



**Orange County  
Board of Commissioners**

**Agenda**

**Business Meeting**

January 21, 2020

7:00 p.m.

Richard Whitted Meeting Facility

300 West Tryon Street

Hillsborough, NC 27278

**Note:** Background Material  
on all abstracts  
available in the  
Clerk's Office

**Compliance with the "Americans with Disabilities Act"** - Interpreter services and/or special sound equipment are available on request. Call the County Clerk's Office at (919) 245-2130. If you are disabled and need assistance with reasonable accommodations, contact the ADA Coordinator in the County Manager's Office at (919) 245-2300 or TDD# 919-644-3045.

**1. Additions or Changes to the Agenda**

**PUBLIC CHARGE**

*The Board of Commissioners pledges its respect to all present. The Board asks those attending this meeting to conduct themselves in a respectful, courteous manner toward each other, county staff and the commissioners. At any time should a member of the Board or the public fail to observe this charge, the Chair will take steps to restore order and decorum. Should it become impossible to restore order and continue the meeting, the Chair will recess the meeting until such time that a genuine commitment to this public charge is observed. The BOCC asks that all electronic devices such as cell phones, pagers, and computers should please be turned off or set to silent/vibrate. Please be kind to everyone.*

**Arts Moment** – Karina Castañeda Esparza is a proud daughter of two immigrant parents. She is from Mebane, North Carolina. Her top priority at the moment is to continue her academic journey and make her parents proud. She plans to major in psychology. While she does not know exactly what she want her career to be, she knows for a fact that she is headed toward a place in life her parents have always dreamt of for her. Since her Freshman year at Orange High School, she has worked tutoring students that recently came from Spanish speaking countries or who struggle with the English language. She is committed to leading other Latinx students and minorities toward success. Over the past two years she has been involved in many community service programs and events and photography. She cares about unity and equality and knows that with strong, forward thinking and diverse students, girls and boys of every color will be able to thrive and earn the education they deserve.

**2. Public Comments (Limited to One Hour)**

(We would appreciate you signing the pad ahead of time so that you are not overlooked.)

- a. Matters not on the Printed Agenda (Limited to One Hour – THREE MINUTE LIMIT PER SPEAKER – Written comments may be submitted to the Clerk to the Board.)

*Petitions/Resolutions/Proclamations and other similar requests submitted by the public will not be acted upon by the Board of Commissioners at the time presented. All such requests will be referred for Chair/Vice Chair/Manager review and for recommendations to the full Board at a later date regarding a) consideration of the request at a future Board meeting; or b) receipt of the request as information only. Submittal of information to the Board or receipt of information by the Board does not constitute approval, endorsement, or consent.*



b. **Matters on the Printed Agenda**

(These matters will be considered when the Board addresses that item on the agenda below.)

**3. Announcements, Petitions and Comments by Board Members (Three Minute Limit Per Commissioner)**

**4. Proclamations/ Resolutions/ Special Presentations**

- a. National Mentoring Month Proclamation
- b. OWASA Annual Update Presentation
- c. Update on the Orange County Food Council

**5. Public Hearings**

**6. Regular Agenda**

- a. 2020 Greene Tract Resolution and Environmental Assessment Interlocal Agreement

**7. Reports**

**8. Consent Agenda**

- Removal of Any Items from Consent Agenda
  - Approval of Remaining Consent Agenda
  - Discussion and Approval of the Items Removed from the Consent Agenda
- a. Minutes
  - b. Motor Vehicle Property Tax Releases/Refunds
  - c. Property Tax Releases/Refunds
  - d. Applications for Property Tax Exemption/Exclusion
  - e. Ratification of Contract Signature Authority and Approval of Budget Amendment #4-A for the Philip Nick Waters Emergency Services Building Remediation Project
  - f. Ratification of Contract Signature Authority and Approval of Budget Amendment #4-B for the Solid Waste Administration Building
  - g. Declaration of Surplus Property– Structure at 686 Erwin Road
  - h. Approval to Extend the White Cross Fire Insurance District Boundary from the Cane Creek Fire Insurance District
  - i. Phillip Nick Waters Emergency Services Stormwater Control Measure Access and Maintenance Easement and Agreement with Town of Hillsborough (510 Meadowlands Drive, Hillsborough)
  - j. Orange County Sportsplex Field House Stormwater Control Measure Access and Maintenance Easement and Agreement with Town of Hillsborough (103 Meadowlands Drive, Hillsborough)
  - k. Revised Interlocal Agreement with Towns of Chapel Hill and Carrboro Related to the Historic Rogers Road Area Private Sewer Service Lateral Connection Installations for Qualified Low-to-Moderate-Income (LMI) Homeowners – Cost Share
  - l. Lease of 308 W. Franklin Street and Suite 101 at the Europa Center, and Approval of Budget Amendment #4-C

**9. County Manager's Report**

**10. County Attorney's Report**



## 11. \*Appointments

## 12. Information Items

- December 10, 2019 BOCC Meeting Follow-up Actions List
- Tax Collector's Report – Numerical Analysis
- Tax Collector's Report – Measure of Enforced Collections
- Tax Assessor's Report – Releases/Refunds under \$100
- Memorandum-Richard E. Whitted Front Entry Accessibility Ramp and Steps
- Memorandum-Broadband Initiative Pilot Project Update with Attached Service Area Map
- December 18, 2019 Greene Tract Facilitated Meeting Notes
- Memorandum-Greater Triangle Commuter Rail (GTCR) Update

## 13. Closed Session

“Pursuant to G.S. § 143-318.11(a)(3) "to consult with an attorney retained by the Board in order to preserve the attorney-client privilege between the attorney and the Board.”

## 14. Adjournment

*Note: Access the agenda through the County's web site, [www.orangecountync.gov](http://www.orangecountync.gov)*

### **\*Subject to Being Moved to Earlier in the Meeting if Necessary**

Orange County Board of Commissioners' meetings and work sessions are available via live streaming video at [orangecountync.gov/967/Meeting-Videos](http://orangecountync.gov/967/Meeting-Videos) and Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No.** 4-a

**SUBJECT:** National Mentoring Month Proclamation

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**DEPARTMENT:** Board of Commissioners

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**ATTACHMENT(S):**  
Proclamation

**INFORMATION CONTACT:**  
Commissioner Renee Price, 245-2310

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**PURPOSE:** To consider a proclamation designating January 2020 as National Mentoring Month in Orange County.

**BACKGROUND:** National Mentoring Month is a campaign held each January to promote youth mentoring in the United States. It was inaugurated in 2002, and has been spearheaded by the Harvard School of Public Health and MENTOR: The National Mentoring Partnership.

National Mentoring Month focuses national attention on the need for mentors, as well as how individuals, businesses, government agencies, schools, faith communities and nonprofits can work together to increase the number of mentors to help ensure positive outcomes for young people. The campaign celebrates mentoring and the positive effect it can have on young lives, with goals to:

- Raise awareness of mentoring in its various forms;
- Recruit individuals to mentor, especially in programs that have waiting lists of young people; and
- Promote the rapid growth of mentoring by recruiting organizations to engage their constituents in mentoring.

Mentoring is a critical component in young people's lives, helping them make the decisions and connections that lead to opportunity.

**FINANCIAL IMPACT:** There is no financial impact associated with consideration of the proclamation.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with consideration of the proclamation.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board approve and authorize the Chair to sign the proclamation.

**ORANGE COUNTY BOARD OF COMMISSIONERS**  
**NATIONAL MENTORING MONTH**  
**PROCLAMATION**

WHEREAS, the people of Orange County honor caring adult mentors who support young people by showing up for them every day and demonstrating their commitment to helping them thrive; and

WHEREAS, mentoring programs such as MENTOR North Carolina make our local communities, our state and our nation stronger; and

WHEREAS, quality mentoring promotes healthy relationships and communication, positive self-esteem and growth of a young person; and

WHEREAS, students who meet regularly with their mentors are more than fifty-two percent [52%] less likely than their peers to skip a day of school, and youth who face an opportunity gap and have a mentor are fifty-five percent [55%] more likely to be enrolled in college than those who had no mentor; and

WHEREAS, youth who regularly meet with their mentors are forty-six percent [46%] less likely than their peers to start using drugs and twenty-seven percent [27%] less likely to start drinking alcoholic beverages; and

WHEREAS, two-thirds of adults consider it highly important for young people to have mentors, and that same population estimates that only a quarter of youth have the mentors they need; and

WHEREAS, research shows that forty-four percent [44%] of adults not yet mentoring are willing to consider mentoring, and that mentoring is poised for growth; and

WHEREAS, almost half of young adults today report having a mentor in their youth and those rates appear to have been rising steadily over the past several decades; and

WHEREAS, National Mentoring Month is the time of year where engagement from community members interested in becoming a mentor is highest;

NOW, THEREFORE, the Orange County Board of County Commissioners does hereby proclaim January 2020 as National Mentoring Month in Orange County, and encourages all residents to take this opportunity to celebrate, elevate and encourage mentoring in communities across the county.

This the 21<sup>st</sup> day of January 2020.

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Penny Rich, Chair  
Orange County Board of Commissioners

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 4-b**

**SUBJECT:** OWASA Annual Update Presentation

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**DEPARTMENT:** County Commissioners

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**ATTACHMENT(S):**

**INFORMATION CONTACT:**

Donna Baker, Clerk to the Board, 245-2130

Bonnie Hammersley, County Manager, 245-2300

Ed Kerwin, OWASA Executive Director, 968-4421

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**PURPOSE:** To receive a presentation and information from the Orange Water and Sewer Authority (OWASA) on recent activities.

**BACKGROUND:** At the beginning of each calendar year over the last decade, OWASA representatives have appeared before the Board of Commissioners to make a presentation on recent OWASA activities.

OWASA Board Chair Ray DuBose and Board member Jody Eimers, Orange County appointees to the OWASA Board, will provide an overview on several initiatives from OWASA. OWASA Executive Director Ed Kerwin will also be available at the meeting to provide information and respond to questions.

**FINANCIAL IMPACT:** There is no financial impact associated with receiving the presentation.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There are no Orange County Environmental Responsibility Goal impacts associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board receive the presentation as information and provide any feedback as necessary.

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 4-c**

**SUBJECT:** Update on the Orange County Food Council

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**DEPARTMENT:** County Manager, Orange  
County Food Council

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**ATTACHMENT(S):**

PowerPoint Presentation

**INFORMATION CONTACT:**

Ashley Heger, Food Council Coordinator,  
245-2146

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**PURPOSE:** To receive an update from the Food Council about activities in the 2019 - 2020 fiscal year and the proposed scope of work for the 2020 - 2021 fiscal year.

**BACKGROUND:** The Food Council Coordinator was hired in July 2019. This new Coordinator position was approved through an interlocal agreement process and is jointly funded by Orange County, Chapel Hill, Hillsborough and Carrboro. The Coordinator is charged with coordinating the Food Council and helping it achieve its goals. This presentation will provide an update of the Coordinator's work and progress since July 2019 plus an overview of the Food Council's plans for the 2020 - 2021 fiscal year.

**FINANCIAL IMPACT:** There is no financial impact associated with receiving this update.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this item:

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**

The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**

The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

The Food Council operates within a systems change and racial equity framework where social justice is centered. The efforts of the Food Council most clearly align with the Social Justice Goal to Foster a Community Culture that Rejects Oppression and Inequity. The Food Council's makeup reflects the purpose of this goal and all of the Food Council's efforts are centered on recognizing systemic inequities and developing strategies to foster a more community-driven, equitable and sustainable local food system.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends the Board receive the report and provide any comments or questions as appropriate.



# ORANGE COUNTY FOOD COUNCIL

2019 Review & 2020 Scope of Work

## 2019 - 2020 Fiscal Year

- Hired full-time coordinator
- Facilitated partnership with Orange Co Schools and Orange Co Solid Waste to begin a school composting pilot program in 2 Hillsborough elementary schools
- Organizing a 'state of food security' report for the County in January
- Facilitated Social Justice and Racial Equity workshops
- Grown workgroup participation in Local Food Economy, Racial Equity, Food Access and Food Waste Recovery

## 2020 - 2021 Goals & Scope of Work

- Develop a Food Policy Agenda (2 year process)
- Create a Racial Equity Community Data Index in collaboration with the Health Equity Council
- Sustain workgroups and partnership development



# What is a Food Policy Agenda?



## EQUALITY VERSUS EQUITY



In the first image, it is assumed that everyone will benefit from the same supports. They are being treated equally.



In the second image, individuals are given different supports to make it possible for them to have equal access to the game. They are being treated equitably.



In the third image, all three can see the game without any supports or accommodations because the cause of the inequity was addressed. The systemic barrier has been removed.

