peggy Piontek, Town Clerk