

**TOWN OF APEX
TOWN COUNCIL RETREAT DAY 1
THURSDAY, FEBRUARY 11, 2026
8:00 A.M.**

The Apex Town Council met for their Annual Retreat on Wednesday, February 11, 2026 at 8:00 a.m. at the Apex Town Hall located at 73 Hunter Street in Apex North Carolina.

This meeting was open to the public. Members of the public were able to attend this meeting in-person or watch online via the livestream on the Town's YouTube Channel. A link to view the recorded portions of the meeting are included below:

AM Session: <https://www.youtube.com/watch?v=SnBBZSqNICg&t=14684s>

PM Session: <https://www.youtube.com/watch?v=QCg5qRZV7tg>

[ATTENDANCE]

Elected Body

Mayor Jacques K. Gilbert (presiding)

Mayor Pro-Tempore Terry Mahaffey

Councilmember Arno Zegerman

Councilmember Shane Reese

Councilmember Sue Mu

Absent: Councilmember Edward Gray

Town Staff

Town Manager Randy Vosburg

Deputy Town Manager Shawn Purvis

Assistant Town Manager Demetria John

Assistant Town Manager Marty Stone

Town Attorney Laurie Hohe

Town Clerk Allen Coleman

All other staff members will be identified appropriately below.

[COMMENCEMENT]

Mayor Gilbert called the meeting to order 8:00 a.m. and thanked staff for their hard work in preparing for the retreat and turned the meeting over to Town Manager, Randy Vosburg to begin the agenda.

[AGENDA REVIEW]

1 **Town Manager Vosburg** said there was a very robust agenda each day and he and
2 Town staff would try their best to cover each topic thoroughly. He encouraged elected
3 officials to hold their questions until the end of each section to ensure each topic was
4 covered in the allocated timeframe.

5
6 **[STRATEGIC PLAN REVIEW]**
7

8 **Town Manager, Randy Vosburg** presented the following and stated this
9 presentation will be a high-level overview of the Town's Game Plan Apex Strategic Plan,
10 explaining that it serves as the foundation for the Town's work and organizational priorities.
11 He stated that while not every initiative falls directly under the strategic plan, the intent is for
12 the Town's work and new initiatives to align with its overarching goals and objectives. He
13 encouraged Council to keep the strategic plan in mind throughout the retreat, noting that
14 staff would later ask Council to identify potential new initiatives that align with the plan's focus
15 areas.

16 **Town Manager Vosburg** stated that the Town is entering the fourth year of the current
17 strategic plan and noted that while strategic plans have traditionally been developed on a
18 five-year cycle, many organizations are now revisiting and updating plans more frequently
19 due to changing priorities and community needs. He explained that staff continues to view
20 Game Plan Apex as the Town's long-range framework while allowing departmental initiatives
21 and action items to evolve over time. He asked Council to begin considering whether the
22 strategic plan's overarching principles remain appropriate or whether portions should be
23 refreshed as the Town moves forward.

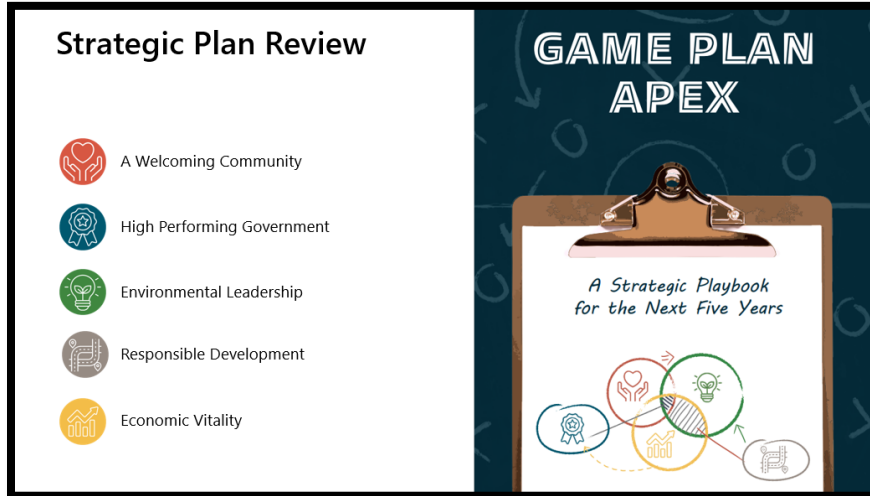
24 **Deputy Town Manager Shawn Purvis** provided historical context on the
25 development of the strategic plan. He explained that while many of the long-term goals
26 remain relevant beyond the original planning horizon, the Town is approaching a point where
27 both the strategic plan and departmental business plans should be evaluated for potential
28 updates. He stated that each department maintains an operational business plan aligned with
29 the Town's strategic plan and that departments will be reviewing and revising those plans
30 over the coming year to reflect changing operational priorities while remaining consistent
31 with the Town's overall strategic direction.

32 **Deputy Town Manager Purvis** added that staff intends to continue expanding the
33 Town's performance dashboards and metrics to provide Council and residents with
34 additional information regarding organizational performance and progress toward strategic
35 goals. He also noted that the Town's Council committee structure has been aligned with the
36 major focus areas of the Game Plan Apex Strategic Plan to further support implementation
37 and oversight of the Town's strategic priorities.

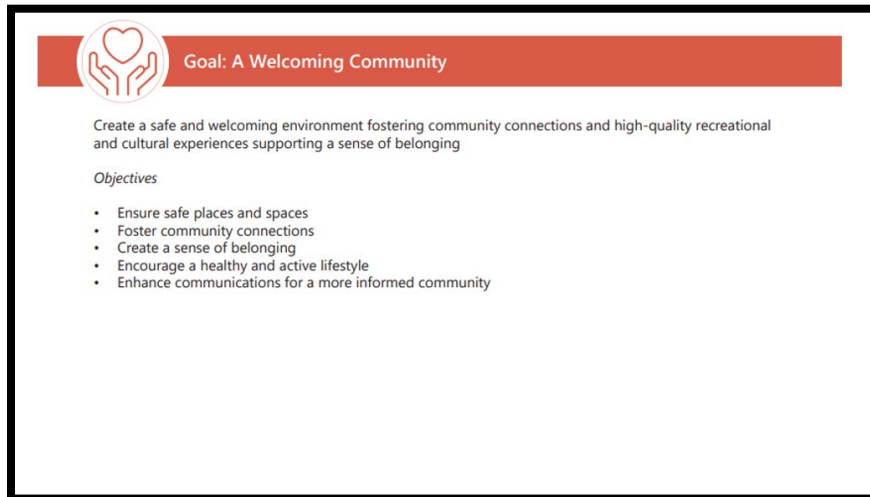
38 **Town Manager Randy Vosburg** added that the recently established Council
39 committee structure is aligned with the focus areas of the Game Plan Apex Strategic Plan. He
40 noted that the committee matrix previously presented by Town Clerk Allen Coleman
41 illustrates how each Council committee corresponds with the Town's departments and

strategic initiatives, reinforcing the connection between Council committee work and the implementation of the strategic plan.

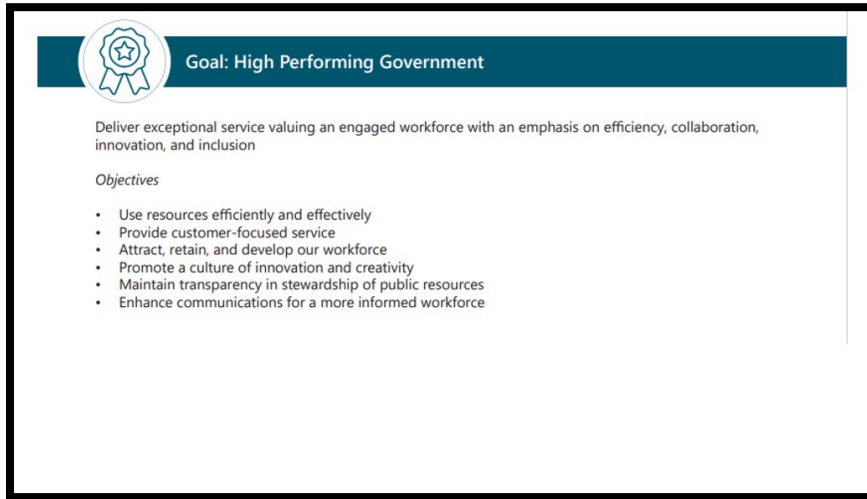
[SLIDE NO. 1]



[SLIDE NO. 2]



1 **[SLIDE NO. 3]**



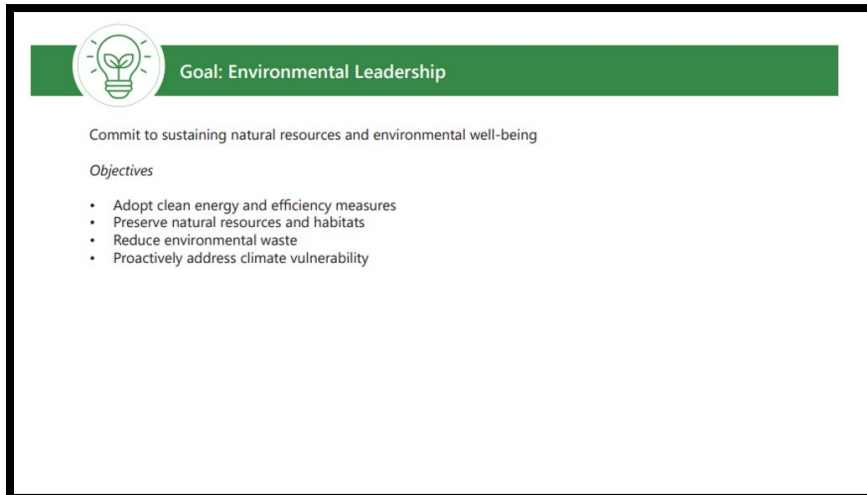
Goal: High Performing Government

Deliver exceptional service valuing an engaged workforce with an emphasis on efficiency, collaboration, innovation, and inclusion

Objectives

- Use resources efficiently and effectively
- Provide customer-focused service
- Attract, retain, and develop our workforce
- Promote a culture of innovation and creativity
- Maintain transparency in stewardship of public resources
- Enhance communications for a more informed workforce

2
3 **[SLIDE NO. 4]**



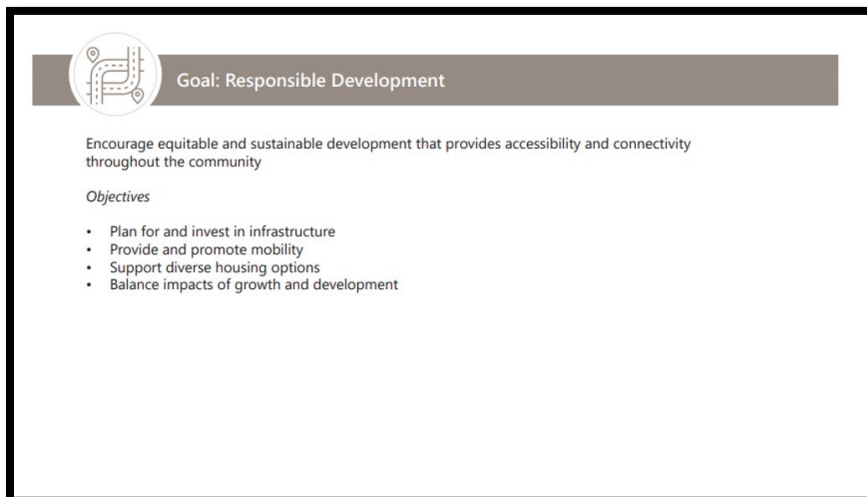
Goal: Environmental Leadership

Commit to sustaining natural resources and environmental well-being

Objectives

- Adopt clean energy and efficiency measures
- Preserve natural resources and habitats
- Reduce environmental waste
- Proactively address climate vulnerability

4
5 **[SLIDE NO. 5]**



Goal: Responsible Development

Encourage equitable and sustainable development that provides accessibility and connectivity throughout the community

Objectives

- Plan for and invest in infrastructure
- Provide and promote mobility
- Support diverse housing options
- Balance impacts of growth and development

6

1 **[SLIDE NO. 6]**



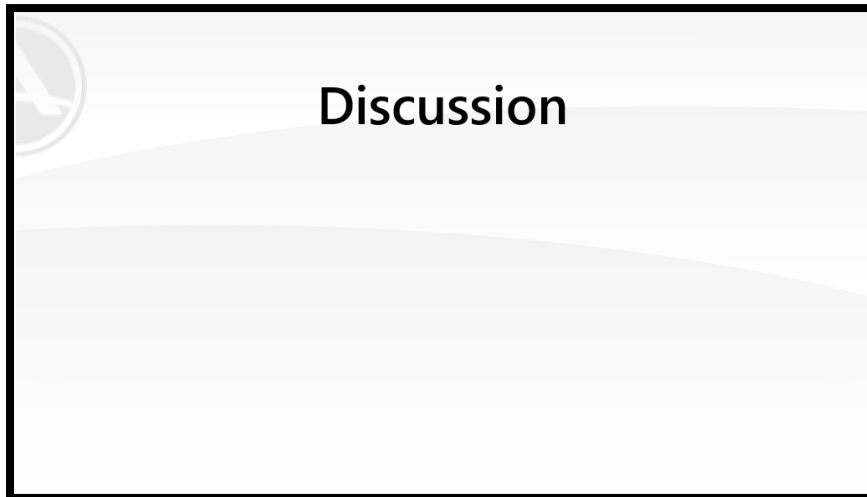
Goal: Economic Vitality

Improve and sustain an environment that invites and retains a diversity of residents, employment opportunities, and businesses

Objectives

- Recruit, retain, and develop businesses
- Leverage community assets to benefit businesses and residents
- Engage in placemaking
- Identify key opportunities to strengthen economic environment

2
3 **[SLIDE NO. 7]**



Discussion

4
5 **Mayor Pro-Tempore Mahaffey** said that the Strategic Plan remains relevant, he has
6 concerns that it is too broad and functions more as a framework for categorizing the Town
7 activities than as a document that provides strategic direction. He stated it can be difficult to
8 distinguish priorities, noting that when everything is treated as a priority, it becomes
9 challenging to identify the Town's primary areas of focus. He asked for others feedback as
10 well.

11 **Town Manager Randy Vosburg** agreed that the Strategic Plan is intentionally broad
12 and serves as a set of guiding principles rather than a list of specific projects. He explained
13 that while the overarching focus areas remain consistent, the initiatives supporting those
14 goals evolve over time to reflect changing priorities and community needs. He said there are
15 different ways to accomplish environmental leadership and what it looks like has changed
16 over the last 5 years. He said the concept of environmental leadership commitment remains,
17 and the new initiatives in place represent the ways in which the commitment will be
18 achieved.

1 **Mayor Pro-Tempore Mahaffey** said that environmental leadership appeared to be
2 the only focus area that provides a clear sense of direction, while the remaining categories
3 are more reflective of general of municipal function.

4 **Councilmember Zegerman** agreed with the broad long-term Strategic Plan, but
5 suggested establishing an intermediate layer of shorter-term priorities to help guide
6 decision-making, investments, and implementation efforts over the next several years. He
7 stated that additional level of planning would help bridge the gap between the Town's
8 overarching vision and day to day work.

9 **Councilmember Mu** stated the Strategic Plan would be more effective if it included
10 defined five year, ten year, and longer-term objectives that focus on measurable
11 improvements over time. She said that the current broad, general vision may be difficult for
12 residents to understand and recommended identifying clearer priorities and practical actions
13 that demonstrate progress over time.

14 **Councilmember Reese** expressed his appreciation for Game Plan Apex. He
15 emphasized the importance of maintaining a collaborative strategic planning process that
16 incorporates input from staff leadership. He asked whether the current Strategic Plan
17 effectively guides the Town's daily operations as the community continues to grow and take on
18 new responsibilities.

19 **Town Manager Randy Vosburg** said that it depends on who you talk to and from a
20 staff perspective, noting that staff values clear direction from the Council and benefits from
21 having a strong strategic foundation.. He stated that challenges can arise when changing
22 priorities require staff to adapt existing plans to address new initiatives, emphasizing the
23 need for flexibility while maintaining alignment with the Town's overall strategic direction.

24 **Mayor Gilbert** asked about the strategic plan for each department.

25 **Director Stacey Galloway** said that the goal is for every employee to understand how
26 their daily tasks connect to the broader strategic plan. She said although the higher-level
27 goals may seem broad, the plan is intended to help employees see how their everyday work
28 contributes to larger organizational objectives.

29 **Deputy Town Manager Purvis** clarified that the current discussion is not intended to
30 fully revise the Strategic Plan, as that would occur during a future strategic planning session.
31 He said that the guiding principles provide a useful high-level framework, while the
32 objectives present an opportunity for stronger focus clearer direction. He said that municipal
33 organizations naturally have broad responsibilities across many service areas, making a broad
34 strategic framework appropriate, but emphasized the opportunity to make objectives more
35 focused and actionable in the next update. He said the department plans are more business
36 and operational plans that support the overall strategy and should be presented to the
37 Council so members can better understand how departmental work aligns with and supports
38 Apex's strategic goals. He said that staff want to be good stewards of employees' time and
39 residents resources.

40 **Councilmember Reese** thanked staff and asked whether the plan was serving staff
41 and the Town based on their experience.

1 **Town Manager Vosburg** said yes. He distributed a copy of the Game Plan Apex to
2 each Council member and thanked the Council and staff for the beginning of the discussion
3 of the Strategic Plan and said plan for the next strategic session to be fairly heavy on the
4 agenda.

5 **Councilmember Zegerman** suggested keeping the Game Plan Apex framework in
6 place as the general guiding principles and focusing on what needs to be accomplished in
7 the next five years, ten years, and beyond. He said this approach would give a bit more
8 additional direction with clearer guidance.

9 **Town Manager Randy Vosburg** suggested bridging the gap between the long-term
10 2055 vision and the short-term initiatives development. He said this would provide clearer
11 direction and better connect long-term goals with near-term priorities.

12
13
14 **[PORTFOLIO UPDATE - PERFORMANCE AND STRATEGY]**

15
16 **Town Manager Vosburg** said that, in response to the positive feedback, the
17 Performance and Strategy Update would continue to provide opportunities for interaction
18 between Council and department leadership. He said Directors would briefly highlight
19 departmental priorities, accomplishments, and upcoming initiatives through portfolio-based
20 presentations.

21 **Deputy Town Manager Shawn Purvis** invited each department to give an overview
22 of their projects, accomplishments and initiatives.

23
24 **Director of Information Technology, Erika Sacco, provided** the following overview
25 of Information Technologies'(IT) four (4) main Divisions':
26

27 **Operations Division (Performance)**

- 28 • Maintains the Town's core technology infrastructure, including servers, firewalls,
29 switches, and network equipment.
30 • Supports infrastructure upgrades and technology components of major capital
31 projects, including Town Hall renovations, SCADA systems, Internet of Things (IoT)
32 connectivity, and downtown technology improvements.
33 • Ensures the reliability and security of the Town's technology systems.

34
35 **Client Services Division (Empowerment)**

- 36
37 • Provides frontline technology support for Town staff, including hardware, software,
38 databases, and GIS systems.
39 • Delivers staff training and productivity software improvements.

- Assists with technology initiatives such as the public safety software procurement process.
- Serves as the primary customer support function for internal technology needs.

Project Management Division (Accountability)

- Manage enterprise software implementations and major technology projects.
- Oversaw migration of Finance, Human Resources, and Utility Billing systems to cloud-based software and continue implementation of utilities, AMI, permitting, inspections, and planning systems.
- Conducts ongoing contract management, business process reviews, and continuous improvement efforts to identify automation opportunities and improve operational efficiency.

Innovation & Security Division (Knowledge)

- Leads technology innovation and cybersecurity initiatives.
- Develops new digital services including parking applications, digital displays, chatbots, voice bots, and customer service technologies.
- Expands the use of artificial intelligence through staff training and implementation of generative AI tools.
- Maintains cybersecurity programs and has received the State Cybersecurity Grant for four consecutive years to strengthen the Town's security posture.

Communications Director, Stacie Galloway said that the Communication Department supports other departments and that's where much of their work originates from department requests and collaboration. She provided the following highlights:

Website Redesign Project

- Launching a major website initiative to evaluate the current content management system after 10-11 years.

Exploring options to redesign the existing website or migrate to a new platform with enhanced features and functionality.

Content Review

Cleaning up, removing, and updating outdated website content in preparation for the redesign or migration.

Expanded Communications Team

1 Onboarding two new communications positions assigned to support individual
2 portfolios.

3 **Director of Organizational Excellence, Linda Jones** provided the following
4 information :

5 **Internal Learning Program**

- 6 • Developing an internal learning program to increase employees' understanding of
7 other departments, strengthen collaboration, expand networking opportunities, and
8 address employee-identified needs.

9 **Employee Engagement**

- 10 • Continuing efforts to actively listen to employee feedback and implement initiatives
11 that respond to workforce priorities and improve the employee experience.

12 **Town Training & Leadership Development**

- 13 • Expanding professional development opportunities for employees through
14 leadership training and educational partnerships, including the MPA partnership with
15 the county.

16 **Team Building Assessments**

- 17 • Expanding leadership and team-building assessments to help departments better
18 understand leadership styles, improve collaboration, and strengthen team
19 effectiveness.

20 **Leadership & Professional Development Programs**

- 21 • Continuing and expanding training programs, including Crucial Conversations,
22 Crucial Accountability, Trust Apex, and leadership development initiatives focused on
23 employees at all organizational levels.

24 **Translation & Language Access Initiative**

25 Expanding translation services to improve communication with residents through
26 multilingual materials, translation at community meetings, office hours, and
27 Community University events.

28
29 **Website Accessibility**

- 30 • Continuing to monitor and improve website accessibility through regular reporting
31 and ongoing enhancements.

32
33 **Language Line Implementation**

- Implementing an on-demand language interpretation service across Town facilities to provide immediate interpretation assistance for residents interacting with frontline staff.

Director of Budget and Performance Management, Jessica Hoffman provided the following initiative highlights:

Department Strategic Plan Refresh

- Reviews and updates the Town's strategic plan as it approaches the end of its initial five-year timeline, ensuring the plan continues to support future priorities and goals.

Department Strategic Plans & Performance Dashboards

- Updates department-level strategic plans and dashboards to better track daily activities, improve alignment with organizational goals, and support future funding and budget decisions.

Municipal Benchmarking Integration

- Integrates benchmarking metrics from University of North Carolina at Charlotte into performance dashboards to compare Town performance with other municipalities and identify improvement opportunities.

Sustainability Initiatives

- Advances sustainability efforts through completion of the greenhouse gas inventory and expansion of data dashboards to track sustainability-related performance measures.

Budget Software Implementation

- Completes the final phase of the budget software implementation to integrate the budget book directly into the budgeting process and improve financial planning and reporting.

Director of **Human Resources, Karmen McGee** presented the following initiative highlights:

HR Staffing Stabilization & Workforce Rebuilding

- Recruits and fills vacant HR positions to restore the department to full staffing capacity and establish a foundation for consistent service delivery.

Process Improvement & Documentation

- Reviews, streamlines, and standardizes HR processes to improve efficiency, consistency, accuracy, and service delivery while documenting procedures for long-term sustainability.

HR Technology Expansion (Inova System Enhancements)

- Expands the use of the HR software platform to enhance modules such as performance management, learning management, safety, and employee relations to better support employees and operations.

Health, Safety & Risk Management Initiatives

- Implements education, outreach, and safety initiatives to reduce workplace accidents, manage risk, and improve employee safety outcomes.

Public Safety Compensation Review

- Conducts a comprehensive review of police and fire pay plans to maintain market competitiveness and address pay compression and internal equity concerns.

Director of **Economic Development, Joanna Helms** gave the following initiative highlights:

Certified Entrepreneurial Community (CEC) Designation

- Pursues a nationally recognized certification to strengthen Apex's entrepreneurial ecosystem, support homegrown businesses, and provide resources and a roadmap for entrepreneurs.

Depot Space Evaluation & Future Planning Study

- Conducts a review of the Depot facility to assess future space needs as department programs, services, and community demands continue to grow.

Tourism 2.0 Initiative

- Expands the Town's tourism strategy by attracting more experiential and destination-based businesses, encouraging visitors to stay longer, participate in activities, and contribute to the local economy.