# Purpose & Structure

Identify gaps and opportunities for improving the local food system

Develop an agreement between partners where lived experience and racial equity is centered and everyone understands their role in this work

Provide policy recommendations and create process to keep policies accountable to the outcomes/impact



## How this relates to our full scope of work in 2020 - 2021

- Data Index as a tool for identifying issues and tracking outcomes
- Workgroups and partners helping drive this work and inform the process
- Working with a racial equity coach



**Ashley Heger**

[aheger@orangecountync.gov](mailto:aheger@orangecountync.gov)

[ocfoodcouncil@gmail.com](mailto:ocfoodcouncil@gmail.com)

**ORANGE COUNTY  
BOARD OF COMMISSIONERS  
ACTION AGENDA ITEM ABSTRACT  
Meeting Date: January 21, 2020**

**Action Agenda  
Item No. 6-a**

**SUBJECT:** 2020 Greene Tract Resolution and Environmental Assessment Interlocal Agreement

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**DEPARTMENT:** County Manager's Office,  
Attorney's Office, Planning and  
Inspections

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**ATTACHMENT(S):**

1. Greene Tract Vicinity Map
2. Proposed 2020 Resolution
3. Proposed Environmental Assessment Interlocal Agreement

**INFORMATION CONTACT:**

Bonnie Hammersley, County Manager,  
919-245-2306  
Travis Myren, Deputy County Manager,  
919-245-2308  
John Roberts, County Attorney, 919-245-  
2318  
Craig Benedict, Planning Director, 919-245-  
2575

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**PURPOSE:** To consider approval of the 2020 Greene Tract Resolution and Interlocal Agreement between Orange County, the Town of Chapel Hill, and the Town of Carrboro to jointly fund the costs of an environmental assessment related to the Greene Tract.

**BACKGROUND:** The Greene Tract is a 164 acre parcel of which 104 acres is jointly owned by Orange County/Chapel Hill/Carrboro and 60 acres owned by Orange County (Headwaters Preserve). In 2001/2002, local governments approved a resolution conceptualizing uses of the 104 acre joint owned area. In 2017, local governments agreed to have the Managers, Mayors, and Chair (MMC) consider preservation and development options for the Greene Tract. Starting in May 2017, a joint staff work group began to examine the preservation and development potential of the existing Greene Tract.

The MMCs requested that each alternative include specific elements and goals including, but not limited to, incorporate a future elementary school and park site, preserve valuable environmental features and corridors, protect historical and cultural resources, encourage cost effective infrastructure, and identify areas for future development. In addition, the MMC recommended staff examine the reconfiguration of the joint owned and county owned tracts. The purpose of this request was to determine the feasibility in adopting a revised resolution supporting the reconfiguration of these tracts. The 60 acres which are county owned would be established as prime preservation areas. These goals and objectives, vetted through a multijurisdictional staff work group, assisted in the development of the 2019 Greene Tract Resolution and Conceptual Plan.

### **January 29, 2019 Assembly of Governments Meeting**

The 2019 Greene Tract Resolution and Conceptual plan were presented at the January 29, 2019 Assembly of Governments meeting. Elected officials stated support for the resolution and conceptual plan.

### **February 12, 2019 Carrboro Board of Aldermen Meeting**

The 2019 Greene Tract Resolution and Conceptual Plan were adopted by the Carrboro Board of Aldermen.

### **February 19, 2019 Orange County Commissioners Meeting**

The 2019 Greene Tract Resolution and Conceptual Plan were adopted by the Orange County Board of Commissioners.

### **February 20, 2019 Chapel Hill Town Council Meeting**

The 2019 Greene Tract Resolution and Conceptual Plan were presented to the Chapel Hill Town Council. The Council approved the exchange of acreage from jointly-owned to county-owned and county-owned to jointly-owned commencing the recombination process and the exploration of ways to protect the County-owned Headwaters Preserve and Jointly-owned preserve areas. However, the conceptual plan with linked land use designations were not approved at this time.

### **July 15, 2019 Chapel Hill Town Council Meeting**

The 2019 Greene Tract Resolution and Conceptual Plan were presented to the Chapel Hill Town Council for adoption consideration. The Council approved a substitute Resolution (Option C) which was not the same resolution and conceptual plan adopted by Orange County and the Town of Carrboro. This resolution and conceptual plan acknowledged action taken at their February 20 meeting and approved land use acreage designations, but did not specify land use designations on the adopted conceptual plan. In addition, the Town Council adopted a second resolution outlining next steps for the Greene Tract, which included the completion of an environmental assessment. This element was not contained in the resolutions adopted by Orange County and of the Town of Carrboro since a multi-jurisdictional environmental scan was conducted.

### **2020 Greene Tract Resolution**

Following the July Chapel Hill Town Council meeting, local governments have been working to bridge the two resolutions adopted by the Towns and County. In addition, the local governments have considered the importance of the environmental assessment and how to proceed. As a result of these discussions, a 2020 Greene Tract resolution was proposed. This resolution would provide a process for the three jurisdictions to move forward in their pursuit of development on the Greene Tract and would provide guidance and next steps while a memorandum of understanding document is drafted. The resolution would:

1. Initiate an environmental assessment of the 164 acre Greene Tract to determine the most environmental sensitive area to be designated as the Headwaters Preserve.
2. Initiate drafting of a Memorandum of Understanding between the three jurisdictions. This document would detail decision making process for the jurisdictions to agree to.
3. Delay public engagement efforts until agreement of a Memorandum of Understanding.

With adoption by all three governing boards, the attached resolution would supersede the 2002 Resolution, approved December 10, 2002, and the 2019 Resolution adopted on February 19, 2019 which outlined the County and Towns' intentions for developing the Greene Tract.

### **Greene Tract Environmental Assessment Interlocal Agreement**

The proposed 2020 Greene Tract resolution outlines next steps, which includes the initiation of an environmental assessment of the 164 acre Greene Tract to determine the most environmental sensitive area to be designated as the Headwaters Preserve along with required environmental areas within the 104 acres.

The purpose of this environmental assessment is to obtain site-specific information on environmental conditions present on the Greene Tract in order to identify areas of the property to be preserved and/or protected. The assessment will also balance the environmental conditions in conjunction with future infrastructure (i.e. roads, water, sewer, stormwater, etc.) necessary for adjacent future development. A future developer would use this information as a base and not have to duplicate such work. After future preserved areas are identified, then other areas that could be considered for desired uses as determined in future site evaluations, suitability analyses, community input sessions, site plans, and development proposals.

Orange County, in partnership with the Towns of Chapel Hill and Carrboro, will be providing joint funding to cover the costs of the environmental assessment as outlined in the Interlocal Agreement (Attachment 3). The estimated cost for the environmental assessment is \$40,000. Based on the proposed cost share agreement of 43/43/14 percent (Orange County/Chapel Hill/Carrboro respectively), Orange County's cost share will be approximately \$17,200. The proposed Interlocal Agreement has also been reviewed by the respective Attorneys of the three local governments.

The 2020 Greene Tract Resolution and Interlocal Agreement are planned for adoption consideration at the January 21 Carrboro Board of Aldermen meeting and the January 22 Chapel Hill Town Council Meeting. Any amendments to the resolution and/or interlocal agreement by the Town of Chapel Hill and the Town of Carrboro would prompt a return to the BOCC for consideration.

**FINANCIAL IMPACT:** There is no direct financial impact associated with the 2020 Greene Tract Resolution. Following adoption of the proposed Interlocal Agreement, Orange County will be responsible for paying the provider as detailed in the proposed Interlocal Agreement from the current (FY19/20) Budget/Capital Investment Plan (CIP). The Towns will be notified of the County's payment and authorize reimbursement to the County based on the proposed cost share agreement (Chapel Hill 43% and Carrboro 14% of the total cost). If the cost of the environmental assessment exceeds the allocated budget, Orange County staff will present a budget or CIP amendment to the BOCC for consideration.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this item:

- **GOAL: ENSURE ECONOMIC SELF-SUFFICIENCY**  
The creation and preservation of infrastructure, policies, programs and funding necessary for residents to provide shelter, food, clothing and medical care for themselves and their dependents.

- **GOAL: FOSTER A COMMUNITY CULTURE THAT REJECTS OPPRESSION AND INEQUITY**

The fair treatment and meaningful involvement of all people regardless of race or color; religious or philosophical beliefs; sex, gender or sexual orientation; national origin or ethnic background; age; military service; disability; and familial, residential or economic status.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impact is applicable to this item:

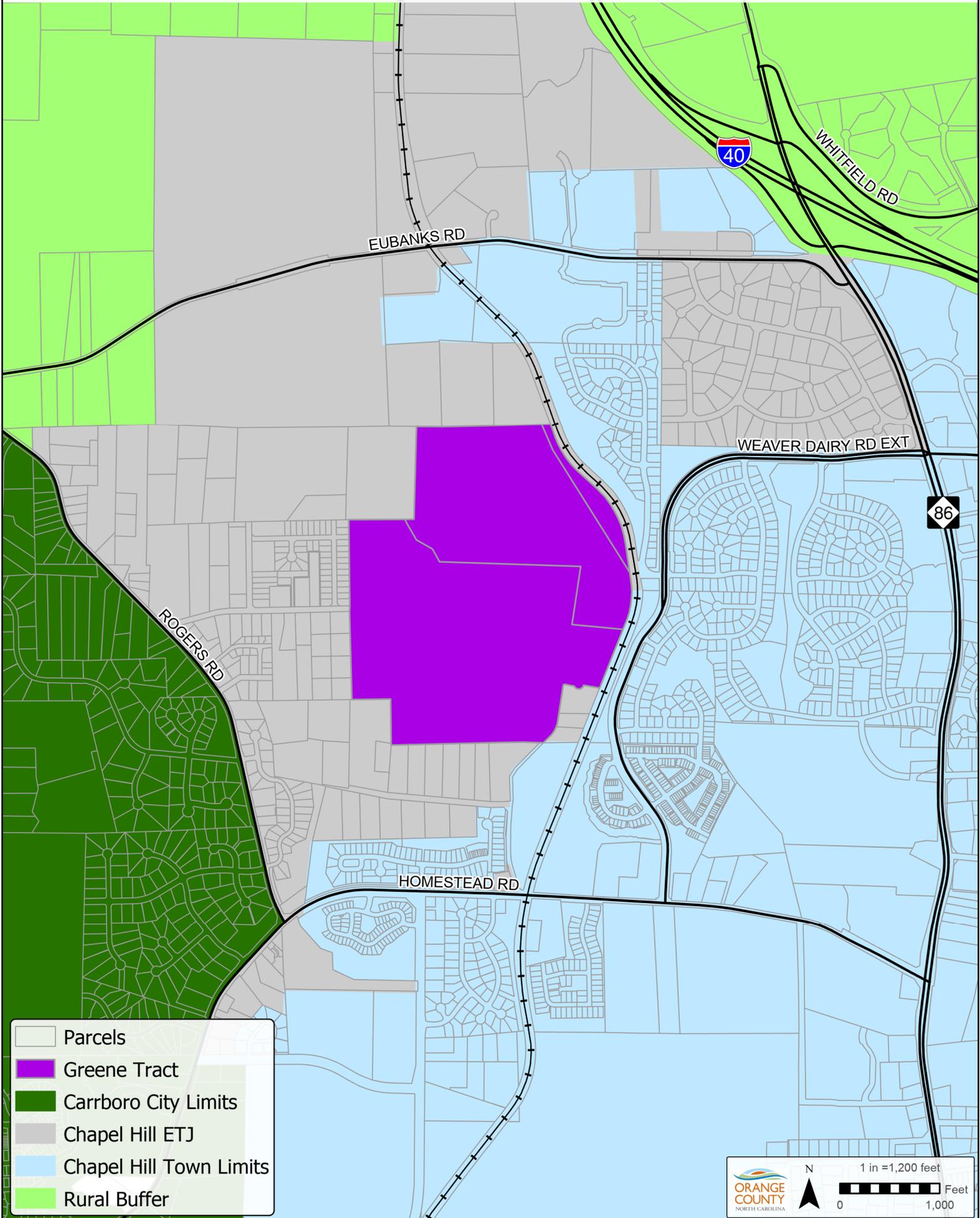
- **RESULTANT IMPACT ON NATURAL RESOURCES AND AIR QUALITY**

Assess and where possible mitigate adverse impacts created to the natural resources of the site and adjoining area. Minimize production of greenhouse gases.

**RECOMMENDATION(S):** The Manager recommends the Board:

1. Receive the 2020 Greene Tract Resolution and Environmental Assessment Interlocal Agreement;
2. Discuss as appropriate;
3. Approve and authorize the Chair to sign the 2020 Greene Tract Resolution contained in Attachment 2; and
4. Approve the Environmental Assessment Interlocal Agreement contained in Attachment 3 and authorize the County Manager and Finance Director to sign.

# Greene Tract Vicinity Map



**RESOLUTION****A RESOLUTION FOR A PATH FORWARD PROCESS FOR FURTHER ASSESSMENT  
OF THE GREENE TRACT**

**WHEREAS**, in 1984, Orange County and the Towns of Carrboro and Chapel Hill jointly purchased the property known as the Greene Tract (164 acres more or less); and

**WHEREAS**, in 2000, title to 60 acres of this property was deeded exclusively to the Orange County Solid Waste Enterprise Fund for non-landfill solid waste purposes under provisions of the 1999 Interlocal Agreement for Solid Waste Management; and

**WHEREAS**, at that time, the remaining 104 acres was retained in joint ownership by the three governments (with the intent that the future uses of the property would be determined at a future time); and

**WHEREAS**, the 60-acre parcel (designated as the Headwaters Preserve by the Orange County Board of Commissioners on October 18, 2016) was purchased by Orange County via reimbursement to the Solid Waste Enterprise Fund in 2016; and

**WHEREAS**, in 2002 Orange County and the Towns of Carrboro and Chapel Hill adopted the 2002 Resolution which called for approximately 86 acres for open space and 18 acres for affordable housing on the jointly-owned land; and

**WHEREAS**, the Greene Tract is part of the Historic Rogers Road Neighborhood where the Towns of Chapel Hill and Carrboro have researched market development potential and zoning to implement a planning program in the overall area; and

**WHEREAS**, over the last 16 years, various joint planning studies and collaborations with the community and school district have suggested land use and acreage needs; and

**WHEREAS**, Mayors for Carrboro and Chapel Hill and the Orange County Commissioners Chair have agreed to jointly pursue an update to the 2002 Resolution and have been meeting with respective management and supporting staff, as suggested by the elected officials at an Assembly of Governments meeting in 2017, to determine next steps for preservation and development of the Greene Tract; and

**WHEREAS**, on February 12, 2019 the Carrboro Board of Aldermen and on February 19, 2019 the Orange County Commissioners voted to approve a resolution to support adjusting the property lines of the 104-acre jointly-owned tract and the 60-acre Headwaters Preserve, creating a jointly-owned preserve, indicating land uses, and conceptually agreeing to consider development of the Greene Tract; and

**WHEREAS**, on February 20, 2019 the Chapel Hill Town Council voted to approve the exploration of ways to protect the County-owned Headwaters Preserve and a proposed jointly-owned preserve area; and

**WHEREAS**, the Chapel Hill Carrboro City Schools in a letter dated May 22, 2019, have indicated the district's continued interest in designation of a school site to be located on the Greene Tract; and

**WHEREAS**, on July 15, 2019 the Chapel Hill Town Council adopted a resolution to support adjusting the property lines on the tract and the Headwaters Preserve, creating a jointly-owned preserve, and conceptually agreeing to consider development of the Greene Tract; and

**WHEREAS**, at that time the Chapel Hill Town Council did not agree to designating the land uses indicated on the maps attached to the Carrboro and County's resolutions; and

**WHEREAS**, the three jurisdictions agreed conceptually to the following land use designations:

- Approximately 22 acres for joint preserve;
- A minimum of 16 acres for public school site and public recreational facility site;
- Approximately 66 acres for housing/mixed use; and

**WHEREAS**, the Chapel Hill Town Council also adopted a resolution on July 15, 2019 committing to holding a series of community meetings, soliciting input from the public and respective advisory boards regarding land uses and densities, initiate environmental and connectivity assessment; and initiate steps to protect the jointly-owned preserve and the Headwaters Preserve in perpetuity; and

**WHEREAS**, an environmental assessment would be based on the highest protective environmental regulations of the three jurisdictions (Carrboro, Chapel Hill, and Orange County) and as also defined by the Army Corps of Engineers for wetlands determination; and

**WHEREAS**, in the interest of working together, Carrboro, Chapel Hill, and Orange County elected boards have considered this resolution to determine a joint path forward; and

**WHEREAS**, each board will consider this resolution in January 2020 outlining next steps and provide direction to their respective staff; and

**WHEREAS**, this resolution attempts to consolidate the differences and supersede the resolutions adopted in February 2019 by the Carrboro Board of Aldermen and the Orange County Commissioners and the resolution adopted in July 2019 by the Chapel Hill Town Council; and

**WHEREAS**, analysis of the Greene Tract's past, present, and future identified the following land use needs and goals:

- Promote mixed-income housing opportunities; development of housing that serves a range of incomes
- Preserve valuable environmental features including tree canopy, open space, stream buffers, and wildlife corridors;
- Protect historical and cultural resources;
- Promote cost effective infrastructure;
- Incorporate school and recreation sites;
- Earmark development areas for mixed income housing and mixed use potential; and

**WHEREAS**, the staff work group considered direction from the respective governing boards, specialized staff, housing partners, and community in developing a conceptual process for the Greene Tract.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Orange County Board of Commissioners:

1. Jointly pursue an environmental assessment of the entire 164 acres to consider designating the most environmentally sensitive area as the Headwaters Preserve with a cost share Interlocal Agreement for that analysis of 43/43/14 percent (Orange County/Chapel Hill/Carrboro respectively).
  - a. Environmental assessment of the site should include site topography, habitat for species of special concern, wetlands, stream corridors, and cultural and historic resources.
  - b. Best practical alternative shall be evaluated to balance environmental and infrastructure needs (i.e. roadway, water, sewer, stormwater, etc.).
2. Jointly pursues a Memorandum of Understanding for future decision-making process. This document will be used to ensure the parties participate in good faith in the planning process for potential development of the Greene Tract. The document will describe community outreach efforts.
3. Jointly agrees to not initiate formal public engagement until completion of the Memorandum of Understanding document.
4. Jointly agrees any potential developers of the Greene Tract may rely upon and utilize the environmental assessment contemplated herein and shall not be required to conduct or obtain a separate environmental assessment.
5. Agrees to discussion of the Greene Tract at the 2020 Assembly of Governments meeting on January 28, 2020.

This the \_\_\_\_ day of \_\_\_\_\_, 2020.

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Penny Rich, Chair  
Orange County Board of County Commissioners

ATTEST:

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Donna Baker, Clerk to the Board of County Commissioners

**SECOND DRAFT****AGREEMENT AMONG ORANGE COUNTY AND THE TOWNS  
OF CHAPEL HILL AND CARRBORO, NORTH CAROLINA TO OBTAIN  
AN ENVIRONMENTAL ASSESSMENT FOR THE GREENE TRACT**

This Agreement is made among Orange County and the Towns of Chapel Hill and Carrboro, North Carolina to obtain an environmental assessment for the Greene Tract as follows:

**WITNESETH**

WHEREAS, Orange County and the Towns of Chapel Hill and Carrboro (“the parties”) each have an ownership interest in certain contiguous parcels of land located in the County and lying south of Eubanks Road, collectively known as the “Greene Tract,” consisting of a total of approximately 164 acres (“the entire tract”), of which approximately 60 acres are solely owned by Orange County and approximately 104 acres are owned in different percentage shares by the County and the Towns;

WHEREAS, on December 18, 2019, representatives of the parties met to discuss next steps in the parties’ consideration about the future use of the Greene Tract and recommended obtaining an environmental assessment of the entire tract in furtherance of that consideration;

WHEREAS, the parties conclude that obtaining an environmental assessment of the entire Greene tract would be beneficial to them as a first step in obtaining site-specific information on environmental conditions present on the tract; and

WHEREAS, the parties have adopted a resolution to authorize an environmental assessment for the entire Greene tract.

NOW, THEREFORE, in consideration of the foregoing and based on the promises and obligations herein, the County and the Towns agree as follows:

1. Orange County staff shall: (i) develop, through collaboration among the parties’ staffs, an RFP for an environmental assessment of the entire tract and the scope of work for the assessment; (ii) disseminate the RFP to prospective providers of the assessment and select a suitable provider for the assessment based on the

recommendation of the parties' staffs; (iii) notify the Towns of the provider selected by the County to conduct the assessment; (iv) enter into a contract for the assessment with the provider selected and provide a copy of that contract to the Towns; and (v) provide to the Towns a copy of the assessment when it is completed.

2. Orange County shall be responsible for paying to the provider of the assessment the total cost of it under the County's contract with the provider; and the Towns shall, after notification by the County of its payment to the provider and the total amount of that payment, promptly authorize reimbursement to the County for the total cost of the study as follows: for Chapel Hill, 43% of the total cost; and for Carrboro, 14% of the total cost.

3. This agreement shall be effective as of the date when all of the parties have executed it by their managers with the attestation of the parties' clerks below and shall terminate upon full performance of the obligations of all parties under the agreement.

In witness whereof, the parties, by their authorized managers, with the attestation of the parties' clerks, have hereunder set their hands and seals on the dates provided:

\_\_\_\_\_  
Manager, Orange County

\_\_\_\_\_  
Finance Director, Orange County

ATTEST

By: \_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

\*\*\*\*\*

\_\_\_\_\_  
Manager, Town of Chapel Hill

\_\_\_\_\_  
Finance Director, Town of Chapel Hill

ATTEST

By: \_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

\_\_\_\_\_  
Manager, Town of Carrboro

\_\_\_\_\_  
Finance Director, Town of Carrboro

ATTEST

By: \_\_\_\_\_  
Clerk

Date: \_\_\_\_\_

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**  
**ACTION AGENDA ITEM ABSTRACT**  
**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-a**

**SUBJECT:** Minutes

---

**DEPARTMENT:** Board of County  
Commissioners

---

**ATTACHMENT(S):**  
Draft Minutes

**INFORMATION CONTACT:**  
Donna Baker, Clerk to the Board  
919-245-2130

---

**PURPOSE:** To correct and/or approve the minutes as submitted by the Clerk to the Board as listed below.

**BACKGROUND:** In accordance with 153A-42 of the General Statutes, the Governing Board has the legal duty to approve all minutes that are entered into the official journal of the Board's proceedings.

December 2, 2019  
December 10, 2019

BOCC Business Meeting  
BOCC Business Meeting

**FINANCIAL IMPACT:** NONE

**SOCIAL JUSTICE IMPACT:** NONE

**ENVIRONMENTAL IMPACT:** NONE

**RECOMMENDATION(S):** The Manager recommends the Board approve minutes as presented or as amended.

1  
2  
3 DRAFT

4 **MINUTES**  
5 **BOARD OF COMMISSIONERS**  
6 **BUSINESS MEETING**  
7 **December 2, 2019**  
8 **7:00 p.m.**

9 The Orange County Board of Commissioners met in a Business Meeting on Monday,  
10 December 2, 2019 at 7:00 p.m. at the Whitted Human Services Center in Hillsborough, N.C.

11  
12 **COUNTY COMMISSIONERS PRESENT:** Chair Penny Rich and Commissioners Jamezetta  
13 Bedford, Mark Dorosin, Sally Greene, Earl McKee, Mark Marcoplos, and Renee Price

14 **COUNTY COMMISSIONERS ABSENT:** None

15 **COUNTY ATTORNEYS PRESENT:** John Roberts

16 **COUNTY STAFF PRESENT:** County Manager Bonnie Hammersley, Deputy County Manager  
17 Travis Myren, and Clerk to the Board Donna Baker (All other staff members will be identified  
18 appropriately below.)

19  
20 Chair Rich called the meeting to order at 7:01 p.m.

21 Chair Rich said Commissioner Greene is running late, due to traffic.

22 John Roberts said the Board of County Commissioners (BOCC) could switch up the  
23 agenda to give Commissioner Greene more time.

24  
25 A motion was made by Commissioner McKee, seconded by Commissioner Bedford,  
26 to move forward in the agenda and come back to the Board Organization portion after  
27 Commissioner Greene arrives.

28  
29 **VOTE: UNANIMOUS**

30  
31 **1. Additions or Changes to the Agenda**

32  
33 Chair Rich noted the following items at the Commissioners' places:  
34 - PowerPoint for Item 4-a

35  
36 **PUBLIC CHARGE**

37 Chair Rich acknowledged the public charge.

38  
39 **Arts Moment**

40 Doris Friend, Arts Commission Board Member, introduced Pam Baggett:  
41 Pam Baggett is the author of *Wild Horses*, described by Terri Kirby Erickson as "a barebacked,  
42 buck-naked ride on the slick haunches of fate (to the tune of *Riders on the Storm*) all the way  
43 from the mystical land of sex, drugs, and rock & roll to the bedside of a dying friend." She is a  
44 recipient of an Ella Fountain Pratt Emerging Artists Grant from the Durham Arts Council, two  
45 Artist Project Grants from the Orange County Arts Commission, and a 2019-20 Artist  
46 Fellowship from the North Carolina Arts Council. She co-hosts the Second Sunday Poetry  
47 Reading Series at Flyleaf Books in Chapel Hill, and hosts readings and teaches free writing  
48 workshops at the Orange County Main Library in Hillsborough. New poems are forthcoming in  
49 *Cider Press Review*, *Kakalak*, *Plainsongs*, and *Tar River Poetry*. When she isn't writing, Pam is  
50 outdoors, hiking trails along the Eno River or exploring her own back-forty.

1 Pam Bagget thanked the BOCC for its support of the Arts. She said she likes to be in  
2 the great outdoors, and read a poem called "Sightings". She said she also likes to write  
3 about climate chaos, and read a piece called "21<sup>st</sup> Century pastoral".

4  
5 **2. Public Comments**

6  
7 **a. Matters not on the Printed Agenda**

8  
9 **NONE**

10  
11 **b. Matters on the Printed Agenda**

12 (These matters will be considered when the Board addresses that item on the agenda  
13 below.)