Industrial & Business Growth Support

- Supports continued economic growth through increased industrial activity, business inquiries, and development opportunities within the Town.

Finance Director, Jon Griffin gave the following initiative highlights:

Finance Department Staffing & Capacity Building

- Rebuilds and strengthens the Finance team by filling vacancies and stabilizing staffing levels to improve service delivery and operational capacity.

ERP System Implementation & Integration

- Continues the transition to the new enterprise resource planning (ERP) system by integrating accounting functions with the budgeting system and improving system effectiveness.

Contracting System Implementation

- Supports the continued use and refinement of the new contracting system to improve contract management processes and efficiency.

Building System Integration

- Manages implementation and integration of the new building system to ensure financial and operational processes are aligned.

Standardized Finance Processes & Operational Resilience

- Develops documented, repeatable processes to strengthen financial operations, improve consistency, and provide reliable internal customer service.

[PORTFOLIO UPDATE - DEVELOPMENT AND OPERATIONS]

Assistant Town Manager Marty Stone said his team was actively managing a significant volume of ongoing work, particularly related to continued growth and development occurring throughout the community.

Director of Water Resources, Jonathan Jacobs presented the following initiatives:

Water System Reliability & Redundancy Program

- Focuses on improving system reliability through asset management, capital planning, and infrastructure investments based on updated water system modeling.

Water Distribution System Master Plan Update

- Updates the water distribution plan to guide future growth, coordinate development needs, and ensure adequate water infrastructure capacity through 2050.

Wastewater Collection System Master Plan Update

- Evaluates the wastewater collection system to identify improvements, pump station needs, capacity upgrades, and opportunities to increase operational efficiency.

Long-Range Water Resources Plan Update

- Reviews future water supply needs based on continued growth and development to ensure long-term resource planning and sustainability.

Capital Project Coordination Initiative

- Strengthens coordination between Water Resources and other departments to align projects, reduce public impacts, avoid duplicate work, and improve cost efficiency.

Public Education & Outreach Program

- Expands community education efforts through programs such as Community Development sessions and Home University to increase awareness of utility services and responsibilities.

Capital Reimbursement & Development Fee Study

- Reviews developer and system impact fees to ensure equitable cost recovery, address high water-use customers, and establish appropriate rates for specialized services such as cooling towers and reclaimed water.

Western Wake Regional Water Reclamation Facility Expansion Planning

- Works with regional partners to evaluate future expansion needs, ownership capacity, and financial impacts associated with the facility expansion planned for 2035.

Water Reclamation Facility Master Plan & Efficiency Study

- Evaluates facility operations, future needs, and efficiency improvements to increase capacity and improve performance without unnecessary expansion.

Pleasant Park Elevated Tank Project

- Completes construction and painting of the elevated water tank, including updated Town branding and improved infrastructure visibility.

Electric Vehicle & Sustainability Initiative

- Expands the use of electric and hybrid vehicles within Water Resources to improve efficiency, reduce emissions, and support sustainability goals.

Stormwater Maintenance Program Expansion

- Establishes dedicated stormwater maintenance staff and implements a structured maintenance program funded through the stormwater utility.

Stream Restoration Projects

- Advances three stream restoration projects at Apex Nature Park, Cat Crossing, and Walnut Woods to improve water quality, environmental resilience, and stormwater management.

Reclaimed Water System Planning

- Studies opportunities to develop a reclaimed water network to support future customers and improve resource conservation.

Advanced Metering Infrastructure (AMI) Implementation

- Transitions meter services from manual reading to advanced monitoring and troubleshooting, requiring updated roles, processes, and service responsibilities.

Big Branch 2 Project

- Advances the Big Branch 2 project toward bidding and construction following completion of the current appeal process.

Apex Water Reclamation Facility Efficiency Improvements

- Evaluates operational improvements and future opportunities to enhance facility performance and support reclaimed water initiatives.

Director of **Inspections and Permits- Rudy Baker** presented the following initiative updates:

Inspection Software System Development & Testing

- Continues development and testing of the new inspections software system to improve inspection operations, workflow efficiency, and service delivery.

In-House Inspector Training & Certification Program

- Develops internal training opportunities to help inspectors complete required state certifications while improving consistency and knowledge across the department.

Staff Recruitment & Retention Initiative

- Focuses on hiring and retaining qualified code officials to support increasing development activity and maintain inspection capacity.

Major Development Project Support

- Provides inspection services for significant construction projects, including large-scale developments and surrounding infrastructure, ensuring compliance with building codes and regulations.

Large-Scale Residential Development Inspections

- Manages increased inspection demands associated with major residential growth, including 17 apartment buildings totaling approximately 956 units, along with related structures and site improvements.

Director of Transportation and Infrastructure Development, Chris Johnson,
presented the following initiative highlights:

Pavement Condition Survey & Preservation Program

- Conducts the three-year pavement condition survey cycle to guide annual resurfacing and preservation programs, with a focus on extending roadway life and reducing long-term maintenance costs.

Capital Improvement Project (CIP) Management

- Manages major transportation and infrastructure projects through consultant coordination, contract administration, construction oversight, and in-house design for smaller projects to improve efficiency and control costs.

Vision Zero Safety Program Implementation

- Advances roadway safety improvements through projects such as West Williams Street upgrades, intersection improvements, signage and parking enhancements, and maintenance of rapid flashing crosswalk systems.

Traffic Infrastructure Upgrades

- Updates and modernizes traffic safety systems that are aging or no longer compliant, including pedestrian crossings and related transportation infrastructure.

Development Services Process Improvements

- Enhances efficiency and customer experience in land development services through improved processes, staff training, and better coordination with developers, residents, and customers.

North Carolina Children's Hospital Project Support

- Coordinates planning, plan review, inspections, and construction activities associated with the new hospital development project.

Private Development Inspection & Construction Oversight

- Oversees inspections and construction activity for major private developments, including large-scale residential, commercial, and industrial projects throughout the Town.

US 64 Development Coordination

- Manages increased development activity and construction impacts along the US 64

corridor, including projects such as Legacy Station, Elevate 64, industrial developments, and Apex Gateway.

Infrastructure Delivery & Land Acquisition

- Supports capital projects through strategic property acquisition, infrastructure delivery, and long-term planning for future Town needs.

Strategic Land Stewardship

- Evaluates and manages Town-owned properties to ensure land resources support future operational and community priorities.

Real Estate Process Innovation & Operational Improvements

- Improves real estate processes by standardizing acquisition timelines, strengthening department coordination, and enhancing reporting and digital tracking systems.

Director of Electric Utilities, Kathy Moyer, presented the following initiative highlights:

Electric System Reliability, Affordability & Sustainability Strategy

- Focuses on maintaining a dependable electric system while managing costs, supporting growth, improving efficiency, and advancing sustainability goals.

Electric Capacity Expansion & Load Growth Management

- Addresses increasing energy demand by expanding transformer capacity and developing additional points of delivery, including two new substations, to support residential, commercial, and industrial growth.

New Technology Integration & Grid Modernization

- Implements emerging technologies and innovative solutions to improve system reliability, efficiency, and operational performance.

Wholesale Power Optimization & Load Management

- Evaluates opportunities to maximize wholesale power agreements, manage energy demand, and improve cost efficiency through strategies such as load management programs.

Renewable Energy & Emerging Energy Resources

- Explores opportunities involving solar, electric vehicles, battery storage, and other generation resources to support sustainability and future energy needs.

Environmental Sustainability & Energy Conservation Initiatives

- Works with sustainability efforts to reduce environmental impacts and advance conservation programs, including evaluation of time-of-use rate strategies.

Aging Infrastructure Maintenance & Replacement Program

- Develops a proactive maintenance strategy to address aging electric infrastructure from the 1990s and early 2000s, ensuring continued reliability and extending asset life.

Director of Planning, Dianne Khin, presented the following initiative highlights:

Succession Planning & Workforce Development

- Develops strategies to address upcoming retirements and ensure knowledge transfer,

particularly among zoning compliance officers with specialized horticulture and arborist expertise.

Zoning Compliance Officer Recruitment & Retention

- Focuses on maintaining staffing levels and replacing experienced compliance officers who ensure approved development plans are properly implemented in the community.

Current Planning Staff Support & Process Improvements

- Supports current planning operations while managing increased workload, staff transitions, and major development activity, including completion of the EnerGov/permit system transition.

Permitting System Transition (EnerGov Implementation)

- Completes the transition to a new permitting and planning system to improve efficiency, streamline processes, and support development review activities.

Comprehensive Plan & Long-Range Planning (Apex 2055)

- Advances long-term community vision planning while using strategic planning efforts to identify tactical steps and actions needed to achieve future goals.

Transit Planning Initiatives

- Supports future transportation planning efforts, including transit studies and coordination with regional partners to address long-term mobility needs.

Pleasant Park Access Study

- Conducts an access and transportation study in partnership with CAMPO to evaluate future connectivity and infrastructure improvements.

CSX Relocation Planning Study

- Evaluates potential future CSX relocation options through planning and feasibility analysis to support long-term transportation and development goals.

Safe Routes to School & Safety Projects

- Advances projects focused on improving safety, accessibility, and connectivity around schools and community facilities.

Environmental Preservation & Sustainability Initiatives

- Collaborates with sustainability staff, Parks and Recreation, and the Environmental Advisory Board on environmental programs, including upcoming preservation efforts.

Director of Public Works Director, John Mullis, presented the following initiative highlights:

Facilities Asset Management & Clean Energy Improvements

- Supports building operations through clean energy initiatives, including installation of electric vehicle charging stations and improved energy efficiency measures.
- Develops a comprehensive vertical asset inventory to document critical building systems, including mechanical and electrical equipment, to improve maintenance planning and reduce failures.

Fleet Operations Optimization & Predictive Maintenance

- Uses vehicle data, telemetry, and analytics to improve fleet scheduling, maintenance

1 planning, and asset utilization.

2 • Focuses on right-sizing the fleet by identifying underutilized vehicles and improving
3 operational efficiency.

4 **Fleet Artificial Intelligence (AI) Technology Pilot - Raven Program**

5 • Conducts a cross-departmental pilot using AI cameras on solid waste vehicles to collect
6 operational data, assess service needs, monitor roadway conditions, identify signage issues,
7 and support future business improvements.

8 **Vehicle Fleet Use Policy Implementation**

9 • Develops and implements updated fleet policies to improve vehicle management,
10 accountability, and operational practices.

11 **Data Operations & Technology Support Expansion**

12 • Enhances software support, training, and technology integration across departments,
13 including platforms such as Cityworks and other operational systems.

14 • Supports technology initiatives, including AI tools, software rollouts, and expanded
15 capabilities for Ask Apex.

16 **Street Maintenance & Infrastructure Improvements**

17 • Maintains and improves roadways and sidewalks through pothole repairs, curb repairs, ADA
18 improvements, signage maintenance, and addressing safety concerns.

19 • Partners with transportation teams to support infrastructure projects and operational needs.

20 **Solid Waste Operational Efficiency & Service Modernization**

21 • Uses data and analytics to improve solid waste operations and advance sustainability goals.

22 • Leads the transition to yard waste containerization while coordinating public education and
23 community outreach efforts.

24
25
26 **[PORFOLIO UPDATE - COMMUNITY AND SAFETY]**

27
28 **Assistant Town Manager, Demetria John**, introduced the Community and Safety
29 portfolio, known as the Gold Standard group.

30
31 **Fire Chief Timothy Herman**, presented the following initiative highlights:

32
33 **Fire Department Accreditation**

34 • Advances the department's goal of achieving national fire service accreditation in 2026
35 through completion of required assessments, documentation, and preparation for the peer
36 site visit.

37 • Represents a major milestone focused on strengthening department standards,
38 performance, and service delivery.

39 **Fire Station Consolidation & Municipal Campus Development (Station 1 and Station 3
40 Project)**

41 • Develops a new municipal complex by combining Fire Station 1 and Station 3 operations
42 into a larger campus facility.

- Supports future growth by improving emergency response capabilities, coordinating with other departments, and creating space for expanded municipal services.

Director of Parks, Recreation, and Cultural Resources, Craig Setzer, presented the following initiative highlights:

Parks, Recreation & Cultural Resources Department Initiatives

Operational Efficiency & Department Growth

- Focuses on improving operations, staffing, and service delivery as the department continues to grow in facilities, programs, and community demand.
- Addresses increased maintenance needs through additional staffing and improved operational support.

Greenway Expansion & Maintenance

- Expands and maintains the Town's growing greenway system to ensure trails and natural areas remain safe, accessible, and well-maintained.

Senior Center Program Expansion

- Supports increased demand at the Senior Center by expanding programming and adding staff resources to accommodate participation growth.

Downtown Streetscape Maintenance Program

- Develops strategies and staffing support to maintain new downtown streetscape improvements and ensure continued quality of public spaces.

Special Events & Pleasant Park Support

- Adds staffing resources to support increased special events, facility operations, and the growing number of visitors at Pleasant Park.

Parks Accreditation Initiative

- Pursues national accreditation for the Parks and Recreation Department by establishing dedicated support for the accreditation process, strategic planning, and potential grant opportunities.

Kidstown Playground Renovation

- Replaces and improves the Kidstown playground, including upgrades to the shelter and restroom facilities and consideration of additional amenities.

Apex Community Park Playground Replacement

- Renovates an aging playground with a focus on accessibility improvements and expanded access from parking areas and surrounding facilities.

Beaver Creek Greenway Improvements

- Addresses flooding, erosion, and drainage issues along the greenway system to improve safety, access, and long-term sustainability.

Parks Capital Improvement Projects (CIP)

- Advances major design and construction projects, including West Street design, Reading Branch greenway design, Pleasant Park improvements, environmental education features, and Kidstown improvements.

Facility Maintenance & Renewal Program

- Maintains and upgrades aging recreation facilities, including addressing upcoming repair needs at the John M. Brown Community Center.

Teen Programming Expansion

- Develops additional opportunities for teenagers through social pop-up programs, field trips, and targeted activities to increase engagement.

Employee Engagement & Workplace Culture Initiative

- Supports team building and department-wide engagement efforts to strengthen collaboration and reduce operational silos as the department grows.

Athletic Program Expansion

- Expands youth soccer by adding 40 teams to reduce waitlists and increases recreation opportunities through cricket clinics, abilities cricket, ultimate cricket, and a new street hockey league in partnership with the Carolina Hurricanes.

Special Events Enhancement & Community Entertainment

- Expands community events through increased programming, improved entertainment offerings, and collaboration with other departments and partners.

Community Event Stage Project

- Pursues funding support for a permanent stage to enhance Town and community events.

Fireworks & Drone Show Enhancement

- Expands Independence Day celebrations by adding drone technology to create a larger and enhanced community event experience.

Chief of Police, Ryan Johansen, presented the following initiative highlights:

Personnel Development, Succession Planning & Organizational Culture

- Implements a new approach to personnel development focused on employee growth, succession planning, training, and strengthening organizational culture.
- Aligns department resources through reorganization to better support community priorities and operational needs.

Special Events Policing Team

- Establishes a dedicated team to support safe and successful community events through coordination with Parks and other town departments.

Regional Partnerships & Collaboration

- Expands partnerships with surrounding law enforcement agencies through regional task forces to address crime and public safety challenges beyond town boundaries.

Technology Modernization (CAD/RMS System Evaluation)

- Evaluates replacement of outdated computer-aided dispatch and records management systems to improve efficiency, increase officer availability, and enhance operational capabilities.

Data-Driven Traffic Safety Program

- Implements a data-driven approach to identify high-injury locations and primary crash factors to focus enforcement efforts and reduce traffic-related injuries.

Mental Health Response Expansion (CART Unit)

- Expands the co-response model with mental health professionals to provide case management, connect individuals with resources, and address underlying mental health needs.

Community Transparency & Communication

- Enhances public communication efforts through social media and outreach to increase awareness of police activities, community programs, and public safety initiatives.

Long-Term Recruitment & Explorer Program Development

- Develops future workforce pipelines through youth engagement and explorer programs to encourage law enforcement careers and support workforce diversity.

Community Development & Neighborhood Connections Director, Marla Newman, presented the following initiative highlights:

Personnel Development, Succession Planning & Organizational Culture

- Implements a new approach to personnel development focused on employee growth, succession planning, training, and strengthening organizational culture.
- Aligns department resources through reorganization to better support community priorities and operational needs.

Special Events Policing Team

- Establishes a dedicated team to support safe and successful community events through coordination with Parks and other town departments.

Regional Partnerships & Collaboration

- Expands partnerships with surrounding law enforcement agencies through regional task forces to address crime and public safety challenges beyond town boundaries.

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- Enhances public communication efforts through social media and outreach to increase awareness of police activities, community programs, and public safety initiatives.

Long-Term Recruitment & Explorer Program Development

- Develops future workforce pipelines through youth engagement and explorer programs to encourage law enforcement careers and support workforce diversity.

Town Manager, Randy Vosburg, asked if there were questions, comments or feedback.

Councilmember Zegerman said it was exciting to hear from multiple departments about software developments. He said platform application structure can be more efficient and some of the Ai initiatives mentioned will help with growth.

Mayor Pro-Tempore Mahaffey said there is a lot of great work and interesting projects and innovation happening. He thanked all the departments for their work.

Councilmember Mu thanked all the departments for all of the information that was put together. She said that she had some ideas for affordable housing.

Councilmember Reese thanked the amazing staff and great leadership that leads to good moral. He said there are a lot of projects and being creative to optimize efficiency in order to make room for some of the larger projects for implementation.

Mayor Gilbert announced a 15-minute recess at 9:45 a.m.

Mayor Gilbert reconvened the meeting at 10:00 a.m.

[PEAK PLAN 2055 UPDATE]

Long Range Planning Manager, Shannon Cox, said this update is being presented to you by our Peak Plan 2055 consultants as a continuation of the work previously presented to Council in December. She said the presentation represented an interim work product for Peak Plan 2055 and would help prepare for the next public forum. She introduced Peak Plan 2055 consultants, Meg Nealon Ms. Nealon and Matt Noonkester, who gave the following presentation:

[SLIDE NO. 1]



1 [SLIDE NO. 2]

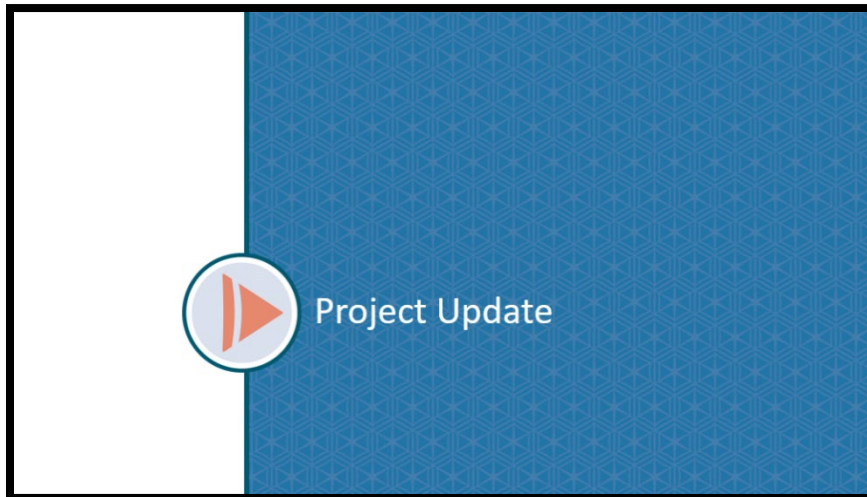


PEAK PLAN
2055 Our Plan. Our Peak.
Our Future.

Agenda

- Welcome
- Project Update
- Stakeholder Engagement
- Peak Plan Goals (Refined)
- Scenario Planning Update
- Next Steps

2
3 [SLIDE NO. 3]



Project Update

4
5 [SLIDE NO. 4]



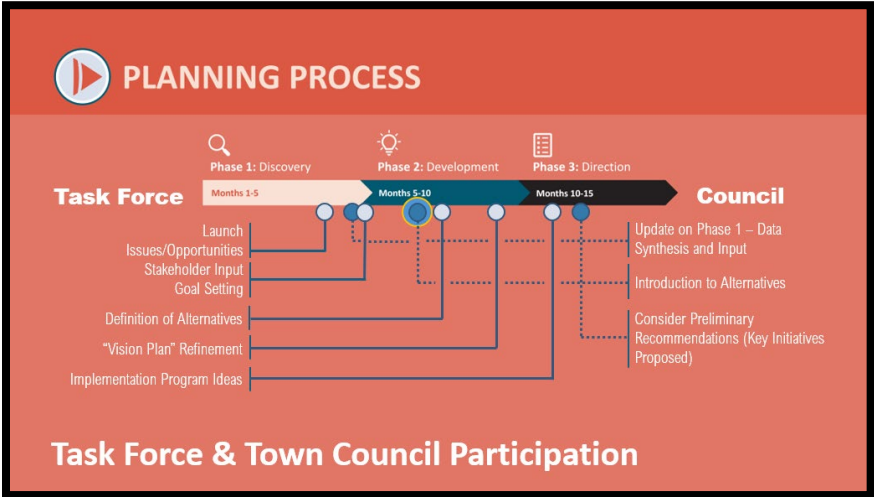
PLANNING PROCESS

Phase 1: Discovery	Phase 2: Development	Phase 3: Direction
Months 1-5	Months 5-10	Months 10-15
- Stakeholder Engagement Plan - Data Collection - Existing Conditions Assessment - Topic-Specific Focus Groups - Public Forum #1	- Land Use + Conservation Scenarios - Public Forum #2 "Vision" Plan - Subarea Concepts	- Policy Recommendations & Action Plan - Public Forum #3 - Plan Production (Review Drafts)

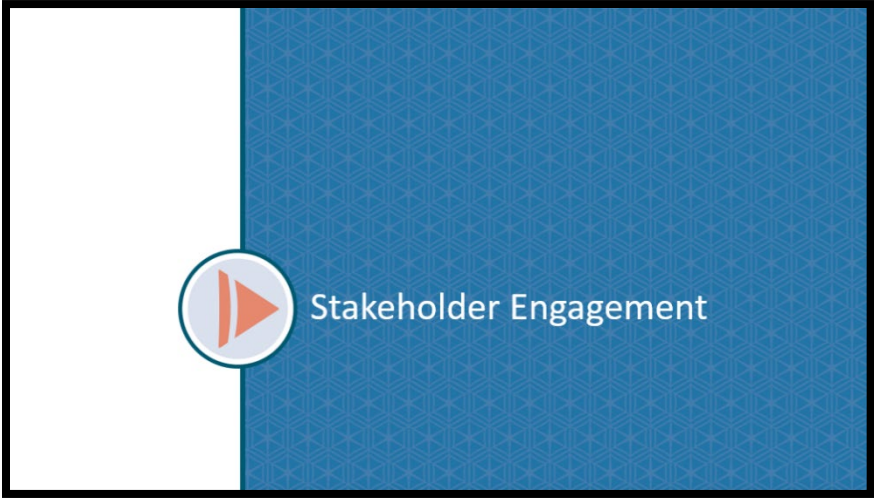
This 3-phase process concludes with the publishing of the Public Review Draft of the updated comprehensive plan and transportation plan. The adoption process will follow. The adoption schedule will be established by the Town.

6

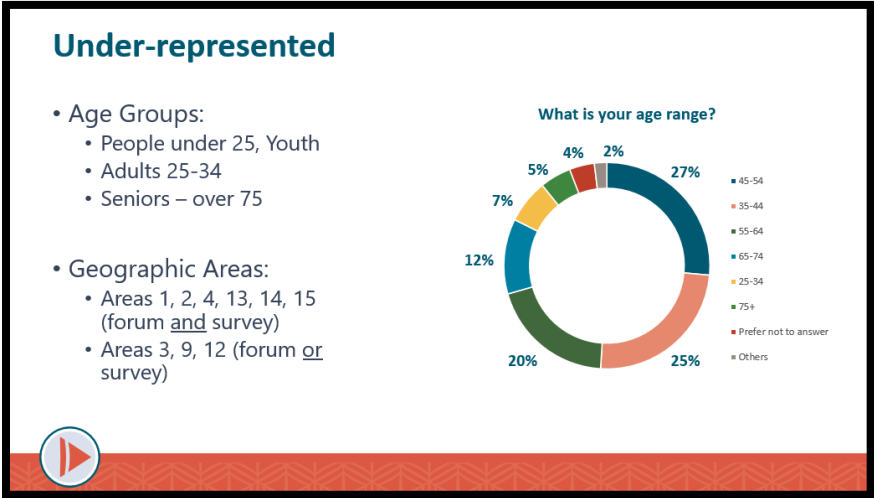
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2
3 [SLIDE NO. 6]

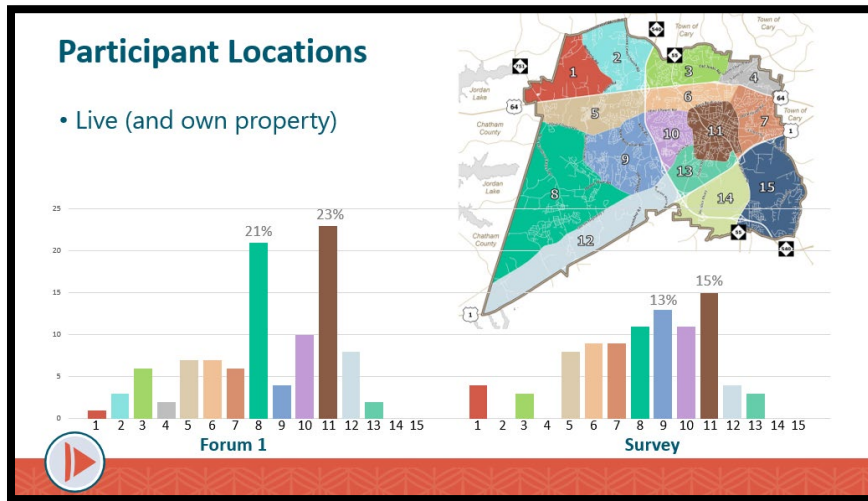


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5 [SLIDE NO. 7]

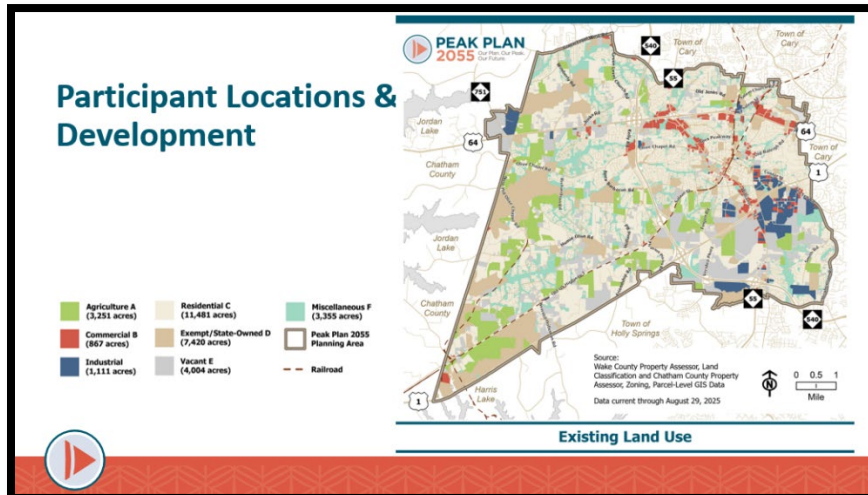


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1 [SLIDE NO. 8]



2
3 [SLIDE NO. 9]



4
5 [SLIDE NO. 10]

- ### Upcoming Engagement Activities
- Public Forum 2 and Public Forum 3
 - Flyer, yard signs, social media posts, e-blasts and press release ahead of each
 - Task Force meetings 4 and 5
 - Website updates
 - NC 55 Corridor (outreach and brief survey)
 - NC 55 Open House (host with NCDOT)
 - Focus Groups:
 - Youth Council, high school students
 - ASBN Group (Chamber)
 - Employees of corporations (i.e., Dell)
 - Seniors (Senior Center)
 - Minority community representatives

[SLIDE NO. 11]

Additional Activities to Consider

Expanded Access to Forum 2	Other
• High School Student Hour (before) • Recorded presentation - online • Presentation display boards - online • Brief survey - online	• Meeting-To-Go Packets • Pop-Up Meetings* (April): • Planned Events (e.g., young professionals networking event, sports events at parks, etc.) • Church groups (including youth groups) • High schools • Local gathering spots

* If Staff determines need, pop-up meetings will be identified, scheduled, and hosted in April by Staff using online content and printed handouts and surveys.

Councilmember Reese suggested organizing focus groups based on the length of residency, including newer and long-time residents, to capture different a broader range of community perspectives. He asked whether those viewpoints were already represented in the engagement results.

Ms. Nealon said that neighborhood focus groups include both newer residents and those who had lived in Apex for generations but agreed additional outreach could be considered.

Councilmember Mu suggested partnering with homeowners associations (HOAs) to expand community outreach and encourage broader participation.

Ms. Nealon agreed that partnering with HOAs would be an effective way to reach more communities. She added that the outreach efforts leading up to the public forum would also contribute to the engagement data.

Mayor Gilbert asked whether the engagement data included demographic informationbreakdown such as gender or age.

Ms. Nealon said that question had not been asked. She said the available demographic information was limited to age and a few other characteristics.

Councilmember Zegerman asked if the consultants were satisfied with the level of community participation to date.

Ms. Nealon said participation had been strong so far, citing attendance at public forums and survey responses. She said the focus was on identifying consistent themes across multiple engagement methods, including surveys, public forums, focus groups, task forces and public comment.

Mr. Noonkester said that the quality of community engagement was more important than achieving a specific participation percentage.

Councilmember Zegerman said the importance of ensuring the engagement process reflected a broad cross-section of the community rather than relying primarily on recurring participants.

1 **Ms. Nealon** said that is a good point because, noted that many of the same
2 individuals participate in public engagement efforts, making expanded outreach an
3 important part of the process.

4 **Councilmember Zegerman** said many of the same residents regularly attend every
5 public forum and asked how consultants ensure input is represented from the broader
6 community.

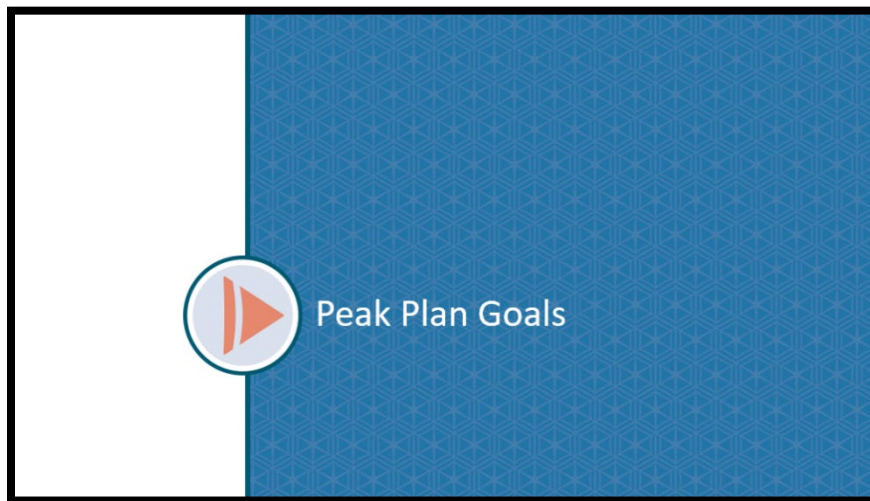
7 **Ms. Nealon** said the consultants were using a combination of additional focus groups
8 and other engagement opportunities to broaden participation but also some people take
9 advantage of packet to do their own groups.

10 **Mayor Gilbert** said community participation and ensuring diverse voices are
11 included throughout the engagement process. He suggested incorporating youth
12 perspectives as part of the community engagement efforts.

13 **Ms. Nealon** said the consultants were exploring opportunities to increase youth
14 participation by hosting a dedicated hour for high school students during the upcoming
15 public forum. She said students would have an opportunity to preview the materials, ask
16 questions, and potentially receive school credit for participating. She added that staff had
17 also discussed conducting outreach directly at local high schools to make participation more
18 accessible for students.

19
20 **Ms. Nealon** proceeded with the Peak Plan Goals part of the presentation.
21
22

[SLIDE NO. 12]

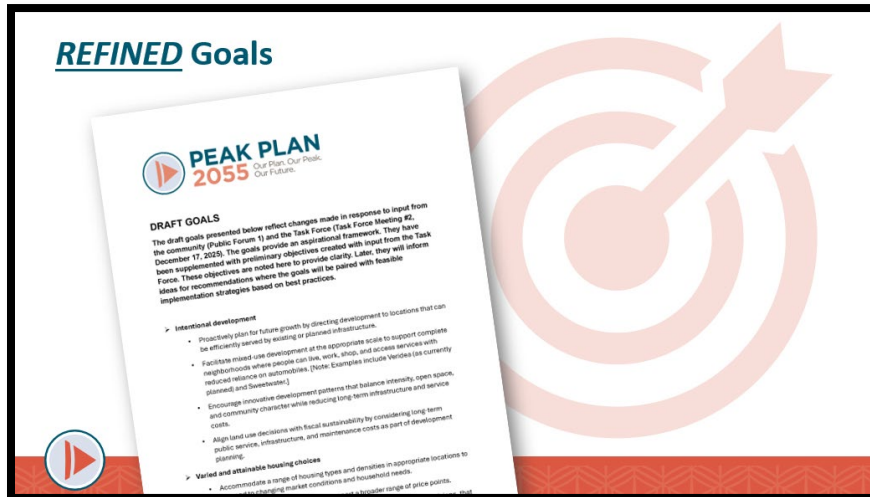


23
24 **Town Clerk Coleman** clarified that the PowerPoint is first, followed by the two-page
25 goals document, and then the exhibits behind the goals document, making the full goals
26 package four pages total.
27

1 **[SLIDE NO. 13]**



3 **[SLIDE NO. 14]**

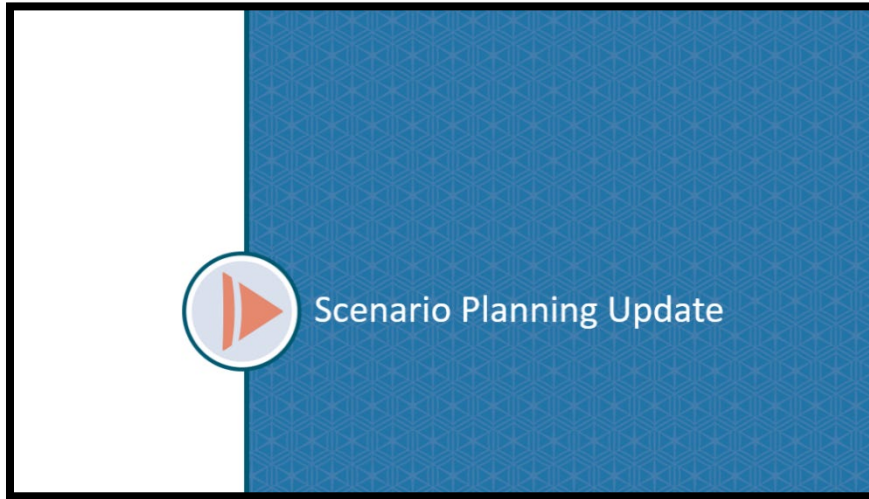


Councilmember Reese asked whether there was an intended meaning behind the word “historic” that had been added

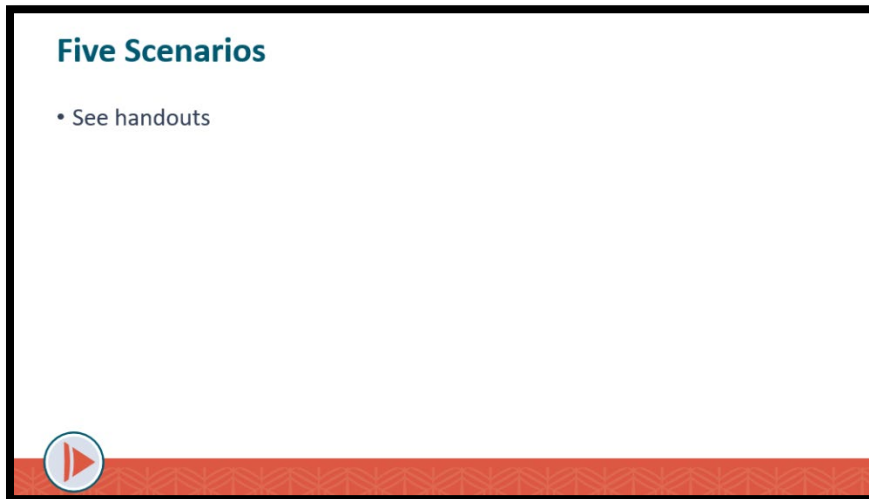
Ms. Nealon said that someone added it and it remained, but that it was meant to explicitly recognize the historic feature that is part of what makes downtown.

1 **Mr. NoonKester** continued with this part of the presentation.

2 **[SLIDE NO. 15]**

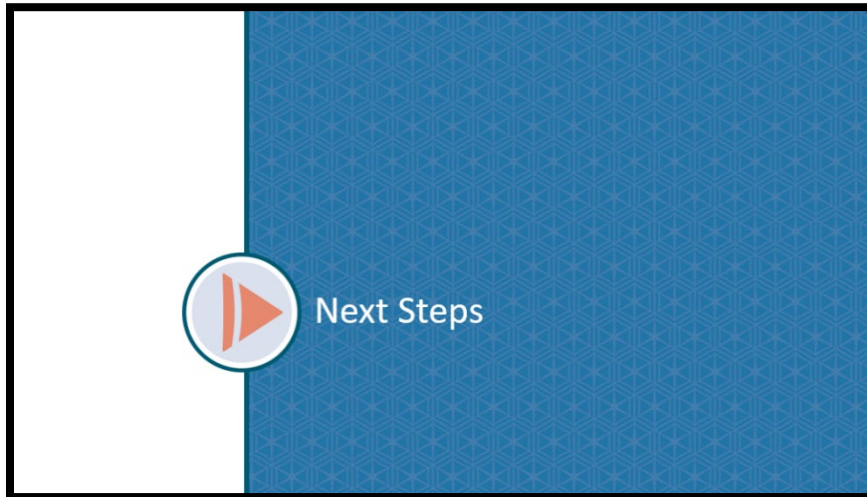


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4 **[SLIDE NO. 16]**



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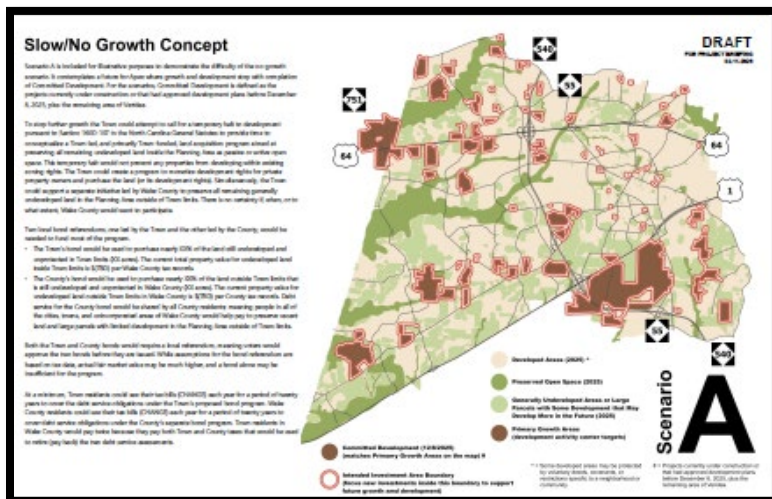
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3 [SLIDE NO. 18]



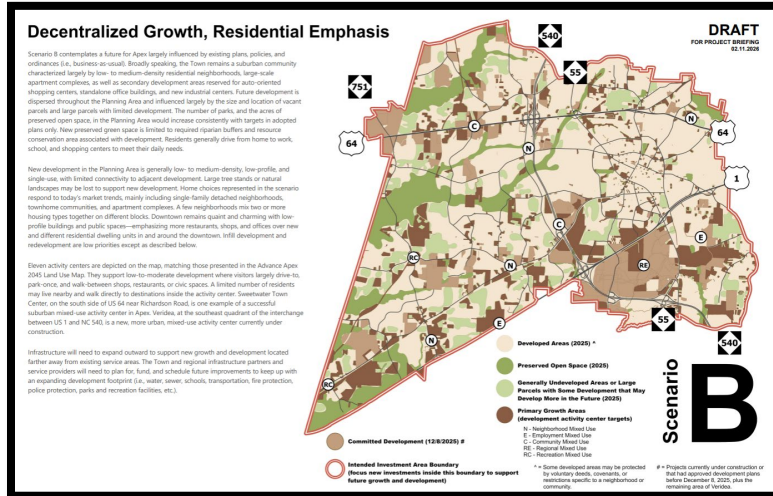
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5 [SLIDE NO. 19]



6

Mr. Noonkester asked Council if there were any questions or comments on Scenario A; hearing none; he moved on to Scenario B.

[SLIDE NO. 20]



Mr. Noonkester asked Council if there were any questions on Scenario B and compared both drafts to highlight how different they are.

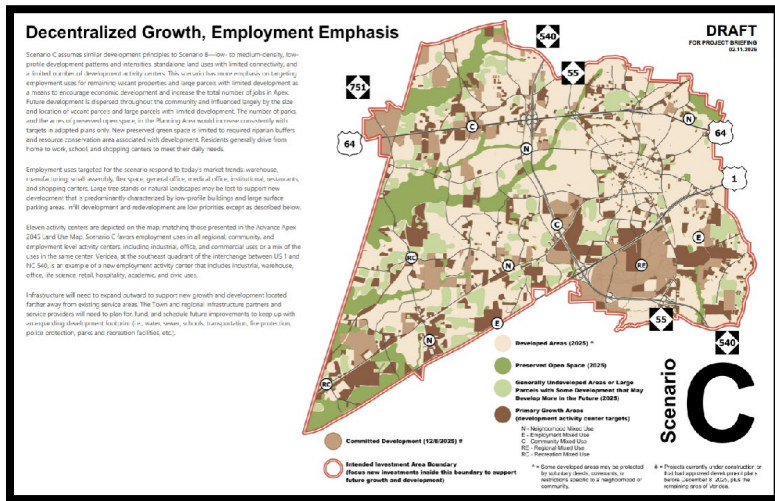
Councilmember Zegerman asked how the sites are selected for primary growth on the maps. He noted that some areas are consistent with the 2045 land use map, while others are rural residential areas intended for preservation that are now identified for primary growth, which seems inconsistent with those intentions.

Mr. Noonkester said “primary growth” means it is available, or “at play”, and does not indicate what it will become.

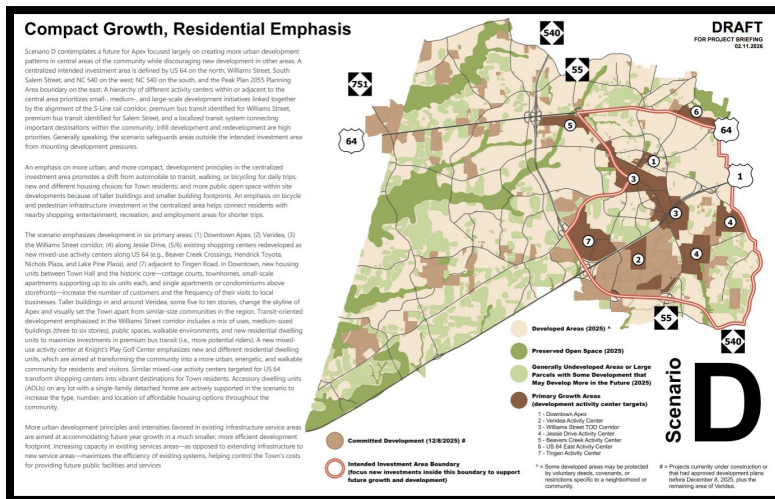
Councilmember Zegerman asked what “available” meant.

Mr. Noonkester said that parcels could be developed in the future and, if developed, could only be used for residential purposes. He added that the parcels should be vacant and that the map does not indicate future use; any development would still have to align with the 2045 plans.

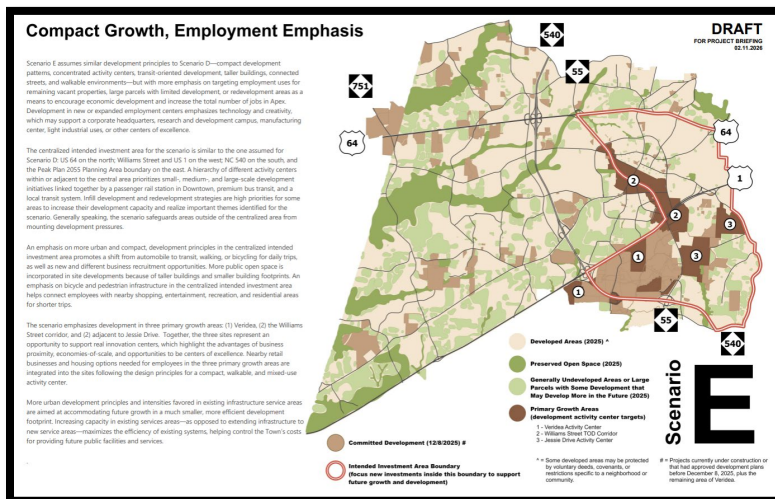
1 [SLIDE NO. 21]



**2
3 [SLIDE NO. 22]**



**4
5 [SLIDE NO. 23]**



1 **Town Manager Vosburg** asked whether the growth scenarios reflect an underlying
2 preference for more compact development. He noted that concepts such as efficient
3 infrastructure, preservation of open space, and redevelopment are generally recognized as
4 sound planning principals and asked if those principals influenced the development of the
5 more compact development for options D & E.

6 **Mr. Noonkester** said that the hardest part is naming the scenarios and that the
7 options are grouped as A, B, C, and D, though these labels may change. He added that
8 compact growth is generally associated with efficient infrastructure, preservation of open
9 space, and redevelopment, and asked whether those principles influenced how the scenarios
10 were developed even if they were not explicitly labeled that way. He said the vote should be
11 based on the information, not the title.

12 **Councilmember Zegerman** said that the plan should become more transit-oriented,
13 with more bicycles and pedestrian enabled areas, but he did not see those concepts
14 reflected in the goals and recommended forming goals specifically around those
15 transportation principles.

16 **Mr. Noonkester** acknowledged and said transit is all over the Apex area.

17 **Councilmember Reese** recommended that whichever scenario is chosen, Council
18 should look at how it impacts traffic.

19 **Mr. Noonkester** said that with multiple scenarios, transitory development can be
20 difficult to evaluate and that even if 50% of trips are captured by transit in urban areas, the
21 other 50% still represent additional cars that could come to the area, so there must be a
22 balance.

23 **Councilmember Reese** recommended presenting the likely consequences and
24 tradeoffs for each growth scenario, including potential impacts on traffic, taxes, infrastructure
25 and public safety along with the benefits and challenges for each option, to support more
26 informed choices.

27 **Mr. Noonkester** said the comment is noted and that the performance measures
28 would be created and brought back to show the impacts of each scenario, along with future
29 coordination with different departments on f rules, laws and impacts. He said there will be a
30 public forum for a side-by-side comparison of the results.

31 **Mayor Pro-Tempore Mahaffey** asked whether the same type of infrastructure cost
32 and revenue analysis completed for Scenario A could also be provided for Scenarios B and C
33 to better compare their long-term financial impacts. He suggested quantifying infrastructure
34 investment needs alongside expected tax revenue to evaluate the overall feasibility and
35 sustainability of each scenario. He said some areas identified for growth already have water,
36 sewer, and other infrastructure in place, so the additional investment required may be less
37 than the maps suggest and should be reflected in the analysis.

38 **Councilmember Zegerman** asked for at least a high-level financial impact view of all
39 the scenarios, noting that the financial impact should not be assumed to be zero if nothing is
40 done because it is not.

41 **Mayor Pro-Tempore Mahaffey** said that there is a map and then there is the as-built
42 practical reality.

1 **Mr. Noonkester** said that moving forward, the question is Apex can address its
2 growth cycle and that neighborhoods cannot be ignored in order to meet the budget. He
3 said the Town must be strategic for all of these scenarios.