14  
15 **3. Announcements, Petitions and Comments by Board Members**

16 Commissioner Marcoplos said he would like the BOCC to have a discussion about  
17 continuing membership with, and paying dues to, the National Association of Counties (NACo).  
18 He said he is unsure if this membership provides any benefit to the County.

19 Commissioner Bedford said she had no comments.

20 Commissioner Price said she received a letter in the mail about the renovations of the  
21 High Rock Road Solid Waste Convenience Center (SWCC), which were delayed, but are  
22 forthcoming in 2020, and will take about 18-24 months to complete.

23 Commissioner Price said some local food pantries like Orange Congregations in Mission  
24 (OCIM) and the Department of Social Services (DSS) would appreciate any donations.

25 Commissioner Dorosin said he attended the Affordable Housing Collaborative Meeting  
26 before coming to this meeting, and this group agreed to develop a countywide vision statement  
27 for affordable housing and a road map for implementation. He said there is consensus  
28 between elected officials that efforts towards affordable housing can be best maximized by  
29 working together. He said the process is moving forward in a positive way. He said the group  
30 received a good list of all the existing plans for affordable housing, which he will share with the  
31 Board.

32 Commissioner McKee had no comments.

33 Chair Rich said she has heard some concerns that the County and the towns are not  
34 doing enough about affordable housing, and she would like for the Affordable Housing  
35 Collaborative group to share updates publicly to keep people informed.

36 Chair Rich said the Board will be writing a letter to the White House stating Orange  
37 County's willingness to accept refugees. She said she would also like to send a letter to the  
38 Governor to reiterate the County's serious intent.

39 Chair Rich said there was a Mayors/Managers/Chair (MMC) meeting last week, and the  
40 group talked a bit about the sewer hook ups on Rogers Road. She said RFPs were sent out,  
41 but no plumbers responded. She said there was a memorandum of understanding (MOU)  
42 between the three owners of the property along with the three local governments. She said the  
43 intent was to choose a plumber together, but this is no longer an option, as no plumber has  
44 come forward. She said the process needs to move forward.

45  
46 *Commissioner Greene arrived at [7:17:10 PM](#)*

47  
48 Craig Benedict, Planning Director, said the MOU between the three local governments  
49 contained a process that would expedite the hook ups. He said the RFP went out, but no  
50 plumbers responded. He said the agreement will be modified, and staff will create a simpler

1 process. He said community meetings continue, and readying homes to be connected once  
2 plumbers are lined up.

3 Chair Rich said the MMC also spoke about the Greene Tract governance document,  
4 and plans to bring in a facilitator to meet with the attorneys, mayors, chairs and managers. She  
5 said the BOCC agreed to move forward with a governance document, and proposed some  
6 initial language, which Chapel Hill rejected. She said the Town wants to go back to a process,  
7 and has requested Maggie Chotas as the facilitator. She said this will occur as soon as  
8 possible. She said the Mayor of Chapel Hill wants to move forward on an environmental study  
9 that would cost around \$25,000-\$30,000, but no one has a clear understanding on the scope on  
10 this survey.

11 Commissioner Dorosin asked if the governance document has an intended purpose.

12 Chair Rich said there is an original document from 2000-01 which includes some  
13 thoughts as to how to move forward with affordable housing; but since then, the Greene Tract  
14 has become part of Chapel Hill's extraterritorial jurisdiction (ETJ). She said the older document  
15 gives little guidance on working as partners together, and moving the process forward.

16 Travis Myren said conceptually the governance document would establish a process to  
17 establish some decision points and to understand what will happen if a 3-party agreement  
18 cannot be reached. He said this property is jointly owned and there are a variety of ways to  
19 make this partnership work, and previous efforts have resulted in stalemate.

20 Commissioner Dorosin clarified that nothing can move forward with affordable housing  
21 until these details are settled.

22 Travis Myren said yes.

23 Commissioner Greene referred to the environmental study, and said she is unclear on  
24 why there is confusion. She said some work has already been done regarding environmental  
25 issues.

26 Chair Rich said, at the MMC meeting, it was not clear from Chapel Hill what the scope of  
27 the project would be. She said the feeling is that Chapel Hill wants an environmental study, but  
28 does not know what it hopes to get out of said study. She said the Craig Benedict suggested  
29 the Army Corps of Engineers, but the offer was declined.

30 Chair Rich said County staff did an environmental study, and that is where some of the  
31 suggestions came from.

32 Commissioner Marcoplos said some of the BOCC have walked the Greene Tract and  
33 can see how the map reflects the environmental study that was done. He said it all makes total  
34 sense, and that work was done to bring everyone to the point where serious decisions could be  
35 made. He said it seems that there is a now a backtracking, and perhaps it would be beneficial for  
36 more elected officials to walk the Tract.

37 Commissioner Price said she heard that the environmental study was not conclusive  
38 enough to determine density and planning options.

39 Commissioner Marcoplos said his experience of walking the tract with the map is that  
40 they are 90% there, and another study is unnecessary.

41 Commissioner Price said it seems greater information is desired.

42 Chair Rich said the Town of Carrboro wants this document up and running before  
43 spending any more money on the Tract.

44 Commissioner Price asked if Chapel Hill will pay for the study that it has suggested.

45 Chair Rich said Chapel Hill is not planning to do anything on its own, and is requesting  
46 that the partners join in with the study.

47 Chair Rich said some requested topics for the upcoming Assemblies of Government  
48 (AOG) meeting are:

- 49 • Green Tract update
- 50 • Census update

- 1 • Climate Commission report
- 2 • Update on Emergency Services - update on response times
- 3 • Transit Steering Committee Update
- 4 • Homelessness and Food Council Reports
- 5 • Update from the Affordable Housing Task Force

6  
7 Commissioner Greene apologized for being late due to traffic issues.

### 8 9 **3. Board Organization**

#### 10 11 **a. Election of Chair and Vice-Chair**

12  
13 **VOTE:** 7-0 For Chair: Penny Rich

14 **VOTE:** 7-0 For Vice Chair: Renee Price

#### 15 16 **b. Designation of Voting Delegate for all North Carolina Association for County** 17 **Commissioners (NCACC) and NACo Meetings for Calendar Year December 1,** 18 **2019-2020**

19  
20 A motion was made by Commissioner McKee, seconded by to appoint Commissioner  
21 Dorosin to the NCACC for Calendar Year December 1, 2019-2020.

22  
23 Commissioner Dorosin said he would gladly serve, but if another Commissioner would  
24 like to do it, then he would gladly support them.

25 Commissioner Bedford said she would be interested in serving.

26 Commissioner McKee withdrew his initial motion.

27  
28 A motion was made by Commissioner Price, seconded by Commissioner McKee to  
29 nominate Jamezetta Bedford.

30  
31 **VOTE: UNANIMOUS**

32  
33 A motion was made by Commissioner McKee, seconded by Commissioner Price, to  
34 serve as the NACo representative for Calendar Year December 1, 2019-2020.

35  
36 Commissioner Dorosin asked if anyone besides Commissioner Price wants to do this.  
37 Chair Rich said she served many years ago, and would be interested in serving again.  
38 Commissioner McKee asked Commissioner Price if she would be willing to step down.  
39 Commissioner Price said that is fine, because she is part of many NACo committees  
40 already and can continue to serve in that capacity.

41 Commissioner McKee withdrew his previous motion.

42  
43 A motion was made by Commissioner McKee, seconded by Commissioner Greene, to  
44 nominate Chair Rich to serve as the NACo representative for Calendar Year December 1,  
45 2019-2020.

46  
47 **VOTE: UNANIMOUS**

### 48 49 **4. Proclamations/ Resolutions/ Special Presentations**

50

1        **a. Voluntary and Enhanced Agricultural District Designation – Multiple Farms**

2        The Board considered voting to approve applications from seven (7) landowners/farms  
 3 to certify qualifying farmland within the Caldwell, Cedar Grove, High Rock/Efland, Schley/Eno,  
 4 Cane Creek/Buckhorn, and White Cross Voluntary Agricultural Districts; and enroll the lands in  
 5 the Orange County Farmland Preservation Voluntary and Enhanced Voluntary Agricultural  
 6 District programs.

7  
 8            Gail Hughes, Soil Conservationist, presented this item:

9  
 10        **BACKGROUND:** Orange County's Voluntary Farmland Preservation Program was started in  
 11 1992. To date, there are 114 farms in both the Voluntary Agricultural District (VAD) and the  
 12 Enhanced Voluntary Agricultural District (EVAD) program, totaling 15,059 acres.

13  
 14        The County's Voluntary Farmland Protection Ordinance (VFPO) outlines a procedure for the  
 15 Agricultural Preservation Board to review and approve applications for qualifying farmland, and  
 16 to make recommendations to the Board of Commissioners concerning the establishment and  
 17 modification of agricultural districts. Section VII of the VFPO contains the requirements for  
 18 inclusion in a voluntary agricultural district. To be certified as qualifying farmland, a farm must:

- 19  
 20        a) Be located in the unincorporated area of Orange County;  
 21        b) Be engaged in Agriculture as that word is defined in NC GS 106-581.1  
 22        c) Be certified by the Natural Resources Conservation Service (NRCS) of the United  
 23 States Department of Agriculture as being a farm on which at least two-thirds of the land  
 24 is composed of soils that are best suited for providing food, seed, fiber, forage, timber,  
 25 forestry products, horticultural crops and oil seed crops;  
 26        d) Be managed in accordance with the Natural Resources Conservation Service and NC  
 27 Soil and Water Conservation Service defined erosion-control practices that are  
 28 addressed to said highly-erodible land; and have a current conservation farm plan  
 29 and/or forestry management plan associated with the current usages and owner;  
 30        e) Be the subject of a non-binding conservation agreement, as defined in N.C.G.S. §121-  
 31 35, between the County and the owner that prohibits non-farm use or development of  
 32 such land for a period of at least ten years, except for the creation of not more than  
 33 three lots that meet applicable County zoning and subdivision regulations.

34  
 35        The Orange County Agricultural Preservation Board reviewed the findings of the staff  
 36 assessments for the attached applications for the Orange County Voluntary Agricultural District  
 37 program at the September and November 2019 meetings. All farm applications were reviewed  
 38 and verified to have met or exceeded the minimum criteria for certification into the program.

39  
 40        The Agricultural Preservation Board voted unanimously to recommend approval of the  
 41 certification for seven (7) farms, and their inclusion in the Voluntary and/or the Enhanced  
 42 Voluntary Agricultural District program. The certification documentation is on file in the  
 43 DEAPR/Soil and Water Conservation District office. The farms are described briefly below:

44  
 45        **Brief Farm Descriptions:**

- 46        1) Owner Richard Jude Samulski (Scuppernong Estates LLC/ Eno River Farm) has  
 47 submitted an application to enroll one (1) parcel of land totaling 178.18 acres as  
 48 qualifying farmland for the Voluntary Agricultural District program (VAD) in the  
 49 Schley/Eno Agricultural District. The farm operation includes strawberries and blueberry  
 50 production, hay land and managed woodland. Since 1992, a 150-acre portion of the

1 farm has been enrolled in the VAD program under the prior ownership of the Barbour  
 2 family. Mr. Samulski is requesting an ownership change to the existing acreage and  
 3 adding an additional 28.18 acres to be enrolled in the program. The farm has been  
 4 evaluated against each of the VAD certification requirement standards and meets or  
 5 exceeds all of the measures above;

- 6 2) Owners Manley and Kathy Palmer (Palmer Family Show Pigs) have submitted an  
 7 application to enroll one (1) of parcel of land totaling 3.39 acres as qualifying farmland  
 8 for the Voluntary Agricultural District (VAD) program in the Caldwell Agricultural District.  
 9 The farm operation includes sheep, swine, and pasture. The farm has been evaluated  
 10 against each of the VAD certification requirement standards and meets or exceeds all of  
 11 the measures above;
- 12 3) Owners William and Amanda Berry have submitted an application to enroll seven (7)  
 13 parcels of land totaling of 236.15 acres as qualifying farmland for the Voluntary  
 14 Agricultural District (VAD) program located in the Caldwell Agricultural District. The farm  
 15 includes beef cattle, pasture, and managed woodland. The farm has been evaluated  
 16 against each of the VAD certification requirement standards and meets or exceeds all of  
 17 the measures above;
- 18 4) Owner Portia McKnight (Chapel Hill Creamery) has submitted an application to enroll  
 19 one (1) parcel of land totaling 12.17 acres as qualifying farmland for the Voluntary  
 20 Agricultural District (VAD) program in the White Cross Agricultural District. The farm  
 21 operation includes dairy cattle, pasture, hay crops, and managed woodland. This  
 22 acreage will be added to their existing parcels in the VAD program. The farm has been  
 23 evaluated against each of the VAD certification requirement standards and meets or  
 24 exceeds all of the measures above;
- 25 5) Owners James and Elizabeth Hooten have submitted an application to enroll four (4)  
 26 parcels of land totaling of 38.09 acres as qualifying farmland for the Voluntary  
 27 Agricultural District (VAD) program located in the Cane Creek/Buckhorn Agricultural  
 28 District. The farm includes beef cattle, pasture, and hay crops. The farm has been  
 29 evaluated against each of the VAD certification requirement standards and meets or  
 30 exceeds all of the measures above;
- 31 6) Owner Jason Shepherd has submitted an application to enroll one (1) parcel of land  
 32 totaling 42.38 acres as qualifying farmland for the Voluntary Agricultural District (VAD)  
 33 program in the High Rock/Efland Agricultural District. The farm operation includes  
 34 soybeans, hay crops, and managed woodland. The farm property has been evaluated  
 35 against each of the VAD certification requirement standards and meets or exceeds all of  
 36 the measures above; and
- 37 7) Owners Annette and Mark McClish have submitted an application to enroll one (1)  
 38 parcel of land totaling 14.1 acres as qualifying farmland for the Voluntary Agricultural  
 39 District (VAD) program in the Cedar Grove Agricultural District. The farm operation  
 40 includes goats, heritage turkeys and chickens, pasture, and hay crops. The farm  
 41 property has been evaluated against each of the VAD certification requirement  
 42 standards and meets or exceeds all of the measures above.

43  
 44 Gail Hughes made the following PowerPoint presentation:

45  
 46 **Orange County Voluntary Farmland Preservation Program**  
 47 **Voluntary and Enhanced Voluntary**  
 48 **Agricultural District Program**  
 49 **Orange County Board of Commissions Meeting**  
 50 **December 2, 2019**

## **Orange County VAD/EVAD Program Benefits of Agricultural Districts**

- **Voluntary Agricultural District (VAD)** is a 10-year commitment for farm to be in active farm production, but the landowner can withdraw from the VAD at any time, for any reason, with a 30-day notification to the Agri. Preservation Board.
- **Enhanced Voluntary Agricultural District (EVAD)** is an irrevocable 10-year commitment to be in active farm production, therefore the “enhanced” qualifies farm for up to 90% cost share rates and a priority for state and federal grants funds, when applicable.

### **Benefits include:** (listing a few)

- Makes public more aware of the local agricultural and its vital role in the economics of the county;
- Recorded notice of agricultural district property is recorded at County Land Records office;
- Land search on all properties within a ½ mile radius has notification of the agricultural status, therefore, the agricultural landowner has increased protection from nuisance lawsuits.
- Agricultural Preservation Board can request public hearings for proposed condemnation of VAD land and utility assessments may be suspended or waived on EVAD land if not connected to the utility.
- Farm may receive up to 25% of gross sales from the sale of non-farm products and still maintain its zoning exemption as a bona fide farm. (EVAD only)
- VAD District signs are placed on farms, for public to know location of VAD/EVAD farms

### **Richard Samulski (owner) for Scuppernong Estates, LLC**

#### **Keegan Czesak (farm manger) for Eno River Farm**

- VAD – 178.18 acres – Schley/Eno Agricultural District – 1 parcel of land
- Ownership change on 150 acres existing in VAD program, additional 28.18 acres
- Strawberries, blueberries, horticultural crops, greenhouse, hay land, and managed woodland.

### **Manley and Kathy Palmer (Palmer Family Show Pigs)**

- VAD – 3.39 acres- Caldwell Agricultural District – 1 parcel of land
- Sheep, pastures, and show pigs (competition swine shows along the east coast)
- One of the smallest farms in the program, but very actively farming

### **William and Amanda Berry**

- VAD – 236.15 acres – Caldwell Agricultural District- 7 parcels of land
- Beef cattle, pasture, hay crops, and managed woodland

### **Portia McKnight and Florence Hawley (Chapel Hill Creamery)**

- VAD – 12.17 acres – White Cross Agricultural District – 1 parcel of land
- Dairy cattle, pasture and hay crops
- Additional acres will be added to existing acreage of farm, 37.07 acres.

### **James and Elizabeth Hooten (Glen Oaks Farm)**

- VAD – 38.09 acres – Cane Creek/Buckhorn Agriculture District
- 4 parcels of and
- Beef cattle, pasture, and hay crops

1  
2 **Jason Shepherd**

- 3 • VAD - 42.38 acres – High Rock/Efland Agricultural District – 1 parcel of land  
4 • Hay crops, soybeans, and managed woodland  
5 • In addition to farming, Jason is also the Orange County Fire Marshal  
6

7 **Annette and Mark McClish**

- 8 • VAD-14.1 acres – Cedar Grove Agricultural District – 1 parcel of land  
9 • Goats, heritage turkeys, guineas, chickens, beef cattle, bees, and pasture.  
10

11 **Orange County Voluntary and Enhanced Voluntary Agricultural Program**

12 The Agricultural Preservation Board has approved all of the farms requesting enrollment, as  
13 presented.  
14

15 Requesting approval from Commissioners to accept seven (7) farms into the VAD program and  
16 an additional 375 acres\* in the Voluntary Agricultural District program  
17

18 With this approval: enrollment will be increased to

- 19 • 121 farms: 12,868 acres in VAD and 2,566 acres in EVAD  
20 • Total of 15,434 acres in the program.  
21

\* = rounded acres  
22

23 A motion was made by Commissioner Price, seconded by Commissioner McKee, for the  
24 Board to certify the seven (7) farm properties noted above totaling 375 acres and designate  
25 them as Voluntary Agricultural District farms within the Caldwell, Cedar Grove, High  
26 Rock/Efland, Schley/Eno, White Cross, and Cane Creek/Buckhorn Voluntary Agricultural  
27 Districts; and enroll the lands in the Orange County Farmland Preservation Program; Voluntary  
28 and Enhanced Voluntary Agricultural District (VAD and EVAD) programs. With approval of  
29 these acres, the Orange County Farmland Preservation program will have enrolled 121 farms  
30 totaling 12,868 acres in the VAD and 2,566 acres in the EVAD for a total of 15,434 acres in the  
31 program.  
32

33 **VOTE: UNANIMOUS**  
34

35 Commissioner Price said this is Gail Hughes' last presentation, as she will be retiring.  
36 She said she has done a fantastic job, and the County will be as a loss without her. She  
37 thanked her for all her work over the years, and the way in which she worked with farmers.

38 Gail Hughes said there is a separate soil and water board, and there was membership in  
39 the program, but it was not being run by anyone who understood farming and farmers. She  
40 was happy to step into the role, and has enjoyed the opportunity to expand this program. She  
41 said the success has been due to word of mouth, signage and the enthusiasm of the farmers.

42 Chair Rich said the VAD signs are so helpful in promoting and explaining the program.

43 Chair Rich referred to the selection of BOCC boards and commissions next week, and  
44 said the Clerk sent out the draft listing, along with the process, today. She said commissioners  
45 are able to save one board at the beginning of the process. She said last year Commissioner  
46 Dorosin did not save a board, and she plans to do the same this year. She asked if one does  
47 not save a board, does one get to pick a board after the saves are completed, and prior to the  
48 second round beginning.

49 Commissioner Dorosin said he did not pick a board to save, and then did regular picking  
50 in the second round. He said he did not get to pick a board in lieu of a save.

1 Chair Rich asked if the BOCC wants to allow a commissioner to pick any board in lieu of  
2 saving an existing board.

3 Commissioner Marcoplos said he agreed with getting a first pick if a commissioner does  
4 want to save.

5 Commissioner Price said the saves should go first, and then those who decline to save  
6 would have a chance to pick, followed by all Commissioners picking in round 2.

7 The Board agreed by consensus.  
8

9 **b. Proclamation Recognizing Katherine Cheek**

10 The Board considered voting to approve a proclamation recognizing and expressing  
11 gratitude to Katherine "Kat" Thompson Wilkerson-Cheek for her devotion and service to the  
12 people of Orange County.  
13

14 **BACKGROUND:** After approximately 36 years of service to the Schley Grange, Katherine  
15 Cheek is stepping down as the President. Katherine "Kat" Thompson Wilkerson-Cheek has  
16 been a leader in the Orange County agricultural community for much of her life. Under her  
17 leadership, the Schley Grange went from only six active members in 1983 to become the  
18 largest Grange in the State of North Carolina.  
19

20 The Schley Grange has promoted rural agriculture as a strong supporter of the FFA/4-H Junior  
21 Livestock Show, as well as hosting numerous sessions of the Orange County Agricultural  
22 Summit. Under Kat's leadership, the Schley Grange has also distributed over 10,000  
23 dictionaries to third graders in Orange County Schools.  
24

25 Commissioner McKee read the following proclamation:  
26

27 **ORANGE COUNTY BOARD OF COMMISSIONERS**  
28 **PROCLAMATION RECOGNIZING**  
29 **KATHERINE CHEEK**  
30

31 **WHEREAS,** Katherine "Kat" Thompson Wilkerson-Cheek was born in Orange County; and  
32

33 **WHEREAS,** she has been a driving force within the community and especially the Schley  
34 Grange organization; and  
35

36 **WHEREAS,** Katherine assumed the role as president of the Schley Grange in 1983 when it had  
37 only six active members; and  
38

39 **WHEREAS,** under her leadership, the Schley Grange became the largest Grange in the State  
40 of North Carolina with more than 150 members; and  
41

42 **WHEREAS,** the Schley Grange was built in 1948 using funds that the Grange won in a contest  
43 to receive a \$50,000 prize from Sears & Roebuck; and  
44

45 **WHEREAS,** the Grange being in disarray at her start as president, Katherine led fundraising to  
46 return the hall to its former glory serving as a meeting place for many community events; and  
47

48 **WHEREAS,** under her leadership, the Grange added its dictionary program that has delivered  
49 over 10,000 dictionaries to third graders in Orange County Schools; and  
50

1 **WHEREAS**, the Grange has promoted rural agriculture as a strong supporter of the FFA/4-H  
 2 Junior Livestock Show, now in the 73<sup>rd</sup> consecutive year; as well as hosting numerous sessions  
 3 of the Orange County Agricultural Summit; and  
 4

5 **WHEREAS**, Katherine is one of the few women in the nation who served as president of a  
 6 Grange Chapter; and  
 7

8 **WHEREAS**, including the 36 years since she first became president of the Schley Grange,  
 9 Katherine Cheek has helped to improve the quality of life in Orange County;  
 10

11 **NOW THEREFORE, BE IT PROCLAIMED** that the Orange County Board of Commissioners  
 12 recognizes and expresses its deep appreciation and respect for the services rendered by  
 13 Katherine Thompson Wilkerson-Cheek and wishes her well in her retirement.  
 14

15 This, the 2nd day of December 2019.  
 16

17 A motion was made by Commissioner McKee, seconded by Commissioner Price, for  
 18 the Board to approve a proclamation recognizing and expressing appreciation to Katherine  
 19 Cheek for her service to the people of Orange County and wish her well in her retirement,  
 20 and authorized the Chair to sign it.  
 21

22 **VOTE: UNANIMOUS**  
 23

24 Katherine Cheek said Schley is the only grange left in Orange County, and it has  
 25 members from all of over the County. She said she could not have done all of this without her  
 26 husband Milton Cheek. She expressed appreciation for the Board of County Commissioners'  
 27 interest in the rural parts of the County, and said she is proud of the Board of County  
 28 Commissioners.  
 29

30 Alice Hunt Sealy thanked Orange County for recognizing Katherine Cheek, as she and  
 31 her peers did many years ago. She said they recognized her compassion, love and leadership  
 32 qualities, which all started in the first grade.  
 33

34 **c. Proclamation Recognizing Robert Dowling**

35 The Board considered voting to approve a proclamation recognizing and expressing  
 36 gratitude to Robert Dowling for his devotion and service to the people of Orange County.  
 37

38 **BACKGROUND:** After approximately 22 years of service to the Community Home Trust, Robert  
 39 Dowling is stepping down as the Executive Director.  
 40

41 After a career in the private sector, Robert Dowling joined the board of Orange Community  
 42 Housing Corporation in 1996 and became the executive director in December 1997. Mr.  
 43 Dowling managed the organization's transition to a community land trust, and due to his  
 44 leadership, Community Home Trust is recognized as a leader in the provision of permanently  
 45 affordable housing that is integrated into market-rate neighborhoods. Because of Mr. Dowling's  
 46 work, more than 300 homes in the Carrboro-Chapel Hill area are permanently affordable to  
 47 people who are low income.  
 48

49 Commissioner Greene read the following proclamation:  
 50

**ORANGE COUNTY BOARD OF COMMISSIONERS**

1 **PROCLAMATION RECOGNIZING AND HONORING**  
2 **ROBERT DOWLING,**  
3 **RETIRING EXECUTIVE DIRECTOR, COMMUNITY HOME TRUST**  
4

5 **WHEREAS**, Robert Dowling, after serving as a banker in the private sector, moved to Orange  
6 County, North Carolina, with his wife, Bethaney Dale; and  
7

8 **WHEREAS**, in 1995 Mr. Dowling embarked on a second career in community development and  
9 joined Hayti Development Corporation, an affordable housing nonprofit in Durham, and in 1997,  
10 after a brief time on its Board, joined Orange Community Housing Corporation as Executive  
11 Director; and  
12

13 **WHEREAS**, in 2001, under the leadership of Mr. Dowling, Orange Community Housing  
14 Corporation merged with the Community Land Trust in Orange County, which had been  
15 established in 1999 with the support of the Town of Carrboro, Town of Chapel Hill, and Orange  
16 County, and which today is known as Community Home Trust; and  
17