4 **Councilmember Mu** said there was residential and mixed use included in the
5 scenarios, but not commercial areas, and asked whether there had been any studies on
6 whether a centralized commercial area to provide jobs, attract residents, and give the town
7 with more buying power from other municipalities, thereby supporting Apex's economic
8 development and reduce the tax burdens on residents. She asked for staff to do more
9 research on integrating commercial development.

10 **Mr. Noonkester** said that would be addressed in scenario E.

11 **Councilmember Reese** suggested highlighting external factors beyond the Town's
12 control that may strengthen or undermine each scenario.

13 **Mr. Noonkester** said the partners meeting mentioned earlier for Hwy 55, including
14 what level of transit premium is premium is appropriate, is where that would be discussed.

15 **Councilmember Reese** said the other consideration was being as realistic as possible
16 about adoption rates.

17 **Mr. Noonkester** said they were also looking at mass transit and what that investment
18 would look like, because that could be a major risk for Scenarios B and D, where urban
19 density is planned but the transit needed to support it may not materialize. He said that the
20 urban scenario does rely on transit to help people.

21 **Councilmember Zegerman** asked what TOD stood for.

22 **Mr. Noonkester** said Transit Oriented Development.

23 **Mayor Pro-Tempore Mahaffey** asked whether the area at Hwy 64 and the
24 undeveloped area between US-1 represented potential employment growth opportunities
25 and, if so, why they were not included in the scenarios.

26 **Mr. Noonkester** said the work is still evolving and that this area is the intended
27 investment and growth would go. He said the work is underway on the next model, and the
28 scenarios had been considered a long US-1, but there were limited funds and, if certain
29 places were prioritized, they would be considered in scenario E.

30 **Mayor Gilbert** thanked everyone for all of the work.

31
32 **[FACILITIES UPDATE]**

33
34 **Senior Capital Projects Manager, Daniel Edwards**, presented the Facilities update in
35 the following presentation:

1 **[SLIDE NO. 1]**



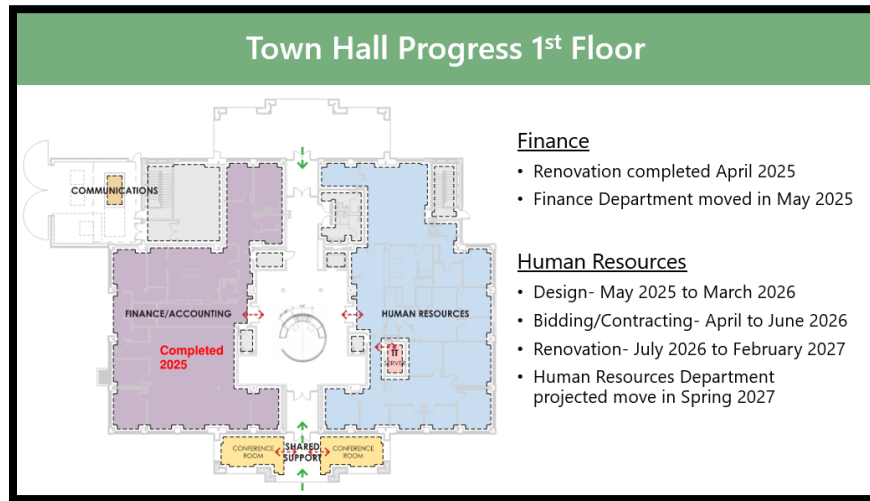
2
3 **[SLIDE NO. 2]**



4
5 **[SLIDE NO. 3]**



[SLIDE NO. 4]



Town Manager Vosburg said that the security improvements were based on recommendations from a cross-departmental security team that evaluated Town facilities and identified the need for a dedicated staff entrance. He said the team also reviewed access control practices used by other government entities and considered recent security incidents when developing the recommendations to enhance safety throughout Town's campus.

Mayor Pro-Tempore Mahaffey asked whether the conference rooms shown at the bottom of the plan were part of the proposed addition.

Mr. Edwards said the conference rooms were included in the Town's 20-year facilities plan and explained that the existing porch could be enclosed with storefront glass, if needed, to match the existing building.

Mayor Pro-Tempore Mahaffey asked how many employees would need to be relocated during the renovations.

Assistant Town Manager Stone said approximately 18 employees would need to be temporarily relocated during the renovation. He said that staff had been evaluating potential workspace options for approximately six (6) months but noted that there is limited office space available that meets the Town's operational needs.

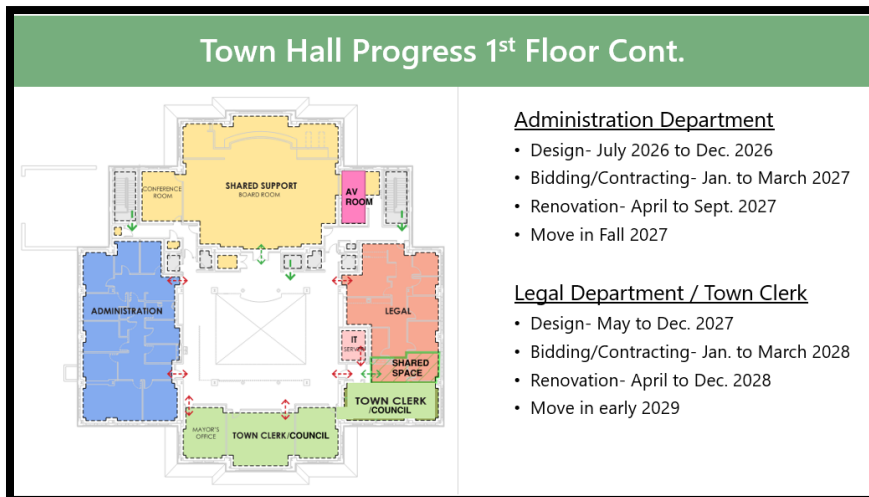
Mayor Pro-Tempore Mahaffey asked about leasing space for a year.

Assistant Town Manager Stone said that commercial offices leases are typically for a minimum of 5 years. He said staff would continue relocated employees within existing Town facilities as needed and noted that the 5-year facilities plan recognizes the need for additional workspace as Apex continues to grow.

1 **[SLIDE NO. 5]**



2
3 **[SLIDE NO. 6]**



4
5 **Councilmember Zegerman** asked whether the renovation would provide additional
6 desks for staff.

7 **Assistant Town Manager Stone** said yes. He explained that the renovation is
8 intended to maximize the efficient use of the existing space.

9 **Councilmember Zegerman** said that, given the estimated \$1.5 million renovation
10 cost, leasing office space for an extended period could be a viable alternative and suggested
11 that a long-term lease option be considered.

12 **Assistant Town Manager Stone** said staff was evaluating leased office space in
13 addition to opportunities associated with future building construction and planned Town Hall
14 expansion.

15 **Assistant Town Manager Stone** said the facilities plan was developed using
16 projected staffing needs, including anticipated impacts from projects such as the future
17 children's hospital, and noted the plan would continue to evolve as the Town's need change.

Town Manager Vosburg said the plan was intended to accommodate projected staffing needs over the next 20-years rather than simply provide additional storage or file space.

Councilmember Zegerman said the space study focused primarily on constructing and owning facilities for Town staff but suggested maintaining flexibility by considering leased office space and other options would allow the Town to scale office capacity as needs change.. He said flexible space could also serve as a swing space during future renovations or reconstruction projects.

Town Manager Randy Vosburg said he agreed but noted that the current challenge is the limited availability of lease space. He said as additional spaces are developed through projects currently underway, staff is working to engage in early discussions with developers to explore protentional opportunities prior to construction.

Assistant Town Manager Stone explained that tenants ae typically responsible for the upfront costs associated with outfitting leased space, and those costs are generally not recovered at the end of the lease term.

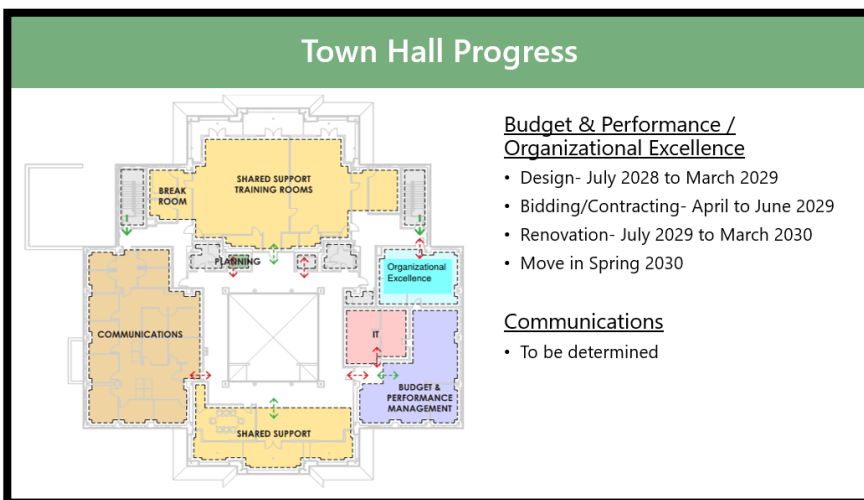
Councilmember Zegerman said that the analysis would consider a long term solution, such as like 20-year timeframe.

Assistant Town Manager Stone stated that the proposed approach is not anticipated to involve new construction but rather the use of existing office space. Potential modifications could include space conversions, carpeting, wall adjustments, cleaning, and other improvements to accommodate operational needs; however, a full build-out is not anticipated

Mayor Gilbert thanked the security staff and asked if the elevator could be updated as part of the improvements.

Mr. Edwards said that the elevator upgrades is not included in the current master plan.

[SLIDE NO. 7]



[SLIDE NO. 8]



Assistant Town Manager Stone stated that the proposed site layout maximizes the available property, as requested by Council, and that additional development would likely require a parking deck. He noted that the three-story building design and site plan accommodate the maximum feasible use of the property, including 141 parking spaces. He also discussed site access challenges and noted that future improvements may be considered, including potential connectivity enhancements, but are not part of the current plan.

Mayor Pro-Tempore Mahaffey asked whether parking limitations were the primary factor preventing the building from exceeding three stories.

Assistant Town Manager Stone said yes.

[SLIDE NO. 9]

Fire Station 3 Renovation and Additions (16,400 SF)

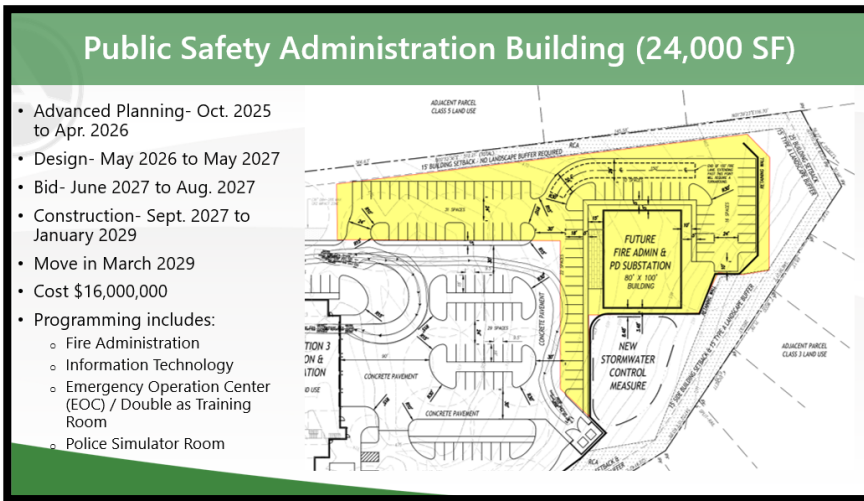
Timeline

- Advanced Planning- July 2025
- Design- Oct. 2025 to Oct. 2026
- Bid*- Nov. 2026 to Jan. 2027
- Construction*- Feb. 2027 to June 2028
- Move in August 2028
- Estimated Cost = \$13,800,000

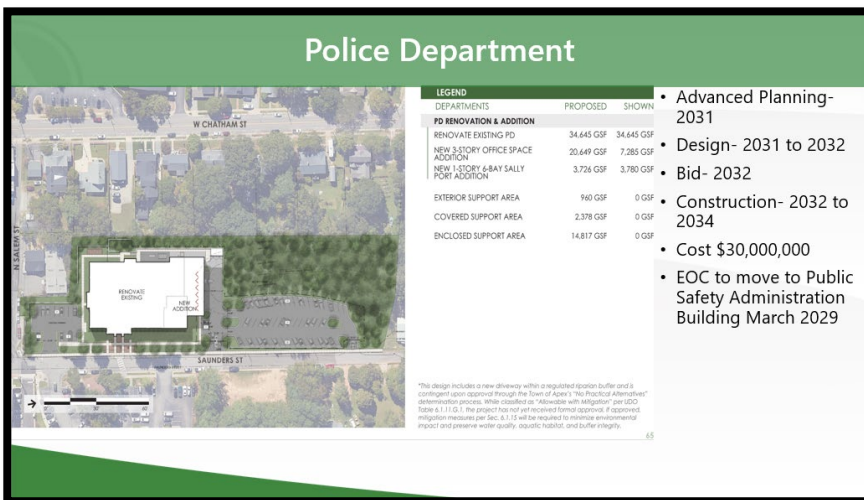
* Recommend delaying and combining with PSA Building in single construction contract

- Saves money
- Improves site coordination
- Delays FS move-in to March 2029

[SLIDE NO. 10]



[SLIDE NO. 11]



Councilmember Mu asked whether the proposal would expand the existing Police Department building.

Mr. Daniels said the proposal would be an addition to the police department if the project moved forward but would still leave the facility approximately 15,000 square feet short of what the projected space needs.

Town Manager Vosburg said there were two primary options for the police facilities, expanding the existing building on the Hunter Street campus or constructing a new standalone Police Headquarters. He said the expansion option would provide additional space but would not fully meet long-term needs, while a new headquarters would provide a more compressive long-term solution.

Mayor Pro-Tempore Mahaffey asked if the estimated \$30 million cost was for the addition to the existing Police Department.

Town Manager Randy Vosburg said yes.

Councilmember Mu asked whether the project cost could increase.

1 **Councilmember Zegerman** said that a new office building could be built for \$60
2 million .

3 **Assistant Town Manager Stone** said renovation is very expensive.

4 **Town Manager Randy Vosburg** said that if we want the police department to stay in
5 its current location then the only option is to add to it but if there is a commitment to moving
6 the police department out of downtown then this needs to be discussed but this the cost
7 projecting the option to keep the police department in its current location with a additions.

8 **Assistant Town Manager Stone** said the concept presented represented the
9 maximum development potential for the existing site, including additional parking and the
10 largest feasible building footprint. He said that even with an estimated \$30 million expansion,
11 the Police Department would still be approximately 15,000 square feet short of its projected
12 space needs, or about 13,000 square feet short when accounting for existing space available
13 in the Administration Building.

14 **Mr. Edwards** added that the projected space shortfall also excluded identified
15 exterior space, noting that additional space has been identified but could not be
16 accommodated on the existing site.

17 **Police Chief Johansen** said the proposed expansion would require an estimated \$30
18 million investment while addressing only about 70% of the Police Department's projected
19 space needs. He noted that the assessment was based on previous staffing projections and
20 did not reflect the updated staffing model presented to Council, which indicates the
21 department is currently approximately 20 positions below its staffing needs. He said future
22 facility planning should account for those additional positions and noted that the assessment
23 also did not include certain features expected in a modern police facility, such as an indoor
24 firearms training range and adequate locker room space. He stated that the department
25 currently has a waiting list of approximately 30 officers needing locker room space and
26 expressed concern that the long-term space needs may already be underestimated. **Mr.**
27 **Edwards** proceeded with defending the Master Plan, and stated the data came from 2023
28 and a lot has changed since 2021.

29 **Councilmember Zegerman** said the proposal represented a significant change from
30 the previous space study and suggested the Town revisit the Master Plan. He expressed
31 concern that expanding the existing site would still result in undersized facility given the
32 Police Department's long-term space needs and recommended a more comprehensive of
33 future space requirements.

34 **Assistant Town Manager Stone** said the current site plan was developed to
35 accommodate Water Resources' operational needs and was not intended to maximize the
36 site's full development potential. He said that additional facilities, such as administrative
37 offices or a new Police Headquarters, were considered, the site plan and building layout
38 would be reevaluated.. He said the property included approximately 5 acres that appear
39 sufficient to accommodate future development. He added that, while staff had not prepared a
40 comprehensive analysis of those potential uses, a new 60,000 square foot Police
41 Headquarters, combined with renovation of the existing approximately 34,700 square foot

Police Department building and available space needs in Town Hall, could provide additional capacity to meet future staffing needs.

[SLIDE NO. 12]



Councilmember Reese asked what direction staff would need from Council to further evaluate the Police Department facility options.

Assistant Town Manager Stone recommended re-engaging with the consultant, if directed by Council, to work with Chief Johansen on an updated space needs assessment and evaluate whether a new Police Headquarters could be accommodated on the Perry Road site through a more comprehensive Master Plan analysis.

Town Manager Randy Vosburg said it was important not to lose momentum in planning for the Police Department's long-term facility needs, noting that changing direction without a clear plan could delay progress. He said if Council chose to pursue a different direction, clear guidance would be needed early in the process because it would significantly affect the assumptions and scope of the current study before additional funding was committed.

Councilmember Zegerman emphasized the importance of being good stewards of taxpayer dollars and avoiding overcommitting the Town's financial resources. He suggested revisiting leased or flexible office space options in light of the Town's significant long-term long-term capital investment needs, including planned municipal facilities, future fire stations, and other major capital projects.

Councilmember Reese suggested obtaining additional input from the consultant to evaluate alternative facility scenarios and how they would align with Peak Plan 2055, including the Town's long-term downtown expansion.

Mayor Pro-Tempore Mahaffey said the discussion should also consider the Town's long-term debt model as a part of evaluating future facility options.

Director Jacobs said the proposed Water Resources facility would not be funded through the same source as General Fund projects it would be supported through enterprise

funds. He noted that while the funding source differs, the overall project cost would still be a consideration in the Town’s broader capital planning efforts.

Town Manager Randy Vosburg said the discussion was not offered as a counterpoint but emphasized the reality of the Town’s approximately \$200 million in planned capital needs and the limitations within the current CIP. He said there is a risk of falling behind in critical infrastructure needs and noted that, during his time with the Town, some internal infrastructure, including systems, facilities, and departmental space needs, had not kept pace with growth. He said that the Town continues to grow, maintaining and investing in essential infrastructure should be viewed as a necessity rather than a wish list.

Councilmember Mu asked for the estimated cost to construct a new Police Department facility.

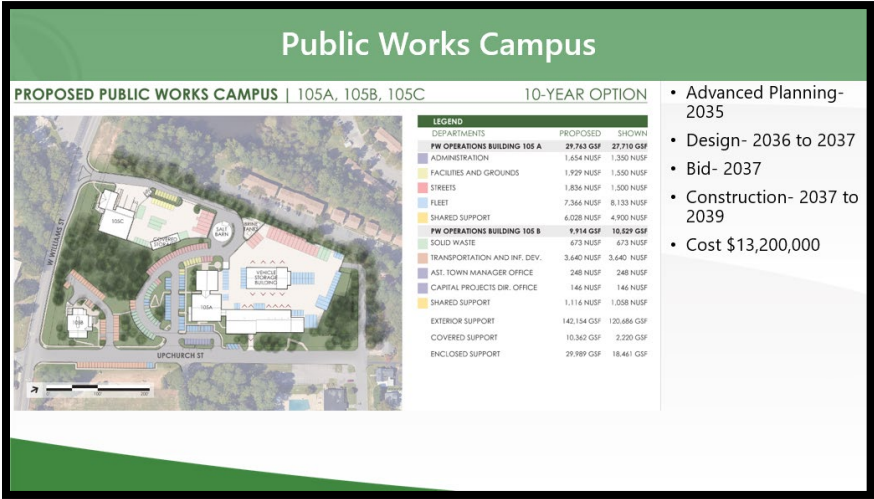
Mr. Edward’s said approximately \$50 million.

Councilmember Mu said that if renovating the existing facility would cost approximately \$30 million and a new facility would be approximately \$50 million, constructing a new facility may provide a better long-term solution. She suggested the existing Police Department facility could potentially be repurposed for office space or leased.

Town Manager Randy Vosburg said the existing facility could either be programmed for additional office space or evaluated for other opportunities, including a potential public private partnership.

Councilmember Reese said that the interactive Apex map identifies the Police Department property value at approximately \$10 million but said he was unsure how that value compared to the current market value.

[SLIDE NO. 13]



[SLIDE NO. 14]

Tunstall House Progress



- Site Construction
 - Phase 1- 9/25 to 1/26
 - Phase 2- 7/26 to 12/26
- House Renovation
 - 10/25 to 8/26

Anticipated Project Completion
December 2026



[SLIDE NO. 15]

Tunstall House Space



First Floor

Available Space

- 4 Private offices
- 2 touchdown spaces
- 2 conference rooms

Second Floor

Furniture

- To be selected based on use

Mayor Pro-Tempore Mahaffey asked if there was any interest in utilizing the existing space for renovations or accommodating the two small teams previously discussed.

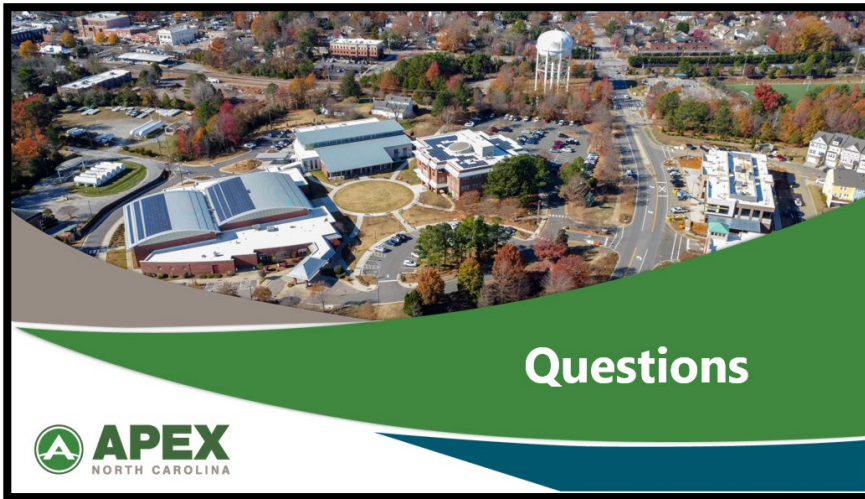
Mr. Edwards said that, it was too small.

Mayor Pro-Tempore Mahaffey asked whether one of the rooms could be used as a temporary swing space for a few years.

Town Manager Randy Vosburg said that was an option and the space could be used as flexible space to temporarily relocate staff during the construction activities.

Mayor Pro-Tempore Mahaffey said he viewed the space as a potential swing space during construction and, after construction was complete, as a possible long-term resource to support for Senior Center space needs.

[SLIDE NO. 16]



Town Manager Randy Vosburg said next on the agenda is lunch and to stay on schedule, asked everyone to be back at 12:30 p.m.

[UNC WORKPLACE CHECK-UP REVIEW]

Organizational Excellence Director, Linda Graham Jones, introduced Professor of Public Administration and Government, with UNC School of Government, Leisha Dehart-Davis, who presented the Workplace Checkup Results.