18 **WHEREAS**, throughout his distinguished career, Robert has helped ensure that more than 300  
19 homes in the Carrboro-Chapel Hill area are permanently affordable to people earning less than  
20 eighty percent of the area median income; and  
21

22 **WHEREAS**, today the Community Home Trust manages a total of 322 affordable single family  
23 ground leases and rental apartments, with a staff of 10 and a budget of nearly \$1.1 million; and  
24

25 **WHEREAS**, Mr. Dowling has served as a faithful advocate, representing both Community  
26 Home Trust and the Orange County Affordable Housing Coalition at affordable housing tables  
27 and before elected bodies, making the case for such policies and investments as A Penny for  
28 Housing, the Orange County Affordable Housing Bond, and a Pilot Master Leasing program;  
29 and  
30

31 **WHEREAS**, Robert's work in Orange County has ensured that neighborhoods are diverse and  
32 thriving and sustained as such for generations to come; and  
33

34 **WHEREAS**, Mr. Dowling is retiring from Community Home Trust on December 31, 2019, after  
35 22 years in service to our communities, and will be missed;  
36

37 **NOW THEREFORE**, we, the Orange County Board of Commissioners, do hereby recognize  
38 and express deep appreciation and respect for the services rendered by Robert Dowling to the  
39 Orange County community, and wish him well in his retirement.  
40

41 This, the 2nd day of December 2019.  
42

43 A motion was made by Commissioner Greene, seconded by Commissioner McKee,  
44 for the Board to approve a proclamation recognizing and expressing appreciation to Robert  
45 Dowling for his service to the people of Orange County and wishing him well in his retirement,  
46 and authorized the Chair to sign it.  
47

48 **VOTE: UNANIMOUS**  
49

1 Robert Dowling said it has been a privilege to serve the County all these years, and  
 2 thanked the Town of Chapel Hill and Orange County for their ongoing support. He said there  
 3 are currently 322 homes in the inventory, with a market value of over \$50 million. He said  
 4 none of this would have been possible without the support of local governments and the  
 5 community. He offered additional thanks to the Manager for her support and understanding.  
 6

7 **d. Orange County Partnership to End Homelessness – 2019 Data Update**

8 The Board reviewed updated data about homelessness in Orange County submitted to  
 9 the United States Department of Housing and Urban Development (HUD) earlier this year.  
 10

11 **BACKGROUND:** The Orange County Partnership to End Homelessness (OCPEH) was created  
 12 in 2008 to coordinate funding and activities to end homelessness in Orange County. OCPEH is  
 13 jointly funded by Orange County (39%) and the Towns of Carrboro (15%), Chapel Hill (41%),  
 14 and Hillsborough (5%).  
 15

16 OCPEH Coordinator Corey Root will present the updated data and discuss how current data  
 17 relate to identified gaps in the homeless service system, including rapid re-housing and street  
 18 outreach programs.  
 19

20 Corey Root said she usually makes this presentation earlier in the year, but she has  
 21 been out on maternity leave. She made the following PowerPoint presentation:



22



23  
 24  
 25

## The context in Orange County

Total Orange County Population	Veterans	Persons in Poverty	Living with mental illness	Serious mental illness	Struggling with substance use
144,946	4.1%	12.8%	18.5%	4.0%	8.5%
	5,900	18,553	26,815	5,798	12,320

• Sources

- <https://www.census.gov/quickfacts/fact/table/orange-county-north-carolina#table>
- <http://www.nationalabuse.org/wp-content/uploads/2012/11/Substance-Abuse-in-North-Carolina-North-Carolina-Medical-Journal.pdf>
- <https://www.nami.org/learn-more/mental-health-by-the-numbers>

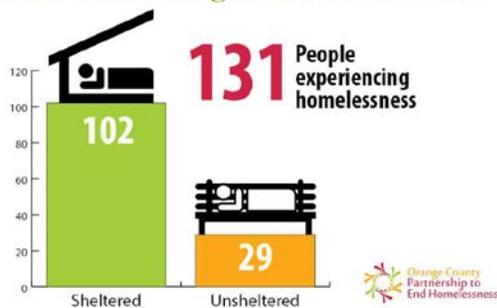
1  
2  
3  
4

## Point-in-Time count: annual “census” of people experiencing homelessness



5  
6

## People living outside, in shelters, & in transitional housing are counted homeless



7  
8  
9

Orange County Point-in-Time (PIT) count numbers relatively flat since 2010



1  
2

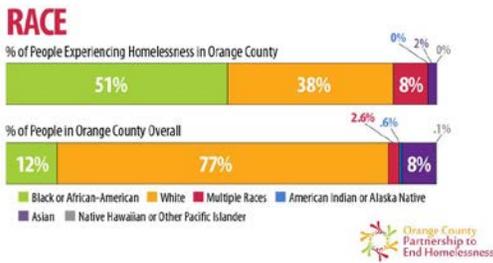
Numbers are decreasing statewide and nationwide



- If Orange County was on track with these decreases, our PIT would be lower:
  - 15% decrease = 115 people
  - 24% decrease = 103 people

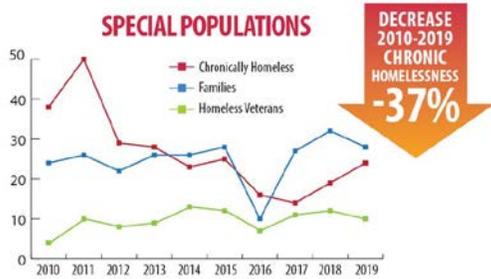
3  
4

51% of people exp. homelessness are Black/African American – 4x general pop



5  
6

Great progress towards ending chronic homelessness in Orange County



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4  
5  
6

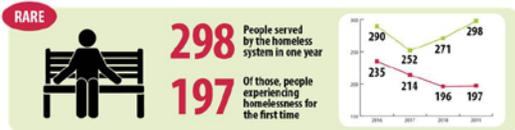
Chair Rich asked if there is a reason for the dip in 2016.

Corey Root said she started in March 2016, and her staff views 2016 as an outlier. She said OCEPH did not have full time staff at that time, and has changed its methods for gathering data since then. She said current numbers are more accurate than 2016.



7

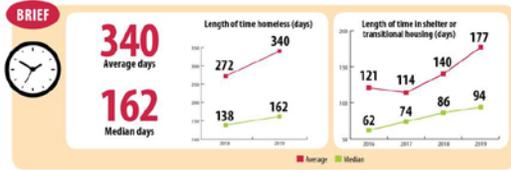
PIT counted 131 people on one night, how many in 12 months?



- People with entries into Shelter, Transitional Housing, & Permanent Housing
- Homeless for first time = no entries for 24 months prior

8

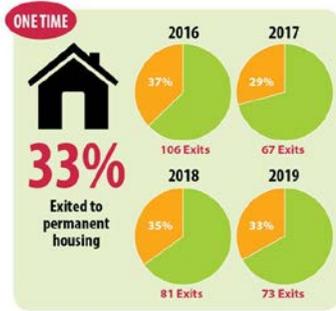
**Goal: transition folks to permanent housing as quickly as possible**



- Shelter, Transitional Housing, & Permanent Housing
- Includes approximate date of homelessness
- Shelter & Transitional Housing only
- Program entry to exit

1  
2

**Goal: People exit to permanent housing**



3  
4

**Goal: people do not return to homelessness**



5  
6  
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11  
12  
13  
14

Commissioner Price asked if this number represents those going from a shelter back to homelessness.

Corey Root said this is the federal fiscal year, which is October 2015 through September 2017. She said these are positive exits to permanent housing.

Commissioner Bedford asked if transitional housing could be defined.

Corey Root said, locally, transitional housing is the men's shelter, IFC community house.

Commissioner Bedford said if the men's shelter is transitional housing, could the County's shelter could be identified.

Corey Root said the shelter is Homestart, the women and families program.

## OCPEH updated Homeless Service System Gaps Analysis in June 2019

GAP	FULL ANNUAL COST
Rapid Re-housing	\$1,074,310
Income-Based Rental Units	Dependent on approach
Day Center with Services	Dependent on approach
Street Outreach	\$130,753
24-Hour Bathrooms	Costs 180
Accessible, Housing Focused Shelter	Dependent on approach
Coordinated Entry Staffing	\$161,051
Medical Respite Beds	\$237,180
Memorial Service Funding	\$5,000
Youth Host Homes Program	\$129,180
<b>TOTAL</b>	<b>\$1,717,314</b>



1  
2  
3 Corey Root said \$1.7 million more is needed in annual funding to fill all of the gaps.  
4 Commissioner Dorosin asked if there is a priority to these gaps.  
5 Corey Root said yes, rapid re-housing is the number one gap, and her staff plans to  
6 prioritize this time around.

7 Commissioner Dorosin said there is low hanging fruit that is not being harvested, and  
8 this seems like a case where the County has experts that know what needs to be done and  
9 what works. He said \$1.7 million is a lot of money, and the annual budget is \$220 million, and  
10 he asked the BOCC to start thinking about addressing some of these needs.

11 Bonnie Hammersley said the Partnership budget is funded from all of the governments,  
12 and thus the \$1.7 million gap does not just fall on Orange County. She encouraged the  
13 committee to consider how to address some of the low-hanging fruit, and does not feel the  
14 County should come in and be responsible for meeting all the needs.

15 Chair Rich said this may be a good conversation topic for the Assemblies of  
16 Government (AOG).

17 Bonnie Hammersley said Corey Root will be giving this report to the other elected  
18 officials.

19 Commissioner Greene thanked Commissioner Dorosin for jump-starting this  
20 conversation. She said there is a team of experts locally, and Corey Root has been singing this  
21 song for some time now. She said the priorities are known, and the answer is funding.

22 Commissioner Greene said one of the problems with lacking capacity is the set up with  
23 the men's shelter. She said she was on the Town Council when the Director announced he  
24 was changing the model from a shelter to a transitional men's home, thus resulting in no  
25 homeless shelter for men in Orange County.

26 Commissioner Greene said the facility could be reorganized, but fundamentally it is time  
27 to take some action.

28 Commissioner Marcoplos said since rapid re-housing is a priority, and funding is the  
29 deterrent. He said the County has access to land at the Greene Tract, and creating 20-30 tiny  
30 homes would not be difficult or expensive to construct. He asked if this type of resource would  
31 have a major impact on the need.

32 Corey Root said 20-30 units of anything would be great. She said tiny homes are one  
33 option, but will not end homelessness by themselves. She said it is just one part of the solution,  
34 as sometimes there are families in need, or those who do not want to live in tiny homes.

35 Commissioner Marcoplos asked if there is an effective way to pull information together  
36 to put out to the community.

37 Corey Root said Raleigh is building a tiny home community, and Austin, Texas has a  
38 very famous one. She said there are many models to follow. She said it also important to  
39 remember community.

1 Commissioner Price asked if the full cost of \$1.7 million would be a one-time cost or an  
2 annual one.

3 Corey Root said it would be ongoing, annually.

4 Corey Root said the Partnership's Executive Team asked for a phased implementation,  
5 recognizing that there will be a big overall number. She said, where possible, with each of the  
6 gaps, she developed a year one, year two, and year 3 phases. She said this is contained in the  
7 full Gaps Analysis document.

8 Commissioner Price referred to street outreach, and said the full annual cost is the  
9 same as year 2 when phased in, and asked if there is a reason for this.

10 Corey Root said each program is its own entity. She said 90 families would be served  
11 annually, to meet the current need for rapid re-housing. She said this breaks down to a  
12 caseload for 3 full time social workers. She said the street outreach program requires 2 full  
13 time workers, at the peer support level.

14 Commissioner Price referred to the chart on the last slide, and asked if any of these  
15 activities are currently being done, and if the current budget could be identified.

16 Corey Root said she would look up the numbers, but some gaps are partially filled.

17 Commissioner Price asked if any street outreach is already under way.

18 Corey Root said the gap for street outreach is pretty significant. She said the Chapel  
19 Hill Crisis Unit are the go-to folks, as well as people from the Criminal Justice Resource  
20 Department, and some local church bodies. She said these are band-aid solutions for now.

21 Commissioner Price clarified that everything on the list of gaps has needs.

22 Corey Root said yes. She said the youth host homes programs is an existing one,  
23 which serves mostly Durham County residents, and would be an expansion into Orange  
24 County. She said rapid re-housing was funded with \$40,000 in state funds, and will start at  
25 DSS in January. She said all areas need additional funding to fully expand to full capacity.

26 Commissioner Price said \$1.7 million may seem a lot, but being proactive will help the  
27 County save money in the long run. She said she would like to move forward on some these  
28 programs.

29 Commissioner Greene referred to the Coordinated Entry staffing, and said this exists,  
30 but it is ad-hoc, and needs to be formalized and expanded to be most efficient.