[SLIDE 1]



[SLIDE 2]

Overview

- ◆ Apex Efforts
- ◆ Response Rates
- ◆ Highlights, Hotspots and Mixed Results
- ◆ Compare individual survey items 2023 and 2025 surveys
- ◆ Compare question categories between 2023 and 2025
- ◆ Next steps

2



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4 **[SLIDE 3]**

Apex Efforts Post-2023 Workplace Climate Survey

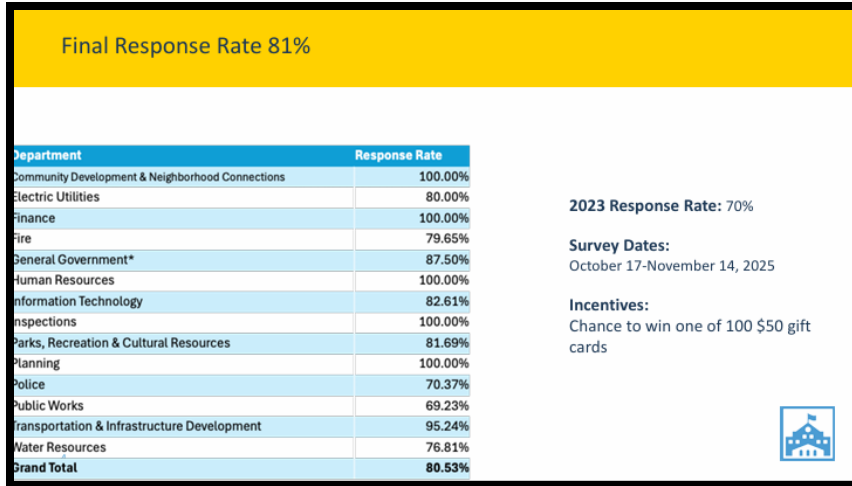
- ◆ Departmental Meetings
- ◆ Focus Groups
- ◆ Department Action Plans
- ◆ Coffee Chat with Randy and Linda
- ◆ Dedicated Survey Website
- ◆ Communications (i.e. flyers, videos, FAQs)
- ◆ Managing and Understanding Citizen Incivility Workshop

3



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6 **[SLIDE 4]**



1

2 **[SLIDE 5]**

Highlights, Hotspots and Mixed Results

Highlights	Hotspots	Mixed Results *
Attitudes towards Organization	Citizen Incivility: Emotional Labor	Autonomy 2/3
Inclusion	Emotional Exhaustion	Citizen Incivility 2/8
Morale	Silence	Communications 4/6
Respect in the Workplace	Workplace Incivility	Employee Engagement 3/4
Rules		Psychological Safety 2/3
Supervision: Empowering		Resources 3/5
Supervision: Evaluating		Satisfaction with Job Facets 4/6
Supervision: Steering		Social Support 2/3
Team Climate		Supervision: Encouraging 3/4
Teamwork		Top-Down Decision Making 1/4
Work Motivation		Voice 2/4
Work Life Balance		

*Survey items with good or excellent responses/All survey items



3

4 **[SLIDE 6]**

Comparing 2023 and 2025 Individual Survey Items

- ✦ 78 survey items were on both surveys
 - ✦ 26 of these items were statistically different across surveys
 - ✦ Remainder mostly improvements, but not statistically significant
 - ✦ 25 of the 26 were improvements, 1 was declines
- ✦ Top Improvements
 - ✦ Supervisory communications
 - ✦ Top-down decision making
- ✦ Decline
 - ✦ Emotional exhaustion



5

6 **[SLIDE 7]**

2025 Departmental Comparisons													
	CD/MC	Electric	Picnic	Fire	Gen. Gov.	HR	IT	Inspections	IR&CA	Planning	Police	PW	T&Dev.
Attitudes towards Organization			1/3									1/3	
Autonomy	1/3	2/3	2/3	2/3	2/3	1/3	2/3		2/3	1/3	2/3	1/3	2/3
Citizen Incivility	1/3	3/3	2/3	6/3	3/3	6/3	6/3	1/3	2/3	2/3		1/3	2/3
Communications	3/3		2/3	5/3	5/3		4/3	5/3	4/3	4/3		3/3	5/3
Emotional Exhaustion													
Emotional Labor			1/3		1/3		2/3						1/3
Employee Engagement	2/4	3/4			2/4		2/4	1/4				3/4	3/4
Inclusion		2/3							3/4	2/4			3/4
Morale		1/4										2/4	
Psychological Safety	1/3	2/3	2/3	1/3			2/3	2/3	2/3	2/3		2/3	2/3
Resources		3/3		3/3	4/3	1/3			4/3		3/3	2/3	4/3
Respect in the Workplace	2/3												
Rules	5/3		2/3	5/3		2/3	5/3	4/3	5/3	3/3		2/3	
Satisfaction: Job Rewards	5/3		3/3	5/3				5/3	3/3	4/3	5/3	3/3	3/3
Silence					2/3	1/3							1/3
Social Support	2/3	2/3	2/3	2/3		2/3			2/3		2/3	2/3	1/3
Supervision: Empowering								3/4	3/4				
Supervision: Encouraging	3/4					3/4		2/4	3/4			3/4	3/4
Supervision: Evaluating	2/3												
Supervision: Steering		1/3				2/3	2/3		1/3			1/3	2/3
Team Climate		2/3				1/3							
Teamwork	2/3					3/3	3/3		1/3			2/3	
Top-Down Decision Making		3/4			2/4	1/4	1/4	2/4	1/4		2/4	1/4	2/4
Voice			3/4			3/4	2/4	2/4	1/4	3/4		1/4	1/4
Work Motivation			5/3										
Work-Life Balance			2/3	2/3		2/3							
Workplace Incivility						2/4		1/4	2/4				2/4

[SLIDE 8]

Conclusion

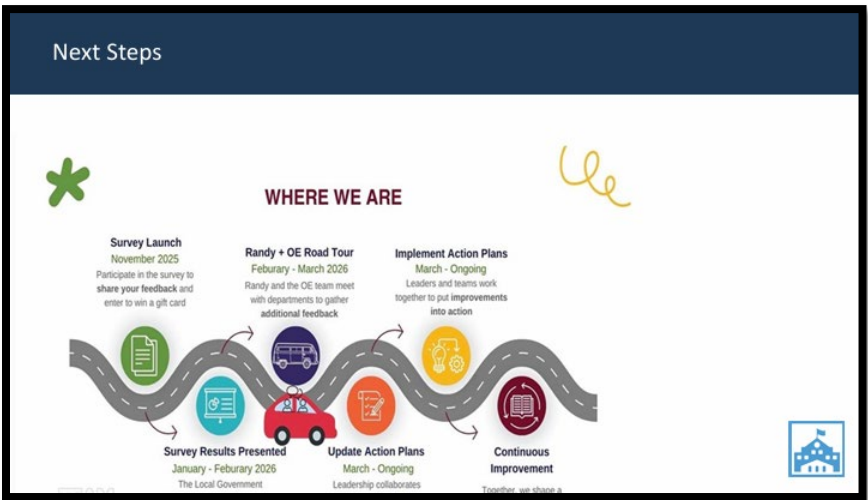
Apex has made great progress

Like all human organizations, there is always room for improvement

- Incivility
- Exhaustion
- Silence

Next steps are in motion

[SLIDE 9]



1 **Councilmember Reese** asked whether the increase in employee silence was also a
2 trend being observed across other local governments. He noted the earlier discussion that
3 employee emotional exhaustion was not unique to Apex and asked whether employee
4 silence was similarly becoming a broader organizational trend.

5 **Ms. Davis** said employee silence is consistently identified as a common area of
6 concern across organizations and is not unusual. She said the best approach is to foster an
7 environment where employees feel comfortable sharing feedback, while ensuring
8 supervisors are equipped to encourage employee input and respond appropriately to
9 concerns.

10 **Town Manager Vosburg** said staff continues to address areas identified through the
11 employee engagement survey, including using focus groups and other strategies to
12 encourage employee feedback and improve workplace culture. He noted that while the Town
13 remains focused on areas needing improvement, benchmark data compiled through the
14 UNC School of Government shows Apex compares favorably with similar organizations. He
15 highlighted that nearly 90 percent of employees indicated they would recommend the Town
16 as a place to work, reflecting a strong organizational culture. He also emphasized the
17 leadership team's commitment to acting on employee feedback and noted that the record
18 survey response rate, combined with the positive results, demonstrates strong employee
19 engagement. He said staff plans to build on the progress made since the previous survey and
20 expects additional improvements through continued implementation of action plans and
21 expanded follow-up efforts.

22 **Councilmember Zegerman** emphasized the importance of responding more quickly
23 to employee survey results, noting that the previous survey took too long to produce results
24 and implement action plans. He suggested more timely follow-up and recommended
25 conducting additional employee check-ins between the biennial surveys to better monitor
26 employee sentiment, particularly regarding employee voice and communication concerns.

27 **Councilmember Reese** asked whether Ms. Davis had seen local governments
28 effectively address civil instability through increased communication and transparency
29 without creating communication fatigue or being perceived negatively by the community. He
30 asked for guidance on how organizations can balance the need for proactive communication
31 while remaining effective and engaging. **Ms. Davis** said local governments are
32 approaching this issue in different ways, including efforts to combat misinformation and
33 develop policies and strategies to strengthen communication with the community. She noted
34 that each organization must determine the approach that best fits its community and
35 circumstances. She said this work is still in the early stages for Apex and local governments
36 across the country, particularly as these challenges have intensified in recent years.

37 **Town Manager Vosburg** said post-covid public perception toward government
38 employees has contributed to increased challenges and instability for local governments. He
39 acknowledged the work being done by staff and local government professionals to navigate
40 these challenges while continuing to serve their communities.

41 Director Jones thanked all her colleagues for all the work and support they've
42 contributed.

43 **Town Manager Vosburg** noted that significant effort was made to increase response
44 rates and thanked the leadership team for their commitment to obtaining meaningful
45 feedback from employees.

46
47
48 **[DASHBOARD OF CURRENT INITIATIVES REVIEW]**

Town Manager Randy Vosburg introduced a follow-up discussion regarding the dashboard of current initiatives. He said the discussion builds upon the previous strategic planning meeting where Council reviewed the prior three years of initiatives. He explained that staff reviewed the remaining initiatives and identified items that have not yet had significant progress or implementation. He introduced the initiative dashboard, which was developed to help track progress and focus discussion on the items identified as needing additional attention. Mr. Vosburg thanked staff members involved in developing the dashboard, including Celeste and Christie, for their efforts. **Administrative Project**

Manager, Celeste Sherer, debuted what the dashboard will look like to Staff and Council and what current initiatives would look like and explained that the dashboard was developed as a tool to track and monitor Council initiatives. She recognized staff members involved in creating the dashboard and noted that the tool was developed using Power BI to allow for enhanced tracking and reporting capabilities.

Ms. Sherer said the dashboard builds upon the previous prioritization exercise completed in October, where remaining Council initiatives were categorized as green, red, or gray. She explained that green items represented initiatives that were completed or well underway, red items represented initiatives requiring additional attention or clarification, and gray items represented items that were duplicates or outside the scope of Town departments.

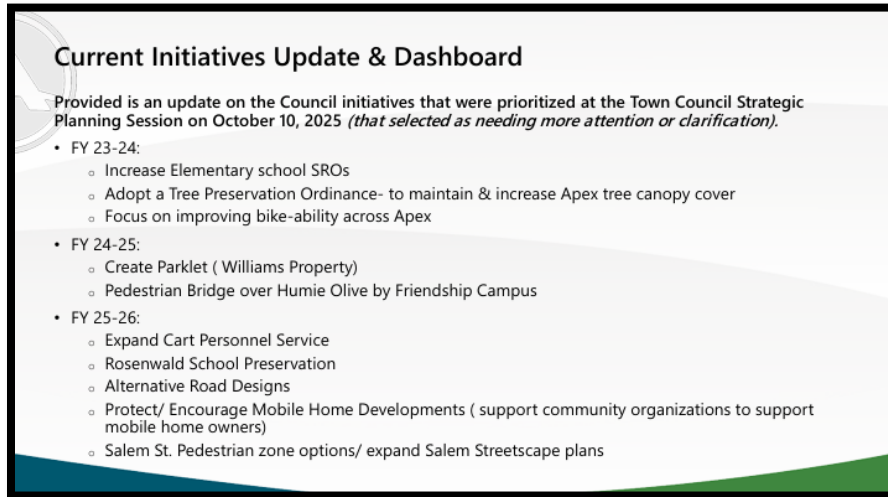
Ms. Sherer demonstrated the dashboard's filtering capabilities, including the ability to view initiatives by fiscal year, strategic plan theme, and status. She said Council would have access to the dashboard and that it would provide a historical record of completed and ongoing initiatives as future initiatives are added. She then transitioned to the PowerPoint Presentation of current initiative updates.

Town Manager Randy proceeded with a PowerPoint Presentation providing updates on Council's initiatives.

[SLIDE 1]



1 **[SLIDE 2]**



2
3 **Director Johnson** said the Town continues to implement bicycle infrastructure
4 improvements through ongoing annual initiatives. He noted that funding is used each year to
5 add bicycle lanes and striping along major collector roads and highlighted recent and
6 planned projects, including improvements along Jordan Pointe Boulevard and James Street,
7 as part of the Town's continued efforts to expand the bicycle network.

8 **Town Manager Vosburg** said staff continues to work with the North Carolina
9 Department of Transportation (NCDOT) and utilize existing funding programs to advance
10 bicycle and mobility initiatives, while also exploring additional opportunities such as e-bike
11 programs. He asked Council whether they were satisfied with the current approach or if they
12 wanted staff to pursue additional strategies or more specific actions related to those
13 initiatives.

14 **Assistant Town Manager Stone** said staff is preparing for an upcoming work session
15 focused on tree-related initiatives. He noted that staff has developed several pages of ideas
16 and concepts for Council's consideration and will seek Council's direction on how to move
17 forward with those initiatives.

18 **Councilmember Zegerman** said the Town already has a Bicycle and Pedestrian
19 Master Plan and continues to incorporate bicycle and pedestrian improvements into roadway
20 projects while addressing connectivity gaps. He said the current approach appears to be
21 moving in the right direction and suggested that future progress will largely depend on
22 funding priorities through the Capital Improvement Program rather than creating a separate
23 Council initiative.

24 **Town Manager Vosburg** said it helps staff understand whether additional emphasis
25 or funding is desired for specific initiatives. He noted that if Council is satisfied with the
26 current efforts, staff will continue implementing the existing program and any future funding
27 adjustments or project priorities can be considered through the Capital Improvement
28 Program process and asked Council their feedback on that approach.

29 **Councilmember Zegerman** said he was good with that approach and Council
30 reached consensus to continue existing efforts and consider any future funding adjustments
31 through the Capital Improvement Plan (CIP) process.

32
33 **Mayor Gilbert** said he had recently attended a meeting with area mayors and town
34 managers where School Resource Officer (SRO) funding was discussed. He noted there was

1 openness to continuing discussions and exploring collaborative approaches to addressing
2 SRO funding.

3
4 **Councilmember Reese** asked for an update on the initiative to adopt a tree
5 preservation ordinance and requested additional information on the Town's efforts.

6 **Assistant Town Manager Stone** said the tree preservation ordinance discussion is
7 complex and requires additional Council input and direction before moving forward. He
8 explained that staff initially considered bringing the topic forward as a regular Council
9 presentation but determined that a dedicated work session would be more appropriate due
10 to the number of options and considerations involved. He noted that potential strategies
11 could include increased tree canopy goals, compatibility with development planning, and
12 preservation measures such as champion tree protections, with various approaches available
13 for Council consideration.

14 **Town Manager Vosburg** said staff is open to suggestions if Council has feedback.

15 **Councilmember Reese** said increasing tree canopy has been an important priority for
16 him and emphasized the importance of addressing resident feedback by not only increasing
17 tree canopy but also ensuring the improvements are visible and demonstrate the Town's
18 progress. He said that if increasing tree canopy, particularly in the suburban core, is
19 adequately addressed through the upcoming work session, he would be comfortable
20 continuing with that approach.

21 **Town Attorney Hohe** reminded Council that there are legal limitations regarding the
22 authority municipalities have related to tree preservation regulations. She noted that any
23 potential ordinance or policy considerations would need to be developed within those legal
24 parameters.

25
26 **Director Johnson** discussed staff's concerns regarding the proposed pedestrian
27 bridge near Humie Olive. He noted that there are challenges with encouraging pedestrians,
28 including students, to use designated crossing infrastructure, and expressed concerns that a
29 bridge requiring additional access points and elevation changes may not be utilized as
30 intended when pedestrians can cross at street level. Mr. Johnson said that, from staff's
31 perspective, the project may not be the best use of funds at this time and recommended
32 evaluating the effectiveness of the existing signal improvements before reconsidering
33 additional pedestrian infrastructure.

34 **Mayor Pro-Tempore Mahaffey** said he agreed with that approach.

35
36 **Town Manager Vosburg** asked Assistant Town Manager or Mayor Pro-Tempore
37 Mahaffey to give an update on the Rosenwald School Perseveration.

38 **Assistant Town Manager John** provided an update on efforts related to the
39 preservation of Rosenwald School. She said that there has been ongoing discussion with
40 stakeholders and residents regarding preservation efforts, but the project was paused last
41 year due to legal constraints and ownership structure considerations. She said staff has
42 recently reengaged with a regional group that has experience working on Rosenwald School
43 preservation projects throughout North Carolina and has invited the group to participate in
44 discussions regarding potential next steps. She said the initial discussions will focus internally
45 to ensure staff is aligned before reconvening with stakeholder groups. She noted that
46 meetings are anticipated over the next month and that one of the primary challenges to be
47 addressed will be identifying a location for the project.

1 **Councilmember Zegerman** said in regards to alternative road designs initiative, he
2 discussed opportunities to further improve bicycle and pedestrian accessibility through
3 future roadway design standards. He said that as the Town continues to grow, there is an
4 opportunity to consider Complete Streets principles when designing new roadways and
5 developments by creating safer, more separated facilities for different modes of
6 transportation. He noted that he was not suggesting retrofitting all existing roadways but
7 encouraged staff to consider enhanced bicycle and pedestrian infrastructure as part of future
8 roadway projects and mixed-use developments to promote walkability, bike ability, and safer
9 connections within neighborhoods.

10 **Town Manager Vosburg** said staff's anticipated approach would be to hold an initial
11 meeting to discuss the topic and determine appropriate next steps. He said those next steps
12 could include coordination with the North Carolina Department of Transportation (NCDOT) or
13 bringing the matter forward through one of the Town's advisory committees for further
14 discussion and recommendations.

15 **Councilmember Zegerman** said that the Town is subject to certain design standards
16 and limitations but said there is an opportunity to better understand what can be achieved
17 within those constraints. He encouraged staff to proactively explore opportunities to
18 incorporate improved street design concepts and transportation considerations as part of
19 future zoning requests rather than addressing these questions after projects are presented.

20
21 **Town Manager Vosburg** said the discussion was prompted by concerns regarding
22 several remaining manufactured home parks within the Town. He said staff is exploring
23 options available within the Town's legal authority to balance property rights with potential
24 protections for residents and the community. He noted that discussions have included
25 potential long-term strategies and that the Town Attorney's Office has been engaged in
26 reviewing possible approaches.

27 **Director Newman** said staff is currently analyzing the approach used by Orange
28 County and Chapel Hill regarding manufactured home preservation strategies. She said those
29 communities have developed strategies focused on protecting existing manufactured home
30 communities rather than creating new developments. She noted that the process was largely
31 community-driven and that staff is working to better understand how those policies were
32 developed, including the roles of local governments, community organizations, and advocacy
33 groups. Director Newman said the Town's Senior Housing Specialist had begun work on a
34 potential policy, but staff is taking a step back to review the regional approach and identify
35 potential strategies that may be appropriate for Apex. She added that staff is being mindful of
36 the complexities involved, including recent conversations with property owners, and wants to
37 ensure any future approach carefully considers all perspectives.

38 **Town Manger Vosburg** asked if there was any additional direction or specific
39 feedback Council would like staff to consider beyond the information and approach
40 previously discussed by Director Newman.

41 **Mayor Pro-Tempore Mahaffey** said his concern was focused on preparing for
42 potential future impacts, noting that while some issues may be occurring in the present,
43 similar situations could arise in other areas in the future. He emphasized the importance of
44 proactive planning, mitigation strategies, and awareness to ensure the Town is prepared to
45 address potential challenges as they develop.

46 **Director Newman** said the Town still has approximately \$500,000 available through
47 an existing fund established by Council to assist with potential relocation needs. She noted

1 that the funding remains available should a relocation need arise before staff returns with any
2 policy recommendations or long-term strategies.

3 **Councilmember Zegerman** said he would like to better understand the Town's legal
4 rights and available options related to preserving naturally occurring affordable housing,
5 including manufactured home communities. He acknowledged the importance of balancing
6 preservation efforts with existing property rights and understanding what actions are
7 available within the Town's authority.

8 **Director Newman** said this is why staff wanted to begin by reviewing the work
9 completed by Orange County, noting that their process involved more than a year of
10 collaboration, meetings, and discussions before adopting a policy. She said staff wants to
11 better understand that process and then begin internal conversations to identify potential
12 options available to the Town. She noted that staff would return to Council with additional
13 information and questions as the review progresses.

14 **Mayor Pro-Tempore Mahaffey** asked about Orange County's Policy and what it
15 entails.

16 **Director Newman** said she did not have the specific details available at that time but
17 confirmed that the information is available and can be provided to Council as staff continues
18 its review.

19 **Town Manager Vosburg** said staff's next step may be to further discuss potential
20 options with Council during a future work session, including additional information from
21 other municipalities and legal considerations related to available approaches.

22 **Assistant Town Manager John** said another concern is addressing owner-occupied
23 manufactured homes that may be reaching the end of their useful life. She noted that some
24 residents may not have the financial ability to replace their homes or secure alternative
25 housing options. She said staff should consider whether available funding could assist
26 residents facing these circumstances and develop a proactive plan to address potential
27 needs. She added that this was one of the concerns raised by community stakeholders
28 regarding residents who may need assistance as their homes age beyond a point where they
29 can be maintained.

30 **Mayor Gilbert** asked whether staff was monitoring potential property sales or other
31 changes that could impact manufactured home communities.

32 **Attorney Hohe** said there are statutory requirements related to the closure or
33 discontinuation of manufactured home parks, including required notices to the State and a
34 potential 180-day notice period. She noted that staff had previously discussed establishing a
35 relationship with the appropriate State office responsible for receiving those notices so the
36 Town could be informed if a manufactured home community within Apex was at risk of
37 closing.

38 **Assistant Town Manager John** said the Town of Cary is going through this and they
39 are on that distribution list.

40 **Director Newman** said she appreciated the clarification and noted that establishing a
41 relationship with the appropriate State agency could allow the Town to be notified earlier of
42 potential manufactured home community closures and provide additional time to evaluate
43 available options.

44 **Attorney Hohe** said that if a development proposal is submitted for a property
45 containing a manufactured home community, the Planning Department would likely be aware
46 of those discussions through the development review process and could notify staff of
47 potential impacts.
48

1
2 **Town Manager Vosburg** moved on to the Salem Street pedestrian zoning option and
3 deferred to Chris Johnson if he had anything to add.

4 **Director Johnson** said staff has had previous discussions regarding potential future
5 improvements along the corridor with Council, including the possibility of extending similar
6 concepts beyond the current Chatham Street and Saunders Street block area. He noted that
7 the Planning Department is evaluating related opportunities through the master plan and
8 mobility planning efforts, and future improvements could potentially occur through private
9 development or redevelopment. He added that additional gaps could also be addressed
10 through future public projects, but no specific projects have been identified at this time
11 beyond ongoing planning efforts.

12 **Town Manager Vosburg** said the Town is still awaiting updates on the "Grant 2.0"
13 program, which was intended to provide funding support to encourage redevelopment and
14 expansion opportunities in the downtown area.

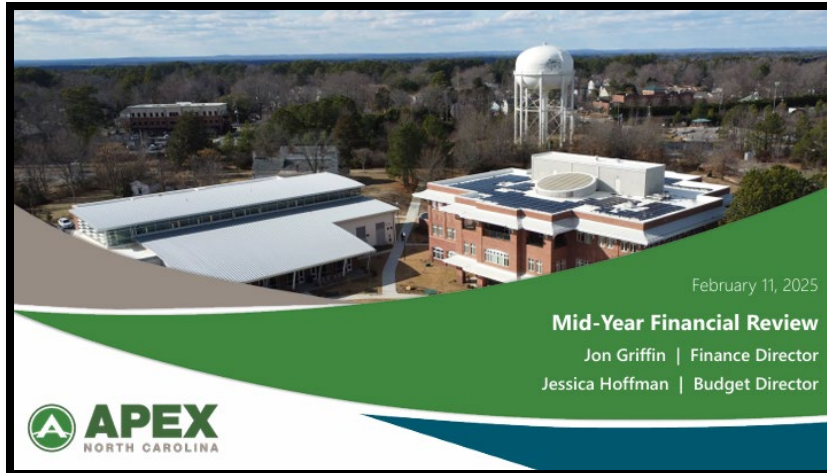
15 **Councilmember Zegerman** discussed the concept of creating a pedestrian zone
16 along Salem Street, noting that the idea could include the ability to temporarily close the
17 street to vehicular traffic during events or designated time periods, such as weekends. He
18 said this type of pedestrian-focused space could help limit traffic and enhance the downtown
19 pedestrian experience. He noted that this concept could potentially be incorporated into
20 ongoing downtown planning discussions.

21
22 **Town Manager Vosburg** said staff believes there has been substantial progress on
23 the previously identified Council initiatives and will update the dashboard based on the
24 discussion. He noted that staff will provide Council with access to the dashboard and
25 encouraged members to review the information in preparation for future discussions
26 regarding potential new initiatives. He said upcoming discussions will focus on identifying
27 new initiatives while also ensuring remaining items from prior years are appropriately
28 addressed or completed. He thanked staff for their work in tracking and advancing the
29 initiatives.
30

31 **[BUDGET OVERVIEW AND FINANCIAL CONDITION]**

32 **Finance Director, Jon Griffin, and Budget and Performance Management**
33 **Director, Jessica Hoffman** presented the Mid-Year Financial Review.

34 **[SLIDE 1]**



1
2

[SLIDE 2]

Purpose:

- Provide a financial overview for the current fiscal year
 - A preliminary overview of unaudited ending results for FY 2025
 - An overview of operating results for first six months of FY 2026

Requested Action:

- Informational only

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4

[SLIDE 3]

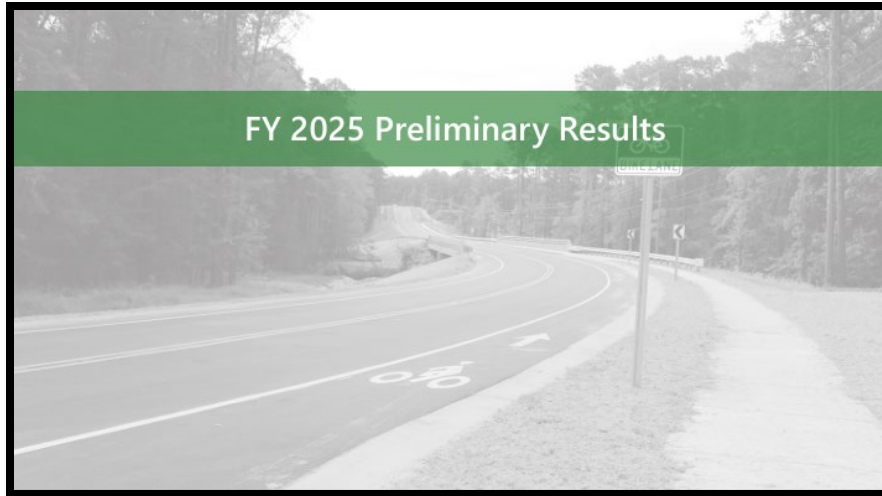
AGENDA

- FY25 Snapshot
 - General Fund
 - Utility Enterprises
- FY26 Preliminary 6 Months
 - General Fund
 - Utility Enterprises
- Fund Balances
- Cash Availability and Investment Returns (Town Wide)
- Capital Reserves
- Capital Projects



5
6

[SLIDE 4]



[SLIDE 5]

General Fund FY '25 Snapshot					
	Budget	Actual	Var.	Pct	
Revenues	Ad Valorem Property Taxes	\$54,895,100.00	\$54,042,895.89	\$ 852,204.11	98%
	Sales & Use Taxes	\$ 22,500,000.00	\$ 23,229,827.39	\$ (729,827.39)	103%
	Other Taxes	\$10,564,790.00	\$11,602,806.89	\$ (1,038,016.89)	110%
	Permits / Fines	\$3,032,200.00	\$4,043,686.62	\$ (1,011,486.62)	133%
	Garbage/Waste Fees	\$7,623,700.00	\$6,533,165.73	\$ 1,090,534.27	86%
	Interest / Finance Revenue	\$ 3,115,800.00	\$3,438,546.70	\$ (322,746.70)	110%
	Parks/Cultural Fees	\$1,726,050.00	\$2,134,727.35	\$ (408,677.35)	124%
	Miscellaneous	\$193,000.00	\$491,686.20	\$ (298,686.20)	255%
	Other Financing Sources	\$9,787,245.00	\$1,890,000.00	\$ 7,897,245.00	19%
		\$113,437,885.00	\$107,407,342.77	\$6,030,542.23	95%
Expenditures	Personnel	\$65,012,826.00	\$63,210,814.34	\$ 1,802,011.66	97%
	Operating Costs	\$28,682,247.00	\$21,700,384.41	\$ 6,981,862.59	76%
	Maintenance and Repair	\$2,993,337.00	\$2,609,942.76	\$ 383,394.24	87%
	Pay-Go Capital	\$16,749,475.00	\$12,546,036.29	\$ 4,203,438.71	75%
		\$113,437,885.00	\$100,067,177.80	\$13,370,707.20	88%

Councilmember Zegerman asked for clarification regarding the budget variance, noting that the reported figures appeared to indicate revenue came in below projections. He said the budget reflected approximately \$113 million, while actual revenues were approximately \$107 million, resulting in revenues coming in at approximately 95% of budget. He noted that expenses were approximately 88% of budget and requested clarification on how the variance was being presented, as it appeared to reflect a positive outcome despite lower-than-anticipated revenues.

Director Griffin said that the variance was primarily driven by other financing sources, which are budgetary transactions that do not generate actual accounting transactions. He said these items, such as appropriated fund balance, appear in the budget but flow through differently in the financial statements. He noted that these transactions contributed to the approximately \$7.9 million variance.

Director Hoffman said that if the Town receives additional revenues and other budgeted line items are not needed, the related budget transactions are not completed at the end of the fiscal year.

Councilmember Zegerman said that, based on the actual figures, the Town generated approximately \$107 million in revenues and had approximately \$100 million in

expenditures, resulting in an approximate \$7.5 million surplus that was added to fund balance.

Director Griffin said yes and presented the next slide that explained the General Fund Balances.

[SLIDE 6]

General Fund Balance	
FY '24 Fund Balance	\$51,769,700
FY '25 Net Revenue/(Expense)	\$7,340,165
FY '25 Ending Fund Balance	\$59,109,865
State Stabilization	\$ (15,661,502)
FY '26 Fund Balance Appropriated	\$ (3,985,000)
PY Encumbrance Carryforward	\$ (6,006,918)
Unassigned Fund Balance	\$33,456,445
25% Policy Target	\$ (28,473,650)
Available to Use	\$ 4,982,795

[SLIDE 7]

Electric Operations Overview				
	Budget	ELECTRIC		Pct
		Actual	Var.	
Operating Revenue	\$ 62,880,156	\$ 60,136,576	\$ 2,743,580	96%
Interest on Idle Funds	\$ 285,000	\$ 265,810	\$ 19,190	93%
	\$ 63,165,156	\$ 60,402,385.40	\$ 2,762,771	96%
Personnel	\$8,390,020	\$8,131,562.61	\$ 258,457.39	97%
Operating Costs	\$8,955,649	\$5,147,632.03	\$ 3,808,016.97	57%
Purchase for Resale	\$36,064,000	\$37,568,151.49	\$ (1,504,151.49)	104%
Pay-Go & Debt	\$9,755,487	\$8,511,186.70	\$ 1,244,300.30	87%
	\$63,165,156.00	\$58,358,532.83	\$ 3,806,623.17	94%
Balance	\$ 17,626,133	\$ 1,043,853	\$ 18,669,985	

Operating Balance	\$ 18,669,985
FY '25 Expenditures	\$ 59,358,533
	31%

Cash on Hand	\$ 10,008,792
	365
	\$162,626
	61.54

[SLIDE 8]

Water/Sewer Utility Overview				
WATER OPERATIONS				
	Budget	Actual	Var.	Pct
Operating Revenues	\$28,819,065	\$26,010,714	\$2,808,351	90%
Interest on Idle Funds	\$800,000	\$731,862	\$68,138	91%
	\$29,619,065	\$26,742,576	\$2,876,489	
Personnel	\$9,801,490	\$9,065,848	\$735,642	92%
Operating Costs	\$7,367,984	\$5,201,996	\$2,166,018	71%
Purchase for Resale	\$5,786,000	\$5,624,567	\$161,433	97%
Pay-Go & Debt	\$6,663,591	\$6,363,494	\$300,097	95%
	\$29,619,065	\$26,255,875	\$3,363,190	89%
	\$23,261,620	\$486,701	\$23,748,321	

Operating Balance	\$	23,748,321
FY '25 Expenditures	\$	26,255,875
		90%

Cash on Hand	\$	22,385,235
	365	\$71,934
		311

Councilmember Zegerman asked staff to clarify the Town's target for fund balance and available cash on hand, noting that this measure has historically been lower than the desired level. He requested a reminder of the Town's established goals or benchmarks for maintaining adequate reserves.

Director Hoffman said 90 days cash on hand.

Director Griffin aid the current measure is approximately two days better than the same period last year, indicating a slight improvement. He noted that while the trend is moving in a positive direction, it is not yet progressing at the desired pace.

Councilmember Zegerman asked whether the current fund balance and cash position was impacted by the anticipated future expansion of the West Reclamation Facility. He asked if the planned significant capital investment should be considered when evaluating the current financial position or if the impact should be excluded from the current analysis.

Director Hoffman clarified that the available cash on hand measure is intended to reflect the Town's current financial position.

Director Griffin explained that the future West Reclamation Facility expansion would likely be funded through a combination of cash, debt, and other financing mechanisms. He noted that the Town may not need to utilize all available cash reserves for the project, as some funds could be used strategically to help smooth debt payments and manage the overall financial impact over time.

Councilmember Zegerman asked how the anticipated West Reclamation Facility expansion impacts the Town's fund balance analysis, noting that the current figures may be influenced by the intentional accumulation of funds for a known future capital expense. He asked whether adjusting for the anticipated project costs would still show a healthy fund balance position or if the Town may be retaining more reserves than necessary, potentially allowing capacity for additional capital investments.

Director Hoffman said the Town's fund balance remains healthy and noted that staff would not plan to use additional cash on hand for the anticipated capital needs, but would instead rely more heavily on debt financing if necessary. She explained that the capital analysis considers future debt payments over time, as well as the impacts to fund balance and available cash. She noted that these considerations are evaluated separately within the

financial analysis to account for the Town’s current position while also planning for future capital investments.

Assistant Town Manager Stone said the variance between actual expenditures and the adopted budget was primarily related to budgeting for anticipated maintenance costs that were not ultimately incurred. He noted that the Town plans for potential maintenance needs each year, and when those costs are lower than projected, the savings contribute to the difference between budgeted and actual expenditures.

Councilmember Zegerman said that his question was focused more on the Town’s overall operating balance rather than the total cash-on-hand figure. He noted that the reported 311 days of cash on hand may be influenced by funds being reserved for the future West Reclamation Facility expansion. He asked staff to evaluate the Town’s underlying cash position and whether it provides additional capacity for investments in areas such as water and sewer infrastructure, or whether current reserves are appropriately aligned with future needs. He noted that the anticipated capital expense may be impacting the overall balance and making it more difficult to assess the Town’s true financial position.

Town Manager Vosburg suggested another way to present the information for communication purposes would be to separate the cash-on-hand amount from the Town’s targeted fund balance level. He explained that if the Town’s goal is 90 days of fund balance, the presentation could show that amount as meeting the target, with remaining cash identified separately as capital reserves. He noted that all funds would still represent available cash, but separating the amounts could provide a clearer picture of operating reserves versus funds being held for future capital needs. He clarified that this would be for presentation purposes only and not an official financial reporting method.

[SLIDE 9]

Stormwater Utility Overview				
STORMWATER OPERATIONS				
	Budget	Actual	Var.	Pct
Operating Revenues	\$3,005,000	\$2,814,443	\$190,557	94%
Interest on Idle Funds	\$50,000	\$164,138	(\$114,138)	328%
	\$3,055,000	\$2,978,581	\$76,419	
Personnel	\$1,393,084	\$1,327,831	\$65,253	95%
Operating Costs	\$1,879,966	\$630,009	\$1,249,958	34%
Pay-Go & Debt	\$128,246	\$64,172	\$64,074	50%
	\$3,401,296	\$2,022,011	\$1,379,285	59%
	\$2,815,984	\$956,570	\$3,772,554	
Operating Balance \$ 1,379,285				
FY '25 Expenditures \$ 2,022,011				
68%				
Cash on Hand \$ 6,066,377				
365 \$5,540				
1095				

[SLIDE 10]

Fund Balance / Fund Equity - Snapshot				
Fund	Net Rev/(Exp)	Operating Balance/Equity	Cash on Hand FY '25	FY '25 Expense Per Day
General Fund	\$7,340,164	\$59,109,865	\$54,866,152	\$274,156
Gov. Debt Service	\$295,426	\$8,513,090	\$8,457,459	\$30,117
Affordable Housing	\$1,574,359	\$6,985,820	\$5,312,138	\$1,479
Electric Fund	\$1,043,853	\$18,669,985	\$10,008,792	\$162,626
Water and Wastewater Fund	\$486,701	\$23,748,321	\$22,385,234	\$71,934
Stormwater Fund	\$956,570	\$3,772,553	\$6,066,376	\$5,540

Councilmember Zegerman asked about the difference between the fund balance and cash-on-hand figures, questioning whether the difference was related to outstanding collections or other financial factors.

Director Griffin said that the difference between fund balance and cash on hand is related to items such as outstanding collections and accounts payable. He noted that, as of June 30, there may be outstanding invoices or bills received after the fiscal year-end that must be accounted for, which reduces the operating balance at year-end but is reflected in cash activity at a later date.

[SLIDE 11]



[SLIDE 12]

AD VALOREM TAXES			
	12/31/2023	12/31/2024	12/31/2025
Current Year Taxes	\$ 40,241,741	\$ 51,239,307	\$ 61,012,654
Vehicle Taxes	\$ 1,860,893	\$ 1,915,873	\$ 2,195,284
Prior Year Taxes	\$ 15,419	\$ 45,893	\$ 115,817
Vehicle Reg.	\$ 1,770	\$ 56,786	\$ 5,730
Interest	\$ 21,724	\$ 29,141	\$ 30,526
	\$ 42,141,546	\$ 53,287,000	\$ 63,360,012

Tax Rate	\$ 0.356	-
FY 26 Allocations		
General Fund	0.274	76.98% \$ 48,773,204
Affordable Housing	0.010	2.81% \$ 1,779,776
Debt Service	0.072	20.21% \$ 12,807,032
	0.3560	100.00% \$ 63,360,012

[SLIDE 13]

SALES TAXES					
	Budget	Actual Q1 Result	Year End Actual	Q1 vs Yr	Budget vs YE
FY '26	\$ 23,000,000.00	\$ 6,123,474.68			
FY '25	\$ 22,500,000.00	\$ 5,668,620.21	\$ 23,229,827.39	24.40%	103.24%
FY '24	\$ 20,698,500.00	\$ 5,382,834.18	\$ 22,225,885.36	24.22%	107.38%
FY '23	\$ 19,333,500.00	\$ 4,954,665.94	\$ 19,486,512.25	25.43%	100.79%

- Levied by Wake County, collected by the North Carolina Department of Revenue
- Distributed between County and municipalities based on proportion of population (Apex = 3.29%)

[SLIDE 14]

General Fund Budget to Actual – 12/31/2025						
Revenues						
Category	Budget	Actual	Pct	Prior Year	Pct from PY	
Ad Valorem Property Taxes	\$ (56,711,800)	\$ (48,694,045)	86%	\$ (42,041,942)	13%	
Sales & Use Taxes	\$ (23,000,000)	\$ (5,123,475)	27%	\$ (5,668,620)	8%	
Other Taxes	\$ (10,156,200)	\$ (6,481,189)	64%	\$ (5,345,628)	21%	
Permits/Fees	\$ (3,350,000)	\$ (1,601,248)	48%	\$ (2,288,844)	-30%	
Garbage/Waste Fees	\$ (7,897,000)	\$ (2,255,145)	29%	\$ (2,775,795)	-19%	
Interest/Finance Revenue	\$ (3,150,000)	\$ (1,733,134)	55%	\$ (1,901,522)	-9%	
Parks/Cultural Fees	\$ (2,110,400)	\$ (1,333,922)	63%	\$ (1,337,166)	0%	
Miscellaneous	\$ (912,000)	\$ (537,935)	59%	\$ (601,808)	-11%	
Other Financing Sources	\$ (13,263,774)	\$ -	0%	\$ (1,971,517)	-100%	
Total	\$ (120,351,374.00)	\$ (68,750,093.12)	57%	\$ (64,932,844)	6%	
Expenditures						
Category	Budget	Actual	Percent	Prior Year	Pct from PY	
Personnel	\$ 71,707,900	\$ 32,616,075	45%	\$ 29,196,733	12%	
Operating	\$ 31,738,133	\$ 10,665,930	34%	\$ 11,715,116	-9%	
Maintenance & Repair	\$ 1,833,871	\$ 1,378,094	75%	\$ 573,782	140%	
Capital	\$ 10,296,770	\$ 5,671,009	55%	\$ 2,241,483	153%	
Other Financing Uses	\$ 4,774,700	\$ 4,674,200	98%	\$ 6,468,300	-28%	
Total	\$ 120,351,374.00	\$ 55,065,308	46%	\$ 50,195,414	10%	

[SLIDE 15]

FY26 General Fund Forecast				
Revenues				
Category	Budget	Forecast	Variance	Percent
Ad Valorem Property Taxes	(56,711,800)	(55,672,146)	(1,039,654)	98%
Sales & Use Taxes	(23,000,000)	(24,606,228)	1,606,228	107%
Other Taxes	(10,156,200)	(12,721,264)	2,565,064	125%
Permits/Fines	(3,355,000)	(3,376,016)	21,016	101%
Garbage/Waste Fees	(7,697,000)	(7,574,526)	(122,474)	98%
Interest/Finance Revenue	(3,150,000)	(2,976,087)	(173,913)	94%
Parks/Cultural Fees	(2,110,600)	(2,887,132)	776,532	137%
Miscellaneous	(912,000)	(1,396,899)	484,899	153%
Other Financing Sources	(13,258,774)	(8,184,474)	(4,074,300)	69%
Total	(120,351,374)	(120,394,772)	43,398	100%
Expenditures				
Category	Budget	Forecast	Variance	Percent
Personnel	71,707,900	67,471,849	4,236,051	94%
Operating	31,738,133	30,756,987	981,146	97%
Maintenance & Repair	1,833,871	1,681,469	152,402	92%
Capital	10,296,770	10,289,901	6,869	100%
Other Financing Uses	4,774,700	4,674,200	100,500	98%
Total	120,351,374	114,874,407	5,476,967	95%

Councilmember Zegerman said that Council has heard about numerous organizational needs from staff and asked whether the projected approximately \$5 million surplus could be used to accelerate planned expenditures or capital projects that are currently programmed for future fiscal years. He suggested this approach could help address some of the Town's identified operational and infrastructure needs sooner.

Director Hoffman said staff typically performs a more detailed financial projection later in the fiscal year as additional revenue information becomes available and departments refine their spending plans. She explained that staff reviews whether equipment purchases or other necessary expenditures planned for future budgets can be advanced, and may also recommend allocating additional funding to capital projects. She noted that staff may return to Council later in the fiscal year with recommendations for these adjustments if appropriate.

Town Manager Vosburg said that while advancing equipment purchases or capital needs may not significantly change the overall financial forecast, the Town has already begun addressing identified organizational needs. He noted that Council approved several new General Fund positions at the previous meeting as part of those ongoing efforts.

Councilmember Zegerman said that advancing expenditures would affect the financial forecast but suggested using available resources to address pressing operational needs sooner. As an example, he referenced previously identified Police Department vehicle needs and asked whether purchasing some replacement vehicles ahead of schedule could help the Town stay current with equipment needs and reduce future funding pressures.

[SLIDE 16]

Water Sewer Fund Budget to Actual – 12/31/2025

Revenues					
Category	Budget	Actuals	Pct	Prior Year	Pct from PY
Operating Revenues	\$ (30,979,218)	\$ (10,352,680)	33%	\$ (14,803,537)	-30%
Interest on Idle Funds	\$ (650,000)	\$ (332,877)	51%	\$ (400,203)	-9%
Total	\$ (31,629,218.00)	\$ (10,685,557)	34%	\$ (15,203,739)	-30%
Expenditures					
Category	Budget	Actual	Percent	Prior Year	Pct from PY
Personnel	\$ 10,531,700	\$ 4,426,531	42%	\$ 4,268,657	4%
Operating	\$ 11,348,805	\$ 2,019,561	18%	\$ 3,595,810	-44%
Maintenance & Repair	\$ 2,376,311	\$ 669,833	28%	\$ 480,673	39%
Capital	\$ 1,446,002	\$ 778,515	54%	\$ 380,370	105%
Other Financing Uses	\$ 5,926,400	\$ 5,826,400	98%	\$ 5,444,800	7%
Total	\$ 31,629,218.00	\$ 13,720,840	43%	\$ 14,170,311	-3%

Mayor Pro-Tempore Mahaffey said that some of the previously discussed operating needs appeared to be reasonable priorities. He noted that the operating revenue projections stood out to him and suggested that addressing certain operational needs with available revenues may be an appropriate consideration.

Director Griffin said that the variance was primarily a timing issue, particularly following the implementation of the Town's new ERP system. He noted that maintenance expenditures were currently lower than projected and that certain purchases for resale within the Water and Sewer Fund had not yet occurred, contributing to the variance in operating expenses.

Director Jacobs said Town of Cary bills Town of Apex quarterly which causes a delay in the budget numbers.

[SLIDE 17]

FY26 Water Sewer Fund Forecast

Revenues				
Category	Budget	Forecast	Variance	Percent
Operating Revenues	(30,979,218)	(33,147,794)	2,168,576	107%
Interest on Idle Funds	(650,000.00)	(570,647.02)	(79,353)	88%
Total	(31,629,218)	(33,718,441)	2,089,223	107%
Expenditures				
Category	Budget	Forecast	Variance	Percent
Personnel	10,531,700.00	9,279,163	1,252,537	88%
Operating	11,348,805.00	11,425,141.59	(76,337)	101%
Maintenance & Repair	2,376,311.00	1,569,590.57	806,720	66%
Capital	1,446,002.00	1,456,615.81	(10,614)	101%
Other Financing Uses	5,926,400.00	5,826,400.00	100,000	98%
Total	31,629,218	29,556,911	2,072,307	93%

[SLIDE 18]

Electric Fund Budget to Actual – 12/31/2025

Revenues					
Category	Budget	Actuals	Pct	Prior Year	Pct from PY
Operating Revenues	\$ (63,951,981)	\$ (19,415,023)	30%	\$ (34,042,573)	-43%
Interest on Idle Funds	\$ (250,000)	\$ (221,872)	89%	\$ (123,169)	80%
Total	\$ (64,201,981.00)	\$ (19,636,894.68)	31%	\$ (34,165,742)	-43%
Expenditures					
Category	Budget	Actual	Percent	Prior Year	Pct from PY
Personnel	\$ 8,459,600	\$ 3,878,857	46%	\$ 3,978,527	-3%
Operating	\$ 47,327,214	\$ 18,251,579	39%	\$ 18,940,383	-4%
Maintenance & Repair	\$ 774,657	\$ 291,101	38%	\$ 275,133	6%
Capital	\$ 4,880,810	\$ 2,330,476	48%	\$ 3,305,939	-30%
Other Financing Uses	\$ 2,759,700	\$ 2,759,700	100%	\$ 2,032,700	36%
Total	\$ 64,201,981.00	\$ 27,511,713	43%	\$ 28,532,682	-4%

[SLIDE 19]

FY26 Electric Fund Forecast

Revenues				
Category	Budget	Forecast	Variance	Percent
Operating Revenues	(63,951,981)	(57,108,065)	(6,843,916)	89%
Interest on Idle Funds	(250,000)	(391,109)	141,109	156%
Total	(64,201,981)	(57,499,173)	(6,702,808)	90%
Expenditures				
Category	Budget	Forecast	Variance	Percent
Personnel	8,459,600	8,201,680	257,920	97%
Operating	47,327,214	40,885,047	6,442,167	86%
Maintenance & Repair	774,657	535,000	239,657	69%
Capital	4,880,810	4,881,181	(371)	100%
Other Financing Uses	2,759,700	2,659,700	100,000	96%
Total	64,201,981	57,162,608	7,039,373	89%

Councilmember Zegerman asked why operating revenue was trending lower and whether the decrease was related to a significant amount of outstanding accounts receivable that had not yet been collected. He noted that while accounts receivable may temporarily impact the numbers, the Town ultimately needs to collect those funds, and asked whether staff anticipated resolving the outstanding balances or if there were other factors contributing to the lower revenue trend.