31 Commissioner Greene referred to Commissioner Marcoplos' point on tiny homes, and  
32 said these are not a solution to everything and the conversation needs to get back to housing  
33 first. She said Charlotte has an apartment complex that is a housing first community, and she  
34 said Orange County needs to keep working on this effort. She said there are a number of ways  
35 to put rap around services around someone, and the type housing is not that big a deal.

36 Commissioner Greene thanked Corey Root for her clear presentation, and said this  
37 funding would solve a lot of problems for a lot of people.

38 Chair Rich asked if this information has been presented to the OCPEH.

39 Commissioner Greene said yes.

40 Commissioner Rich asked if the partners have received the information well.

41 Corey Root said the partners are in agreement that action should be taken, but no  
42 formal proposal has been made.

43 Commissioner Greene asked if this presentation has been made to the Chapel Hill  
44 Town Council.

45 Corey Root said yes, but with the 2018 data regarding gaps.

46 Chair Rich said the County may be excited about helping but do not yet know how the  
47 towns feel.

48 Commissioner Greene asked if this information has been presented recently to the  
49 County's partners.

50 Corey Root said she presented to the towns in March or April 2019.

1 Commissioner Marcoplos asked if it would be possible to have the costs for an  
2 apartment complex like the one Charlotte. He said it would be good to have a comparison of  
3 costs.

4 Corey Root said the complex in Charlotte is site based permanent supportive housing,  
5 which is more typically found in larger cities. She said here in Orange County there is scattered  
6 housing, with services that rap around. She said Raleigh in building a site based supportive  
7 housing, but she does not know of communities, similar in size to Orange County, that have this  
8 type of housing. She said it would be very innovative to take this approach here, and Carrboro  
9 has expressed interest in this method.

10 Commissioner Price asked if there has been discussion about where these facilities  
11 would be. She said community outreach will be important to avoid the “not in my backyard”  
12 (NIMBY) mentality.

13 Corey Root said for some of the gaps, the location is key. She said it is important to  
14 have the services in the same location has the needs. She said community consensus is  
15 important prior to filling gaps.

16 Commissioner Dorosin asked if his peers would reach out to fellow peers on the other  
17 elected boards about the funding and furthering the conversation.  
18

19 **5. Public Hearings**  
20 **NONE**

21  
22 **6. Regular Agenda**

23  
24 **a. Approval of Budget Amendment #3-A for the Receipt of an Emergency Solutions**  
25 **Grant, and Creation of a 1.0 FTE Time-limited Position Allocating Current Mental**  
26 **Health Maintenance of Effort Funds**

27 The Board considered voting to approve Budget Amendment #3-A for the receipt of an  
28 Emergency Solutions Grant (ESG) of \$40,000 to provide Rapid Rehousing services, and to  
29 create a 1.0 FTE time-limited position to provide these services by allocating currently available  
30 Mental Health Maintenance of Effort (MOE) funds to support the position, as well as the use of  
31 additional currently available MOE funds to provide counseling to families involved in protective  
32 services.  
33

34 Nancy Coston, Department of Social Services Director, presented this item:  
35

36 **BACKGROUND:** Orange County Department of Social Services (DSS) was able to apply for  
37 ESG funds to support Rapid Rehousing for persons experiencing homelessness. In order to  
38 maximize the impact of the program, DSS is requesting to create a 1.0 FTE time-limited Human  
39 Services Specialist III position to provide the assessment and case management services to the  
40 participants, allowing the grant funds to pay actual housing costs. The grant period is January  
41 2020 through December 2020, and this current request is to fund the position through the  
42 current fiscal year at a cost of \$28,737. Continued funding for the position, through December  
43 31, 2020, will be included in the FY 2020-21 budget.  
44

45 In addition to the ESG position, DSS is requesting to use \$25,000 in unobligated MOE funds to  
46 provide assessments and counseling to families involved in protective service cases. Some of  
47 these families do not have health insurance or other ways to access critical treatment and the  
48 lack of timely treatment may impact their ability to care for or retain custody of their children.  
49

1 Commissioner Dorosin asked if Nancy Coston could explain how staff will work with  
2 people to regain custody of their children.

3 Nancy Coston said her department has already put in a contract of limited amount of  
4 money to have counselors come to the DSS office, or wherever, to work with families. She said  
5 some people need specialized counselors, and the goal is to show the court that families have  
6 access to an avenue in order to improve. She said some work is also being done with older  
7 youth to prepare them for independent living.

8  
9 A motion was made by Commissioner Bedford, seconded by Commissioner Greene, for  
10 the Board to approve:

- 11  
12 1) Budget Amendment #3-A for the receipt of the \$40,000 Emergency Solutions Grant;  
13 2) the creation of a 1.0 FTE time-limited position at DSS to provide assessment and case  
14 management for homeless persons with mental health needs; and  
15 3) allocating \$28,737 from MOE funds to pay for the position costs and \$25,000 from MOE  
16 funds to purchase mental health services for families involved in protective services.  
17

18 **VOTE: UNANIMOUS**

19  
20 **7. Reports**  
21 **NONE**

22  
23 **8. Consent Agenda**

- 24  
25 • **Removal of Any Items from Consent Agenda**  
26 • **Approval of Remaining Consent Agenda**  
27

28 A motion was made by Commissioner Dorosin, seconded by Commissioner McKee, to  
29 approve the Consent Agenda.

30  
31 **VOTE: UNANIMOUS**

- 32  
33 • **Discussion and Approval of the Items Removed from the Consent Agenda**  
34

35 **a. Minutes**

36 The Board approved the minutes from November 7 and 14, 2019 as submitted by the Clerk to  
37 the Board.

38 **b. Motor Vehicle Property Tax Releases/Refunds**

39 The Board adopted a resolution, which is incorporated by reference, to release motor vehicle  
40 property tax values for five taxpayers with a total of five bills that will result in a reduction of  
41 revenue in accordance with NCGS.

42 **c. Property Tax Releases/Refunds**

43 The Board adopted a resolution, which is incorporated by reference, to release property tax  
44 values for thirteen taxpayers with a total of twenty-two bills that will result in a reduction of  
45 revenue in accordance with North Carolina General Statute 105-381.

46 **d. Applications for Property Tax Exemption/Exclusion**

47 The Board considered six untimely applications for exemption/exclusion from ad valorem  
48 taxation for six bills for the 2019 tax year.

49 **e. Resolution to Accompany the North Carolina Department of Commerce's Building**  
50 **Reuse Grant Incentive Application for ABB, Inc.**

1 The Board approved a supporting Resolution, based on a request from the North Carolina  
 2 Department of Commerce as part of the required documentation for the State's Building Reuse  
 3 Grant incentive that was awarded to ABB, Inc. in July 2019, that endorses the County's role to  
 4 help administer the eventual transfer of State funds from the North Carolina Department of  
 5 Commerce to ABB for the State's Building Reuse Grant incentive related to the company's  
 6 recent July 10th announcement to expand its Orange County manufacturing facility and  
 7 authorize the Chair to sign.

8 **f. Proposed Tower Antenna Agreement with Open Broadband for Wireless Broadband**  
 9 **Appurtenances on a County Facility**

10 The Board authorized the Manager to sign the attached agreement thereby providing Open  
 11 Broadband, LLC with no cost access to a County facility for the purpose of appropriately  
 12 attaching equipment in order to provide broadband services to rural Orange County residents  
 13 and authorized the Manager to sign.

14 **g. Approval of a Resolution Authorizing a Revision in the Resolution Adopted May 1,**  
 15 **2018 Which Authorized the Orange County FY 2018-2019 HOME Program Design**

16 The Board approved a resolution, which is incorporated by reference, revising the resolution  
 17 adopted May 1, 2018, which authorized the Orange County FY 2018-2019 HOME Program  
 18 Design.

19 **h. Advisory Boards and Commissions – Appointments**

20 The Board approved the Advisory Boards and Commissions appointments as reviewed and  
 21 discussed during the Board's November 14, 2019 work session.

22  
 23 **9. County Manager's Report**

24 NONE

25  
 26 **10. County Attorney's Report**

27 John Roberts said a three-judge panel allowed the federal congressional district  
 28 redistricting maps, drawn last month, to move forward. He said the only good news is that the  
 29 general assembly is in recess until the middle of next month, and cannot act.

30 Commissioner Dorosin asked if there is a status update on the impact fee case.

31 John Roberts said the certification of the class was to be heard, not the merits of the  
 32 case. He said the superior court judge approved and certified the group of unknown impact fee  
 33 payers as a class, which was appealed. He said has been continued to due personal leave by  
 34 the opposing counsel. He said he will keep the Board updated on this.

35  
 36 **11. \*Appointments**

37 NONE

38  
 39 **12. Information Items**

- 40  
 41 • November 19, 2019 BOCC Meeting Follow-up Actions List  
 42 • Tax Collector's Report – Numerical Analysis  
 43 • Tax Collector's Report – Measure of Enforced Collections  
 44 • Tax Assessor's Report – Releases/Refunds under \$100  
 45 • Memorandum Regarding FY 19-20 Orange County Budget Appropriation for Sidewalk Study  
 46 – Orange Grove Road Corridor and Pedestrian Safety

47  
 48 **13. Closed Session**

49 NONE

50

1 **14. Adjournment**

2

3 A motion was made by Commissioner McKee, seconded by Commissioner Dorosin, to  
4 adjourn the meeting at 9:04 p.m.

5

6 **VOTE: UNANIMOUS**

7

8

9

Penny Rich, Chair

10

11

12 Donna S. Baker  
13 Clerk to the Board

14

15

1  
2  
3 **DRAFT**

4 **MINUTES**  
5 **ORANGE COUNTY**  
6 **BOARD OF COMMISSIONERS**  
7 **BUSINESS MEETING**  
8 **December 10, 2019**  
9 **7:00 p.m.**

10  
11 The Orange County Board of Commissioners met in a business meeting on Tuesday,  
12 December 10, 2019 at 7:00 p.m. at the Southern Human Services Center in Chapel Hill, N.C.

13  
14 **COUNTY COMMISSIONERS PRESENT:** Chair Penny Rich and Commissioners Jamezetta  
15 Bedford, Mark Dorosin, Sally Greene, Earl McKee, Mark Marcoplos, and Renee Price

16 **COUNTY COMMISSIONERS ABSENT:**

17 **COUNTY ATTORNEYS PRESENT:** John Roberts

18 **COUNTY STAFF PRESENT:** County Manager Bonnie Hammersley, Deputy County Manager  
19 Travis Myren, and Clerk to the Board Donna Baker. (All other staff members will be identified  
20 appropriately below.)

21  
22 Chair Rich called the meeting to order at 7:00 p.m.

23  
24 **1. Additions or Changes to the Agenda**

25  
26 **PUBLIC CHARGE**

27 Chair Rich acknowledged the public charge.

28  
29 **Arts Moment:**

30 Katie Murray, Arts Commission Director, introduced Andrea Selch:

31 Andrea Selch joined the board of Carolina Wren Press 2001, after the publication of her  
32 poetry chapbook, Succory, which was #2 in the Carolina Wren Press poetry chapbook series.  
33 She has an MFA from UNC-Greensboro, and a PhD from Duke University, where she taught  
34 creative writing from 1999 until 2003. Her poems have been published in Calyx, Equinox, The  
35 Greensboro Review, Oyster Boy Review, Luna, Swink, The MacGuffin, Prairie Schooner, The  
36 Southern Review and featured on the Best American Poetry blog. Her full-length collection of  
37 poetry, Startling, was published by Turning Point Press in October, 2004, and reissued by  
38 Cockeyed Press in 2009. In 2007, Choreo Collective danced her "Holy Shell Waiting for the  
39 Return of the Soul," and "Early Weaning" at the biennial symposium of Duke University's Sallie  
40 Bingham Center for the Study of Women's History and Culture. She won a 2008 "Hippo" Award  
41 from The Monti for her spoken story, "Replacement Child." Her small collection of Ekphrastic  
42 poems, Boy Returning Water to the Sea: Koans for Kelly Fearing, was published by Cockeyed  
43 Press in 2009, and in 2011 a selection of her work appeared in The Book of Ystwyth: Six Poets  
44 on the Art of Clive Hicks-Jenkins. After a dozen years as President of Carolina Wren Press,  
45 she now devotes her time to coaching the Triangle Equestrian Vaulters, while continuing to  
46 work on a second full-length manuscript entitled "Oh My Darling".