Director Hoffman said that the current revenue projection is based on actual collection trends to date, as the Town does not currently have policies in place to ensure collection of all outstanding accounts receivable. She noted that, based on current collection patterns, residential revenues are projected to come in approximately \$9 million below budget, while commercial revenues are performing and are expected to meet projections.

Councilmember Zegerman asked for clarification on the methodology used for the General Fund Forecast, specifically whether the projection represented a cash flow forecast or another type of financial accounting method. He asked staff to explain how the figures were being calculated and presented.

Director Griffin explained that actual operating revenues are based on billing activity, and noted that the forecast can fluctuate due to seasonal trends. He said that revenues may increase as the Town approaches the summer months, making projections more challenging

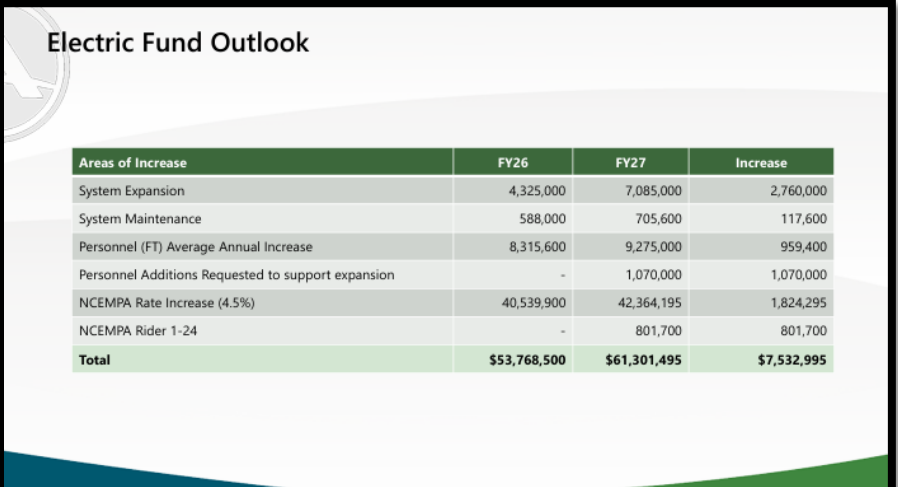
when estimating future billing activity earlier in the fiscal year. He noted that forecasting revenues in December and January can create uncertainty because actual billings later in the year may increase significantly and impact the overall projection.

Town Manager Vosburg said Director Griffin is doing a presentation tomorrow on uncollected debt on the electric side.

Councilmember Mahaffey the significance of the projected expenditure savings, pointing out that the General Fund expenditure budget is approximately \$64 million and the current projection reflects being under budget by nearly \$7 million. He emphasized that this represents a substantial variance of more than 10% of the overall budget and warrants further consideration.

Councilmember Zegerman that unspent funds also represent resources that are not being used to address identified needs and may contribute to additional backlogs in the future. He suggested continuing the discussion regarding outstanding collections at tomorrow's meeting.

[SLIDE 20]



The slide titled "Electric Fund Outlook" displays a table comparing projected expenditures for fiscal years 2026 (FY26) and 2027 (FY27), along with the projected increase. The table includes categories for System Expansion, System Maintenance, Personnel (FT) Average Annual Increase, Personnel Additions Requested to support expansion, NCEMPA Rate Increase (4.5%), and NCEMPA Rider 1-24. A total row at the bottom shows a projected increase of \$7,532,995 from FY26 to FY27.

Areas of Increase	FY26	FY27	Increase
System Expansion	4,325,000	7,085,000	2,760,000
System Maintenance	588,000	705,600	117,600
Personnel (FT) Average Annual Increase	8,315,600	9,275,000	959,400
Personnel Additions Requested to support expansion	-	1,070,000	1,070,000
NCEMPA Rate Increase (4.5%)	40,539,900	42,364,195	1,824,295
NCEMPA Rider 1-24	-	801,700	801,700
Total	\$53,768,500	\$61,301,495	\$7,532,995

Mayor Pro-Tempore Mahaffey asked about the extent to which the projected revenue variance is offset by connection fees, specifically regarding water capacity and electric connection fees. He sought clarification on how much of the revenue impact is related to these connection-related revenues.

Assistant Town Manager Stone explained that utility expansion typically occurs when the Town extends infrastructure to serve new development areas, such as extending lines across roads or into new neighborhoods. He noted that once infrastructure reaches a neighborhood, the developer is responsible for underground utility installation. He explained that the Town previously adjusted its fees because they were not fully covering costs and has since increased them to better align with actual expenses. He added that the Electric Department reviews these rates annually to ensure future fees remain sufficient to cover the Town's costs for underground utility work. He clarified that connection fees do not cover all system expansion costs, noting that when serving a large development requires significant infrastructure improvements, such as extending utilities several miles or completing a substation upgrade, those costs are not fully borne by the development and must be recovered by the utility system.

1 **Mayor Pro-Tempore Mahaffey** asked whether the Town charges a one-time fee when
2 a development initially connects to the system to help address the costs associated with
3 serving new development.

4 **Assistant Town Manager Stone** said no, sir.

5 **Mayor Pro-Tempore Mahaffey** asked if any authorization in place that would allow
6 the Town to choose not to ap0ply or collect such a fee.

7 **Assistant Town Manager Stone** said that if the Town were to implement such a fee
8 structure, customers would likely choose the alternative option whenever possible, which
9 could impact the effectiveness of the approach.

10 **Councilmember Zegerman** said that the slide appeared to combine capital and
11 operating expenses, and questioned whether the expansion-related costs should be
12 categorized separately since they represent capital expenditures.

13 **Director Hoffman** that while the expansion may be reflected within the operating
14 fund for forecasting purposes, the funding source would still come from the Electric Fund.
15 She explained that the related assets, such as a \$3 million capital investment, would be
16 accounted for as capital expenditures.

17 **Councilmember Zegerman** said that from an accounting perspective, the impact of
18 the capital investment would primarily be reflected through depreciation expenses, with the
19 estimated \$2.7-\$2.8 million cost being allocated over multiple years rather than recognized
20 entirely in a single year.

21 **Mayor Pro-Tempore Mahaffey** said this is not an educated guess that this is an
22 average annual estimate.

23 **Director Hoffman** confirmed that the project is included in the Capital Improvement
24 Program (CIP) as a four-year project with approximately \$4 million allocated each year.

25 **Mayor Pro-Tempore Mahaffey** said the projected shortfall in the upcoming years,
26 including FY28, would eventually be addressed through future rate adjustments as additional
27 connections and growth occur.

28 **Town Manager Vosburg** reiterated the importance of understanding the projected
29 figure and the percentage impact being discussed.

30 **Councilmember Zegerman** said the projected amount was consistent with the
31 approximately \$7.5 million variance discussed previously. He stated that the difference
32 appears to be within the range of the Town's current planning assumptions, but cautioned
33 that lower revenues and lower expenditures in the current year could make the FY2027
34 outlook appear more concerning.

35 **Director Hoffman** said clarified that the projected increase is compared to the
36 adopted budget, not the current year's projected ending position. She noted that the current
37 year shortfall would result in approximately 60 days of cash on hand.

38 **Councilmember Reese** asked about the "average annual increase" category and
39 whether the projected 11.5% increase represented a standard or typical annual increase.

40 **Director Hoffman** said that the projected average annual increase is based on
41 historical trends in personnel costs over the past five years. She noted that the Town has
42 typically implemented a 2% market adjustment along with a 3% to 4% average merit increase,
43 resulting in individual employee increases generally ranging from approximately 2% to 5%.
44 She added that increases in medical expenses, which exceeded 15% in the most recent year,
45 as well as retirement costs, have also contributed to the overall personnel cost increases
46 reflected in the projection.

47 **Councilmember Reese** asked that this projected increase is not just wages.

48 **Director Hoffman** confirmed that it was not just wages.

[SLIDE 21]

Stormwater Fund Budget and Actuals through 12/31/2025

Revenues					
Category	Budget	Actuals	Pct	Prior Year	Pct from PY
Operating Revenues	\$ (3,370,814)	\$ (902,071)	27%	\$ (1,393,639)	-35%
Interest on Idle Funds	\$ (90,000)	\$ (83,861)	93%	\$ (86,572)	-3%
Total	\$ (3,460,894.00)	\$ (985,937.18)	28%	\$ (1,480,211)	-33%
Expenditures					
Category	Budget	Actual	Percent	Prior Year	Pct from PY
Personnel	\$ 1,496,000	\$ 739,117	49%	\$ 562,191	25%
Operating	\$ 1,294,246	\$ 478,178	37%	\$ 313,031	53%
Maintenance & Repair	\$ 640,566	\$ 108,536	17%	\$ 4,613	2254%
Capital	\$ 29,118	\$ 13,144	46%	\$ 270	4868%
Total	\$ 3,460,894.00	\$ 1,340,955.12	39%	\$ 910,112	47%

[SLIDE 22]

FY26 Stormwater Fund Forecast

Revenues				
Category	Budget	Forecast	Variance	Percent
Operating Revenues	(3,370,894)	(3,380,350)	9,456	100%
Interest on Idle Funds	(90,000)	(143,763)	53,763	160%
Total	(3,460,894)	(3,524,114)	63,220	102%
Expenditures				
Category	Budget	Forecast	Variance	Percent
Personnel	1,496,800	1,548,373	(51,573)	103%
Operating	1,294,024	1,141,361	152,663	88%
Maintenance & Repair	640,656	447,214	193,442	70%
Capital	29,414	29,414	-	100%
Other Financing Uses	-	-	-	-
Total	3,460,894	3,166,362	294,532	91%

[SLIDE 23]

Fund Balances as of 12-31-2025

Fund	Net Change	Fund Balance/Equity Balance	Cash Balances	Days Cash On Hand (Cash Divided by Daily Exp)
General Fund	13,744,785	\$72,854,650	\$73,675,259	
Water and Wastewater Fund	-3,034,284	\$15,635,701	\$20,613,656	286
Electric Fund	-7,874,819	\$15,873,502	\$9,925,714	61
Stormwater Fund	-354,158	\$3,418,395	\$5,825,482	1,051

[SLIDE 24]

Cash and Investment Update		
- Current basic rate of return is 3.6 - 3.8% - FOMC Estimates rate cuts will continue to settle at 3% in 2027. - Can expect lower interest earnings Town-wide in FY 2027		
Availability	Cash Accounts	Investment
> 30 Days	\$ 80,972,694	\$ 149,882,285
FY 2026	\$ 16,856,981	\$ 6,905,478
FY 2027		\$ 6,856,187
FY 2028		\$ 2,232,503
FY 2029		\$ 499,645
	\$ 97,829,675	\$ 166,376,098

Mayor Pro-Tempore Mahaffey asked for clarification regarding the Town's investment authority, such as restricting investments to government bonds.

Director Griffin explained that the Town's investment options are limited by state law and do not include investments such as stocks or cryptocurrency. He said the Town primarily invests in fixed-income securities and other highly rated investment vehicles, including government-authorized investments and commercial paper with high credit ratings. He noted that commercial paper, such as short-term notes issued by highly rated corporations, is a common investment option for local governments.

Councilmember Mu asked about mutual funds.

Director Griffin said there are certain mutual funds; however, those funds are limited to investing in government-backed and other authorized fixed-income.

[SLIDE 25]

Active Capital Projects					
Capital Fund	Budget	Expenditures	Encumbrances	Remaining Balance	Completion
ARPA Project Fund	22,739,500	18,963,316	3,059,583	716,601	97%
General Capital Project Fund	51,061,146	29,051,189	5,470,602	16,539,355	68%
Transportation Project Fund	112,217,717	43,377,256	17,543,385	51,297,076	54%
Recreation Project Fund	88,294,849	58,253,075	3,176,843	21,864,931	70%
Electric Project Fund	28,091,820	8,891,949	3,844,418	15,355,453	55%
Water Project Fund	83,438,000	28,374,605	4,279,125	50,784,270	39%
Total Project Funds	\$385,843,032	\$186,911,390	\$37,377,372	\$161,557,686	58%

Councilmember Zegerman asked if these are all the projects funded.

Director Hoffman that the report provides a current snapshot of all authorized capital projects. She said the report identifies each project's authorized budget, expenditures to

date, funds currently encumbered through contracts, the remaining available balance, and the percentage of the budget that has been expended.

[SLIDE 26]



Debt Update

- Total Debt Budgeted Expenditures: \$15.3 million
 - General Government - \$10.8 million
 - Enterprise Funds - \$4.5 million
- Planned Issuances:
 - Limited Obligation Bonds (LOBs) - \$25 to \$30M – Summer 2026
 - Currently refining projects
 - Rolling Stock Loan (\$2.8M)
 - Transportation Streets and Sidewalks General Obligation Bonds (24.5m) authorized but not issued

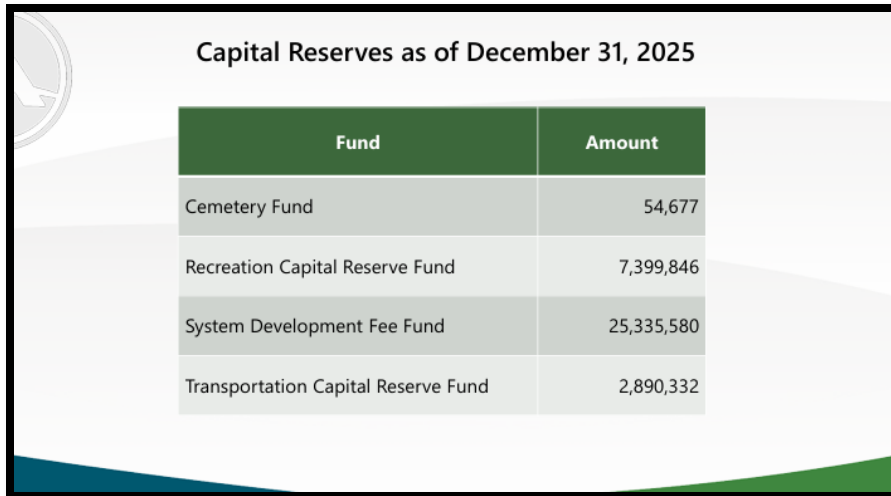
[SLIDE 27]



Outstanding Debt

		Governmental Activities Debt		
		Principal	Interest	Annual Debt Service
	2026	7,565,084	3,153,170	10,718,254
	2027	7,560,084	2,862,556	10,422,640
	2028	7,383,132	2,571,878	9,955,010
	2029	6,750,043	2,299,802	9,049,846
	2030	6,418,793	2,056,789	8,475,582
	2031-2035	28,637,586	7,126,889	35,764,475
	2036-2040	21,675,000	2,853,256	24,528,256
	2041-2045	4,410,000	402,413	4,812,413
		90,399,723	23,326,753	113,726,476
Total Outstanding Debt	\$133,126,293			
Town Population	84,788			
Debt Per Capita	\$ 1,570.11			
		Business-Type Activities		
		Principal	Interest	Annual Debt Service
	2026	3,704,676	780,990	4,485,666
	2027	3,785,676	720,081	4,505,757
	2028	3,832,479	657,283	4,489,761
	2029	3,181,345	591,797	3,773,142
	2030	3,261,345	537,007	3,798,352
	2031-2035	16,951,050	1,763,101	18,714,151
	2036-2040	8,010,000	329,389	8,339,389
		42,726,570	5,379,649	48,106,219

[SLIDE 28]



Fund	Amount
Cemetery Fund	54,677
Recreation Capital Reserve Fund	7,399,846
System Development Fee Fund	25,335,580
Transportation Capital Reserve Fund	2,890,332

Councilmember Mu asked for more detail of the Cemetery Fund.

Director Griffin explained that the Town maintains a permanent fund for the operation of plots, with proceeds from the sale of plots deposited into the fund and available to support future improvements and expansion of the Columbarium Facility.

Attorney Hohe said the Town can only use cemetery funds for cemetery purposes.

[SLIDE 29]



Councilmember Mahaffey asked how the Community Investment Fund is reflected in the Town's financial reports. He noted that, although Council had previously discussed dedicating a percentage of revenues to community investment, he did not see it identified in the presentation and asked whether it exists as a separate fund or is comprised of allocations within other Town funds.

Director Hoffman explained that the Community Investment Fund is reflected within the Town's governmental debt fund because the associated projects are financed through debt payments in accordance with the Town's debt model. She added that the fund balance presentation includes the Community Investment Fund, and that its balance is higher than the previous year because it is in its first year of implementation.

Director Griffin said the balance is \$8.5 million.

Councilmember Zegerman asked if it could be broken out into a tax rate allocation.

Director Griffin explained the tax rate breakdown and explained that the percentages shown represent the respective allocations of tax revenue. He noted that as tax revenue is received, it is deposited according to those designated allocations.

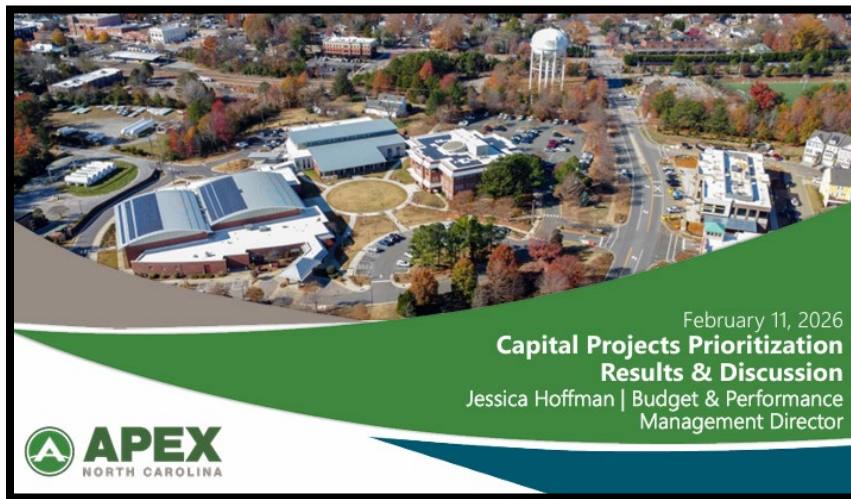
Mayor Gilbert announced a recess at **2:00 p.m.** for fifteen minutes.

Mayor Gilbert reconvened the meeting at **2:15 p.m.**

[CAPITAL PROJECTS SURVEY RESULTS]

Budget and Performance Management Department, Jessica Hoffman, presented the Capital Projects Prioritization Results.

[SLIDE 1]



[SLIDE 2]

General Fund CIP Project Summary							
Element	Submittals	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Future
 Transportation	32	26,115,000	15,795,000	33,720,000	15,890,000	17,015,000	48,995,000
 Parks, Recreation & Cultural Resources	20	9,531,700	22,392,500	34,205,000	14,378,000	104,220,000	152,075,000
 Public Facilities	16	27,239,000	14,486,600	3,321,600	6,248,200	1,610,000	74,975,600
 Public Safety	12	3,654,000	4,100,000	1,600,000	1,400,000	2,837,500	1,546,720
 Public Works	18	3,666,000	2,984,000	225,000	460,000	-	225,000
Total All General Fund	98	70,205,700	59,758,100	73,071,600	38,376,200	125,682,500	277,817,320

[SLIDE 3]

Utility Fund CIP Project Summary							
Element	Submittals	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	Future
 Water Sewer Utility	34	8,069,000	28,055,000	11,295,000	13,925,000	133,685,000	40,585,825
 Stormwater Utility	10	1,668,000	3,180,000	667,000	750,000	265,000	425,000
 Electric Utility	11	12,170,000	12,280,000	10,665,000	7,565,000	6,365,000	5,065,000

[SLIDE 4]

How are Project Selected to Rank?

- Each year the CIP is re-prioritized to align with initiatives and financial conditions as such it is possible that projects will be ranked during multiple years
- Projects excluded from ranking:

Ongoing

Fall outside the 5-year funding purview

Required for operations (i.e. facility maintenance, equipment replacement)
- Projects within the CIP, outside of the above categories are selected for ranking

[SLIDE 5]

Scoring Criteria – Town Council

Intro
Prioritization
Considerations
Strategic Goals

* Please drag and drop **ALL** projects into the empty slot at the top of the page. Move projects into your preferred order with your **highest priority at the top** of the list and **lowest at the bottom**. Click "Confirm Priorities" to finalize your ranking, and then click "Continue".

NEXT PRIORITY

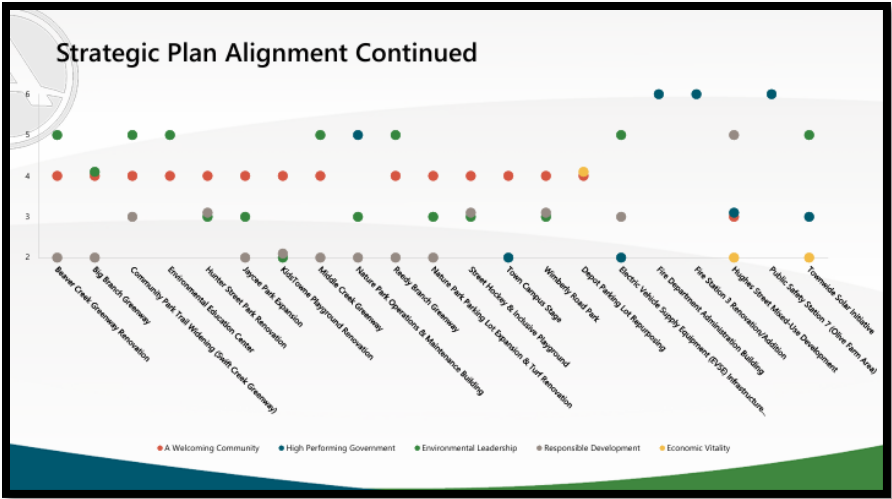
Annual Pavement Management (pg. 2)

Apex Peakway at Tingen Road Intersection Improvements (pg. 2)

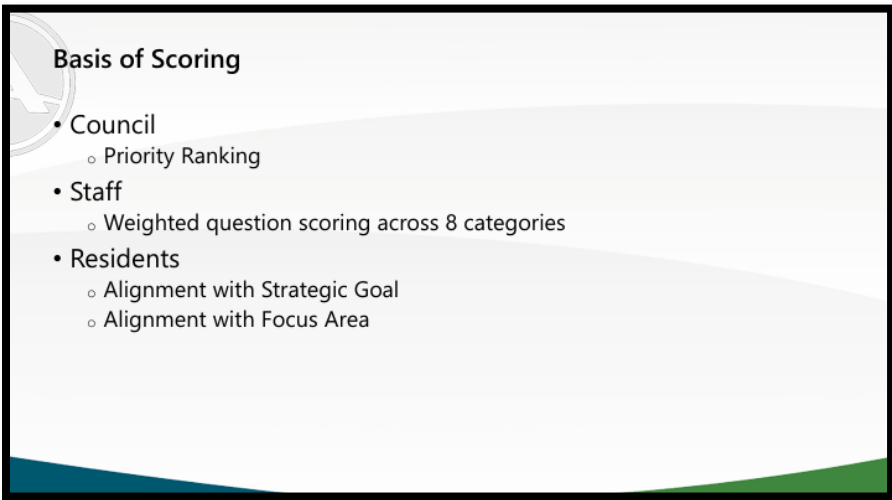
Apex Peakway North Widening (pg. 2)

Apex Peakway Southwest Widening (pg. 2)

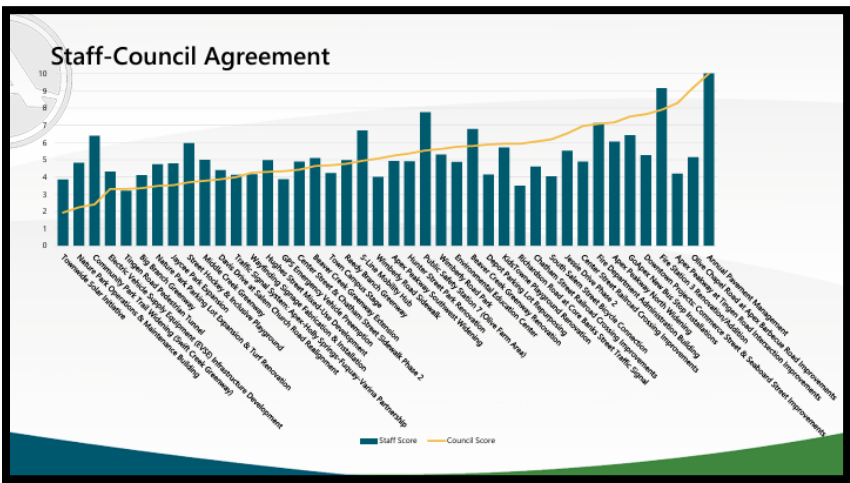
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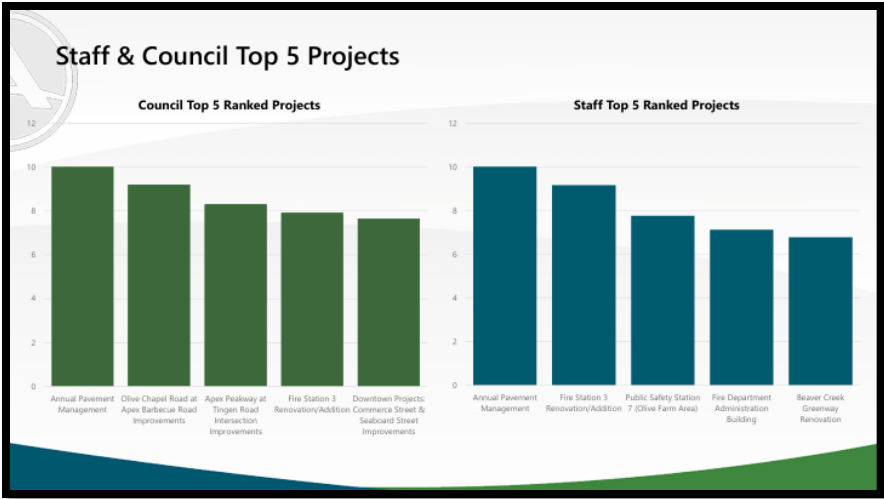
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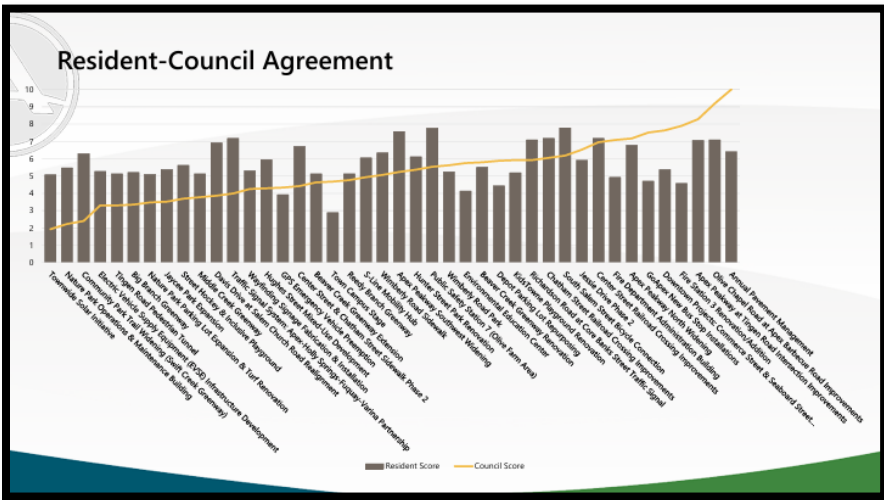
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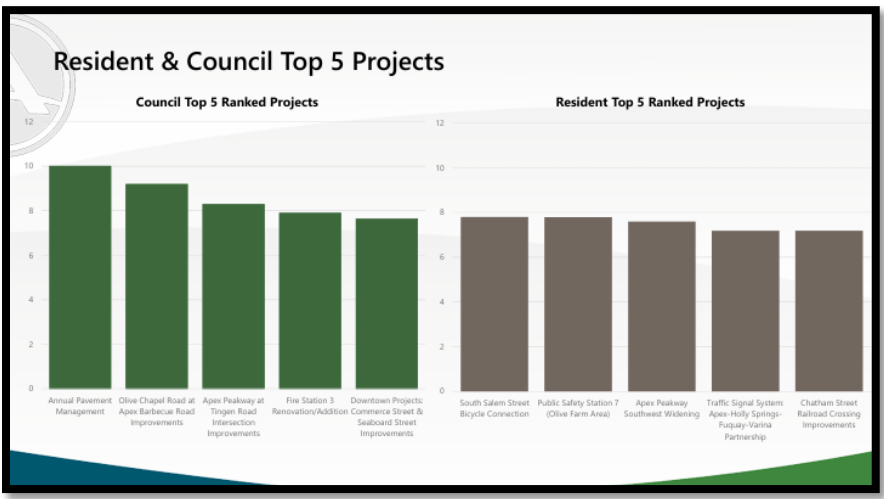
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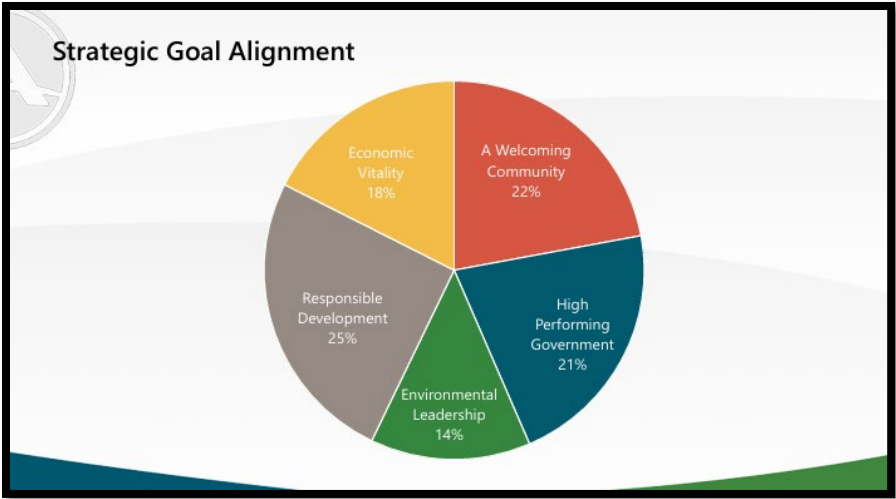
[SLIDE 13]



[SLIDE 14]



[SLIDE 15]



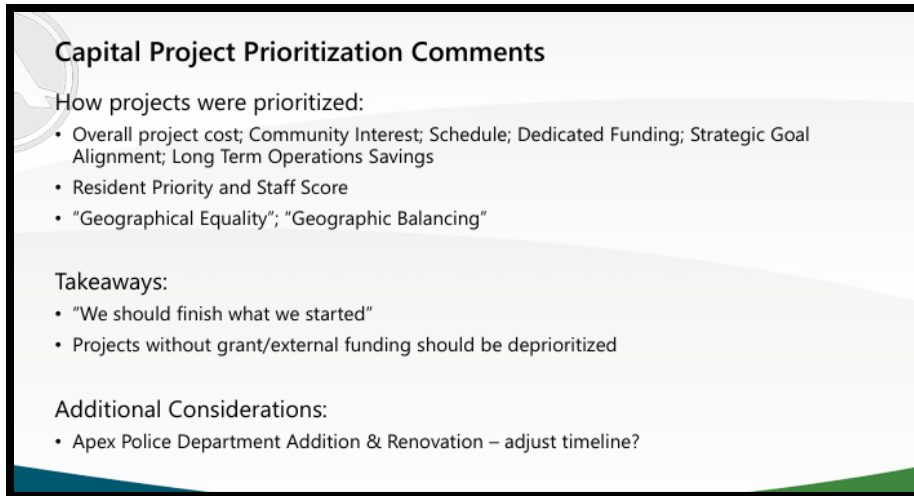
[SLIDE 16]

Capital Project Prioritization Results & Discussion

1: Above Average Score, Above Average Agreement	2: Above Average Score, Below Average Agreement
Annual Pavement Management Center Street Railroad Crossing Improvements GoApex New Bus Stop Installations Olive Chapel Road at Apex Barbecue Road Improvements Hunter Street Park Renovation KidsTowns Playground Renovation Fire Station 3 Renovation/Addition	Apex Peakway at Tingen Road Intersection Improvements Apex Peakway North Widening Chatham Street Railroad Crossing Improvements Downtown Projects: Commerce Street & Seaboard Street Improvements Jessie Drive Phase 2 Richardson Road at Core Banks Street Traffic Signal South Salem Street Bicycle Connection Beaver Creek Greenway Renovation Environmental Education Center Wimberly Road Park Depot Parking Lot Repurposing Fire Department Administration Building Public Safety Station 7 (Olive Farm Area)
3: Below Average Score, Below Average Agreement	4: Below Average Score, Above Average Agreement
Center Street & Chatham Street Sidewalk Phase 2 Davis Drive at Salem Church Road Realignment GPS Emergency Vehicle Preemption Tingen Road Pedestrian Tunnel Traffic Signal System: Apex-Holly Springs-Fuquay-Varina Partnership Beaver Creek Greenway Extension Reedy Branch Greenway Street Hockey & Inclusive Playground Town Campus Stage Electric Vehicle Supply Equipment (EVSE) Infrastructure Development Hughes Street Mixed-Use Development Townwide Solar Initiative	Apex Peakway Southwest Widening S-Line Mobility Hub Wayfinding Signage Fabrication & Installation Wimberly Road Sidewalk Big Branch Greenway Community Park Trail Widening (Swift Creek Greenway) Jaycee Park Expansion Middle Creek Greenway Nature Park Operations & Maintenance Building Seymour Athletic Fields/Nature Park Parking Lot Expansion & Turf Renovation

Councilmember Zegerman said that the Town has identified approximately \$942 million in capital project backlog, excluding additional anticipated needs such as a new police station and other future facility projects. He stated that the Town could be facing nearly \$1 billion in capital investment needs and emphasized the importance of setting realistic expectations and prioritizing available funding to ensure resources are allocated appropriately and effectively.

[SLIDE 17]



1
2 **Mayor Pro-Tempore Mahaffey** said the importance of leveraging available funding
3 opportunities and pursuing projects where matching funds or outside resources can
4 maximize the Town's investment. He noted that projects should be evaluated not only based
5 on priority ranking, but also on opportunities to complete projects at a reduced cost through
6 partnerships or cost-sharing opportunities.

7 **Councilmember Zegerman** said he wanted to avoid repeatedly redirecting and
8 pausing projects that are already underway, particularly larger, multi-year initiatives. He noted
9 that the current list of capital needs is longer than in previous years and explained that his
10 scoring approach considered opportunities to complete lower-cost projects within a
11 reasonable timeframe to achieve measurable progress and reduce the backlog.

12 **Mayor Pro-Tempore Mahaffey** said that an additional consideration for capital
13 project prioritization should be identifying projects with potential future funding
14 opportunities, such as grants or other external resources, that may become available if a
15 project is delayed by a year or two. He suggested distinguishing between projects that may
16 benefit from future funding opportunities and those that would likely require full Town
17 funding, allowing Council to make more informed prioritization decisions.

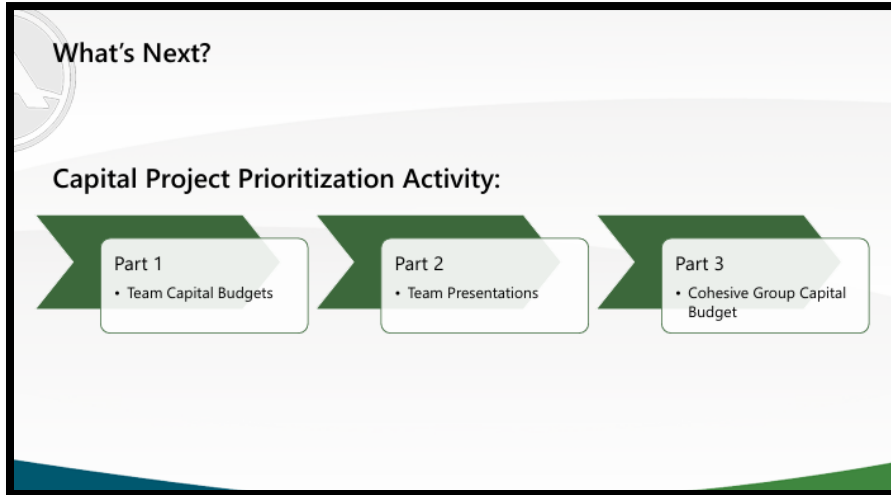
18 **Director Hoffman** said that the Town's Capital Improvement Program (CIP) typically
19 aligns potential projects with the anticipated timing for pursuing Local Assistance and
20 Bridgeport (LAB) funding opportunities. She noted that these potential funding sources are
21 not reflected in the CIP because they are not guaranteed; however, the possibility of
22 receiving outside funding is considered and is aligned with the Town's project timelines and
23 prioritization. She agreed that identifying potential future funding opportunities is an
24 important consideration in the prioritization process.

25 **Councilmember Reese** referenced the evaluation criteria used for project
26 prioritization, including overall project cost, strategic goal alignment, community interest,
27 schedule, and dedicated funding. He emphasized the importance of also considering "quick
28 win" projects that require a lower financial investment while potentially providing a higher
29 impact within a shorter timeframe. He noted that the capital project list represents a
30 significant wish list and stressed the importance of prioritizing projects that demonstrate
31 value to residents while making effective use of available funding.

32 **Councilmember Zegerman** said that his prioritization approach was not based solely
33 on available resources, noting that some projects represent necessary investments,
34 particularly within the utility systems. He emphasized the importance of proactively

addressing known or anticipated issues before they become larger challenges, using transportation concerns and future intersection impacts as examples. He stated that advancing projects before issues arise could help reduce future resident frustration, particularly in areas such as transportation, which continues to be a significant community concern.

[SLIDE 18]



[SPECIAL PROJECTS TEAM]

Administrative Project Manager, Celeste Sherer, provided an overview of the proposed future project team, which builds upon the work of the previous special project team, and presented a high-level summary of the program.

[SLIDE 1]



[SLIDE 2]

Special Project Teams Overview

History:

In mid-2024, Special Project Teams (SPTs) were established to strengthen cross-departmental collaboration and empower employees to develop creative solutions to organizational challenges:

- Each SPT is led by a non-Director and includes 4–6 team members representing multiple departments. With a target timeline of approximately 90 days per project (though some initiatives may require additional time), these teams focus on meaningful, lasting improvements.
- At the conclusion of their work, each team presents its findings and recommendations to the Directors Team, paving the way for discussion, refinement, and potential implementation.
- By dedicating focused time to exploring challenges and opportunities, Special Project Teams contribute to more efficient, sustainable solutions that benefit the entire organization.

[SLIDE 3]

Special Project Teams

To date, Sixteen Special Project Teams have been launched, resulting in a variety of cross-departmental outcomes, operational improvements, and strategic recommendations. This presentation will examine the impact of these teams, which include:

- Outcomes
- Current status updates
- Future team initiatives

Cohort 1: Fall 2024	Cohort 2: Spring 2025
Agenda Development Process	Downtown Streetscapes
Downtown Parking Mitigation	E-Bikes
Capital Projects Dashboards	Facility Safety
Civilian Elementary SROs	Promotion Outreach
Contract Routing Process	Policy Inventory
Employee Check Up Response Plan	Onboarding
ERC Structure Review	Meter Lifecycle
Fleet Plan Development	
Special Events Policy Update	

[SLIDE 4]

Key Metrics

- 16 Special Project Teams
- Over 70 participants
- 15 projects presented to date
- Approximately 11 projects completed

Cohort 1: Fall 2024	Cohort 2: Spring 2025
Agenda Development Process	Downtown Streetscapes
Downtown Parking Mitigation	E-Bikes
Capital Projects Dashboards	Facility Safety
Civilian Elementary SROs	Promotion Outreach
Contract Routing Process	Policy Inventory
Employee Check Up Response Plan	Onboarding
ERC Structure Review	Meter Lifecycle
Fleet Plan Development	
Special Events Policy Update	

[SLIDE 5]

Project Updates

Cohort 1: Fall 2024	Status	Updates/ Impact
Agenda Development Process	- Presented - Completed	Implemented
Downtown Parking Mitigation	- Presented - Completed	Saunders Lot - Construction is complete 152 additional spaces - Increased number of EV charging spaces
Capital Projects Dashboards	Presented	Paused the exploration of a second round due to New Software
Civilian Elementary SROs	Presented	Next Steps: Responsibility moved to the Department level
Contract Routing Process	- Presented - Purchased - Implemented	Currently in use
Employee Check Up Response Plan	Presented	Recommendations utilized
ERC Structure Review	- Presented - Completed	Created the EXT which is in operation
Fleet Plan Development	Presented	- Plan Developed - Appropriate Departments reviewing the plan
Special Events Policy Update	- Presented - Completed	Council Approved

[SLIDE 6]

Project Updates

Cohort 2: Spring 2025	Status	Updates/ Impact
Downtown Streetscapes	Presented	Council approved at work session to move forward
E-Bikes	Presented	
Facility Safety	Presentation scheduled for Feb. 18, 2026	Started to implemented recommendations: badge readers (council chambers) Next Steps: Balance security enhancements with customer experience considerations by including customer experience and service staff in the next phase.
Promotion Outreach	Presented	Next Steps being reviewed to select : Opt In or Opt Out
Policy Inventory	Presented	Anticipating Second Round Project Team
Onboarding	Presented	Moved to HR Department for implementation
Meter Lifecycle	Implemented	Launched – Mass Meter change out underway

[SLIDE 7]

What's Next?

How Are Special Project Teams Selected?

Extended Leadership Team (ELT):

- Brainstorms new project ideas in small groups
- Reviews and prioritizes the list of existing project ideas

Sample of potential Spring 2026 topics

ELT Prioritized these Topics (listed in no particular order)	New Brainstormed Topics from ELT
Data Governance & PII Policy	Office Temp Policy
Travel Policy	Bee & Tree City Review/ Revamp
Purchasing Policy Thresholds	Development of citizen Champions to help with outreach
Cross Departmental Shadowing	Cell phone Reimbursement
Fun Committee	Personnel Policy- Quick Reference Sheets (cheat sheets)
Sustainability	AI Policy/ Training
Employee Giving/ Volunteer Committee	Meter Lifecycle
Parking Enforcement Strategy	
Process Standards – Construction Projects	

Councilmember Zegerman asked if all the topics were all generated by ELT members.

1 **Town Manager Vosburg** said that the items identified on the left side of the list were
2 primarily carried over from previous Executive Leadership Team (ELT) discussions, while items
3 on the right side were developed from the most recent meeting discussions with
4 Administration.

5 **Councilmember Zegerman** asked how employees could provide suggestions and
6 have a greater voice in identifying potential special projects. He referenced employee survey
7 feedback and noted the importance of creating a process for staff to share ideas and identify
8 opportunities for improvement. He provided the example of an employee recognizing a
9 more efficient way to complete a recurring task and asked how those ideas could be
10 incorporated into future special project initiatives.

11 **Town Manager Vosburg** said that the Town could improve how it captures and
12 incorporates employee ideas into potential special projects. He noted that several ideas have
13 previously surfaced through department tours and employee engagement efforts, including
14 the concept of an internal Peak Academy, which originated through both Executive
15 Leadership Team discussions and direct feedback from frontline staff. He explained that
16 employees expressed interest in better understanding the work performed across
17 departments, and noted that upcoming department tours provide an opportunity to gather
18 additional ideas. He suggested that being more intentional about capturing employee
19 feedback could help generate future special project initiatives.

20 **Ms. Sherer** said that she manages the broader coordination of special project teams
21 and noted that employees are already bringing forward ideas for potential projects. She said
22 staff will often reach out directly through email or conversations to ask whether an idea could
23 be considered as a special project opportunity. She noted that this informal process has
24 helped generate ideas for consideration and it's also included in the Newsletter that goes out
25 to Staff.

26 **Councilmember Mu** asked what ERC structure was. **Ms. Sherer** said it stands for
27 Employee Relations Committee (ERC) which was restructured to Employee Extension Team
28 (EXT).

29 **Town Manager Vosburg** said EXT has staff multiple representation on the committee
30 of each department including additional subcommittees.

31 **Director McGee** said that communication is a key component in engaging employees
32 and ensuring awareness of special projects and initiatives. She noted that employees often
33 learn about what is happening within the organization through conversations with their peers
34 and coworkers, highlighting the importance of consistent communication across
35 departments.

36 **Councilmember Reese** asked for a brief description of the sustainability initiative and
37 the parking enforcement strategy.

38 **Town Manager Vosburg** explained that the initiative originated from the reduction of
39 available spaces in the Saunders lot, which resulted in the implementation of time limits for
40 designated downtown parking spaces. He noted that while spaces have been marked,
41 enforcement has not occurred at the level originally anticipated. He stated that staff is
42 evaluating whether continued enforcement is necessary given current parking availability
43 downtown and emphasized the importance of determining whether a more restrictive
44 approach is warranted. He added that, if the Town moves forward, additional considerations
45 include identifying the appropriate enforcement mechanism and determining responsibilities
46 related to collection of any associated fees. Staff is continuing to monitor parking conditions
47 following the reduction in spaces before bringing forward potential recommendations to
48 Council.

1 **Councilmember Reese** said sked whether the parking enforcement strategy was
2 limited to the downtown area or if it also included other locations, such as managing parking
3 demands at facilities like the Senior Center, where parking availability can be limited during
4 peak times.

5 **Town Manager Vosburg** said the Town has received concerns related to street
6 parking in various areas and that parking enforcement may need to be evaluated more
7 broadly. He referenced concerns raised by residents in Shepherd's Vineyard and noted that
8 staff may need to explore parking issues in locations outside of downtown as part of the
9 overall strategy.

10 **Councilmember Reese** asked about sustainability.

11 **Assistant Town Manager Purvis** said that elements of the sustainability initiative are
12 connected to the sustainability plan discussed previously. He noted that smaller components
13 of the plan, including waste-related efforts and workflow improvements, could be
14 incorporated into future initiatives.

15 **Ms. Sherer** said she will collect the topics and, pick a team lead, and develop the
16 scope of the Special Project.

17
18 **[WRAP-UP AND ADJOURNMENT]**
19

20 **Town Manager Vosburg** provided several potential preparation items for upcoming
21 sessions. He noted that the following day's discussion would focus on Council policies and
22 encouraged Councilmembers to consider any potential policies they would like to bring
23 forward, clarifying that the purpose of the discussion would be to ensure alignment on the
24 policy development process rather than review specific policies. He also noted that
25 Checkmate would be facilitating an exercise related to legislative priorities and encouraged
26 Councilmembers to consider any topics they would like to discuss as potential legislative
27 priorities. Additionally, he discussed the upcoming new initiatives discussion and stated that
28 Christie was updating the initiatives dashboard based on the day's feedback. He explained
29 that the dashboard would include initiatives from the previous three years and would be
30 provided to Council in advance of Friday's discussion, where Councilmembers would have
31 the opportunity to identify potential new initiatives and align them with the appropriate
32 strategic plan goal areas.

33 **Councilmember Reese** asked whether Councilmembers should consider potential
34 new initiatives across a range of scopes, including both modest and more ambitious
35 initiatives.

36 **Town Manager Vosburg** said that the timing of the discussion was different from the
37 typical strategic planning process because staff had delayed consideration of new initiatives
38 until after the seating of new Councilmembers. He noted that, because the Town is close to
39 the budget process, initiatives requiring significant funding would likely not be included in
40 the current budget and would instead be considered for FY 2027 or future budget cycles. He
41 added that smaller initiatives requiring fewer resources may be able to move forward sooner,
42 while larger initiatives may require additional budget amendments or a longer
43 implementation timeline. He noted that staff would evaluate proposed initiatives within the
44 context of available resources and a potential one- to three-year implementation timeframe.

45
46
47 **[ADJOURNMENT]**

1
2 A **motion** was made by **Mayor Pro-Tempore Mahaffey** and second by
3 **Councilmember Arno Zegerman** to adjourn the meeting.
4

5 **Mayor Gilbert** adjourned the meeting at **3:27 p.m.**
6

7 Jacques K. Gilbert
8 Mayor
9

10 Allen Coleman, CMC
11 Town Clerk to the Apex Town Council
12 Submitted for approval by Town Clerk Allen Coleman and approved on _____.