47 Andrea Selch read two poems, one for fall and one for spring: "Kathexis" and "Early  
48 Berry Picking".

49  
50 **2. Public Comments**

1  
2 **a. Matters not on the Printed Agenda**

3 Riley Ruske said he came here tonight after watching the basketball game at Cedar  
4 Ridge High School, where he noticed that before the game, everyone stood during the national  
5 anthem. He said he has petitioned the Board of County Commissioners (BOCC) multiple times  
6 this fall to include pledge of allegiance at the beginning of each meeting. He said he petitioned  
7 this before, and the Board has failed to discuss and vote on the matter. He said he will keep  
8 bringing this up until the Board responds appropriately.  
9

10 **b. Matters on the Printed Agenda**

11 (These matters will be considered when the Board addresses that item on the agenda  
12 below.)  
13

14 **3. Announcements, Petitions and Comments by Board Members**

15 Commissioner Greene said she attended the Justice Advisory Council meeting last  
16 week. She said the County currently has a pre-arrest diversion program, which diverts only first  
17 offenders (in eight specific categories), which does not include underage alcohol possession.  
18 She said the Criminal Justice Resource Department staff is proposing to include the underage  
19 alcohol charge in the current model of the program, to allow for early intervention with treatment  
20 instead of criminal justice involvement. She said this would not include any new resources to  
21 implement. She said additionally, the department wants to create a second track of harm  
22 reduction law enforcement diversion that deflects our “familiar faces” (i.e., repeat low-level  
23 offenders with behavioral health issues and often experiencing homelessness). This will involve  
24 more intensive case management and will require additional positions working from Chapel Hill,  
25 where most of the “familiar faces” reside. She said the District Attorney has agreed to these  
26 changes, and she hopes the County will approve the necessary budget increases.

27 Commissioner Bedford said she and others attended the Environmental Summit last  
28 week and heard about the 2019 State of the Environment Report, as well as regional updates.  
29 She said it was an informative meeting.

30 Commissioner Bedford said all Board members have been to several swearing in  
31 ceremonies, and she thanked those who have served, and expressed excitement to serve with  
32 those newly appointed to boards.

33 Commissioner Marcoplos reiterated Commissioner Bedford’s comments about the  
34 Environmental Summit and said the Commission for the Environment (CfE) is an excellent  
35 group, doing excellent work. He said the report can be easily found online.

36 Commissioner Marcoplos said he attended the Family Success Alliance’s (FSA)  
37 resource subcommittee group, where the topic was “what criteria should be used for dispersing  
38 \$5,000 for innovation grants to the schools”. He said the plan is to disperse two \$2500 grants,  
39 and eligible schools are those in two FSA zones (zones 4 and 6). He said he was struck by the  
40 need to give away more grants, and he petitioned the manager to add an additional \$10,000 to  
41 the grants.

42 Commissioner Price said she also attended the Environmental Summit, and she liked  
43 the regional approach. She said she used to serve on the CfE, and it is wonderful to see the  
44 good work continuing.

45 Commissioner Price said the new ABC store opened in Hillsborough today, and there  
46 was a large turnout.

47 Commissioner Dorosin said he also attended the Environmental Summit, and noted that  
48 there was no discussion of environmental justice, the inclusion of which the BOCC tasked the  
49 CfE. He said it was a noticeable gap in this discussion. He said it was a very homogenous

1 group, both attending and presenting. He said, when hoping to have greater diversity, one  
2 must be cognizant of location, time of event and having diverse presenters.

3 *Commissioner McKee arrived at 7:15 p.m.*

4 Commissioner Dorosin referred to the HB2 law, and said the bill was repealed and  
5 replaced with something else that said local governments would continue to be preemptive until  
6 December 1, 2020. He petitioned the Board to develop an anti-discrimination ordinance that  
7 includes all range of provisions and protected classes, and adopted it as soon as possible with  
8 a date effective of December 1 or 2, 2020.

9 Chair Rich said she attended the JCPC meeting, where it was reported that staff are  
10 seeing 55% of African Americans, 17% Latino, 17% white, 10% multiracial, and 1% Asian  
11 getting suspended for repetitive fighting. She said this group is also is concerned about the  
12 Medicaid reformation and it is unsure how the “raise the age” will impact funds for services.  
13 She said there is a lot of confusion among families, and the Department of Social Services  
14 (DSS) is helping to make sense of things.

15 Chair Rich said she went to the Big Bold Ideas meeting, organized by the Chamber of  
16 Commerce. She said 450 ideas were whittled down to three: affordable housing, youth master  
17 plan to close the opportunity gap, and innovation hub and workforce.

18 Chair Rich said Economic Development Director Steve Brantley asked her to tell the  
19 Board that Medline did not build its building yet, but won an award for the building’s concept  
20 plan, as it is a LEED platinum building facility, with over 50% of its energy coming from solar  
21 panels. She said this building won the “impact of the year” category.

22 Chair Rich said she and Commissioner Greene attended the ABB groundbreaking,  
23 which is another great partnership with Mebane.

24 Chair Rich said members of the BOCC were talking to Paul Jones about the County’s  
25 website navigation. She said Paul Jones recommended contacting Laurie Hight at the School  
26 of Government, and ask that her class do a user experience of the County’s website. She said  
27 this is a petition, and ideally this would be done this before the semester starts.

28 Chair Rich said the Pauli Murray awards are on February 23, 2020. She asked if this  
29 information could be put on the front page of the County’s website.

30 Commissioner McKee said the ABB facility is the only place he has watched metal  
31 printing. He said there is a lot of cutting edge work being done at this business.

32 Commissioner McKee wished everyone a Happy Holiday.

33 Commissioner Greene said there is a forum on Saturday Dec. 14: “Where Do We Go  
34 From Here? A Community Forum on Criminal Justice Reform in Orange County.” Hours are 1-5  
35 p.m. at Chapel Hill Public Library.

36 Commissioner Price said the National Association for the Advancement of Colored  
37 People (NAACP) will be present as well.

38

#### 39 **4. Proclamations/ Resolutions/ Special Presentations**

40

##### 41 **a. Proclamation Recognizing the Chapel Hill High School Women's Volleyball Team** 42 **for Winning the 2019 State 3A Championship**

43 The Board considered voting to approve a Proclamation recognizing the Chapel Hill  
44 High School Women’s Volleyball Team for winning the 2019 State 3A Championship and  
45 authorize the Chair to sign.

46

47 **BACKGROUND:** The Chapel Hill High School Women’s Volleyball Team won the State 3A title  
48 with its victory in the state finals on November 9, 2019.

49

50

**PROCLAMATION OF RECOGNITION ON  
CHAPEL HILL HIGH SCHOOL WOMEN'S VOLLEYBALL TEAM  
WINNING THE 2019 STATE CHAMPIONSHIP**

**WHEREAS**, on November 9, 2019, the Chapel Hill High School Women's Volleyball Team captured the North Carolina High School Athletic Association's (NCHSSA) 3A State Championship; and

**WHEREAS**, under the guidance of Coach Ross Fields, the Chapel Hill High School Women's Volleyball Team earned its third NCHSAA title; and

**WHEREAS**, the Tigers completed the season with a 28-1 record; and

**WHEREAS**, through hard work, dedication, teamwork, and commitment, the Tigers brought honor upon themselves, Chapel Hill High School, the Chapel Hill-Carrboro City Schools District and Orange County;

**NOW, THEREFORE**, be it proclaimed that the Orange County Board of Commissioners expresses its sincere appreciation and respect to the Chapel Hill High School Women's Volleyball Team and Coach Ross Fields for the team's outstanding achievement, and their inspiration to youth across North Carolina through their dedication, teamwork, and athletic prowess.

This the 10<sup>th</sup> day of December 2019.

A motion was made by Commissioner Greene, seconded by Commissioner Bedford for the Board to approve and authorize the Chair to sign the attached proclamation recognizing the Chapel Hill High School Women's Volleyball Team for winning the 2019 State 3A Championship and honoring the players and Coach Ross Fields for representing the community with the highest ideals of sportsmanship and integrity.

**VOTE: UNANIMOUS**

**b. Proclamation Recognizing the Carrboro High School Women's Cross Country Team for Winning the 2019 State 2A Championship**

The Board considered voting to approve a Proclamation recognizing the Carrboro High School Women's Cross Country Team for winning the 2019 State 2A Championship and authorize the Chair to sign.

Todd McGee introduced Coach Mimi O'Grady, who in turn introduced some members of her team.

**BACKGROUND:** The Carrboro High School Women's Cross Country Team won the State 2A title with its victory at the state championship meet on November 9, 2019.

Commissioner Greene read the proclamation:

**ORANGE COUNTY BOARD OF COMMISSIONERS  
PROCLAMATION OF RECOGNITION ON  
CARRBORO HIGH SCHOOL WOMEN'S CROSS COUNTRY TEAM  
WINNING THE 2019 STATE CHAMPIONSHIP**

1 **WHEREAS**, on November 9, 2019, the Carrboro High School Women’s Cross Country Team  
 2 won the North Carolina High School Athletic Association’s 2A State  
 3 Championship; and

4 **WHEREAS**, under the guidance of Coach Mimi O’Grady, the team won its seventh state  
 5 championship and second in a row; and

6 **WHEREAS**, through hard work, dedication, teamwork, and commitment, the team brought  
 7 honor upon themselves, Carrboro High School, the Chapel Hill-Carrboro City  
 8 Schools District and Orange County;

9 **NOW, THEREFORE**, be it proclaimed that the Orange County Board of Commissioners  
 10 expresses its sincere appreciation and respect for the Carrboro High School Women’s Cross  
 11 Country Team and Coach Mimi O’Grady for the team’s outstanding achievement, and their  
 12 inspiration to youth across North Carolina through their dedication, teamwork, and athletic  
 13 prowess.

14  
 15 This the 10<sup>th</sup> day of December 2019.

16  
 17 A motion was made by Commissioner Greene, seconded by Commissioner Bedford to  
 18 approve and authorize the Chair to sign the attached proclamation recognizing the Carrboro  
 19 High School Women’s Cross Country Team for winning the 2019 State 2A Championship and  
 20 honoring the players and for representing the community with the highest ideals of  
 21 sportsmanship and integrity.

22  
 23 **VOTE: UNANIMOUS**

24  
 25 **c. Proclamation Recognizing the Chapel Hill High School Men’s Cross Country Team**  
 26 **for Winning the 2019 State 3A Championship**

27 The Board considered voting to approve a Proclamation recognizing the Chapel Hill  
 28 High School Men’s Cross Country Team for winning the 2019 State 3A Championship and  
 29 authorize the Chair to sign.

30  
 31 **BACKGROUND:** The Chapel Hill High School Men’s Cross Country team won the State 3A title  
 32 with its victory at the state championship meet on November 9, 2019.

33  
 34 Senior co-captains Zeno Scotti and Owen Rodgers received the proclamation. They  
 35 said they are grateful to be here and they worked very hard this year, under the guidance of  
 36 their coach, who could not be here tonight.

37  
 38 Commissioner Dorosin read the proclamation:

39  
 40 **ORANGE COUNTY BOARD OF COMMISSIONERS**  
 41 **PROCLAMATION OF RECOGNITION ON**  
 42 **CHAPEL HILL HIGH SCHOOL MEN’S CROSS COUNTRY TEAM**  
 43 **WINNING THE 2019 STATE CHAMPIONSHIP**  
 44

45 **WHEREAS**, on November 9, 2019, the Chapel Hill High School Men’s Cross Country Team  
 46 captured the North Carolina High School Athletic Association’s (NCHSAA) 3A  
 47 State Championship; and

48 **WHEREAS**, under the guidance of Coach Joan Nesbit Mabe, the Chapel Hill High School  
 49 Men’s Cross Country Team earned its 11<sup>th</sup> NCHSAA title; and

1 **WHEREAS**, through hard work, dedication, teamwork, and commitment, the Tigers brought  
 2 honor upon themselves, Chapel Hill High School, the Chapel Hill-Carrboro City  
 3 Schools District and Orange County;

4 **NOW, THEREFORE**, be it proclaimed that the Orange County Board of Commissioners  
 5 expresses its sincere appreciation and respect to the Chapel Hill High School Men's Cross  
 6 Country Team and Coach Joan Nesbit Mabe for the team's outstanding achievement, and their  
 7 inspiration to youth across North Carolina through their dedication, teamwork, and athletic  
 8 prowess.

9  
 10 This the 10<sup>th</sup> day of December 2019.

11  
 12 A motion was made by Commissioner Dorosin seconded by Commissioner Price for the  
 13 Board to approve and authorize the Chair to sign the attached proclamation recognizing the  
 14 Chapel Hill High School Men's Cross Country Team for winning the 2019 State 3A  
 15 Championship and honoring the players and Coach Joan Nesbit Mabe for representing the  
 16 community with the highest ideals of sportsmanship and integrity.

17  
 18 **VOTE: UNANIMOUS**

19  
 20 **d. Proclamation Recognizing Robin Jacobs**

21 The Board considered voting to approve a proclamation recognizing Robin Jacobs for  
 22 her years of service with the Association for the Preservation of the Eno River Valley (Eno River  
 23 Association) and authorize the Chair to sign.

24  
 25 **BACKGROUND:** Earlier this fall, Robin Jacobs retired as Executive Director and legal counsel  
 26 of the Eno River Association after 15 years of service. Ms. Jacobs previously served on the  
 27 Board of Directors for the Eno River Association for five years.

28  
 29 During Ms. Jacobs' tenure as Executive Director, the Eno River Association protected 1,664  
 30 acres of important natural resource lands, many of which were in Orange County and  
 31 transferred to the State for inclusion in Eno River State Park. The Association was and  
 32 continues to be an important conservation partner of Orange County, with many joint  
 33 conservation efforts to protect watersheds and prime and threatened farmland through  
 34 conservation easements.

35  
 36 David Stancil, Department of Environment, Agriculture, Parks and Recreation (DEAPR)  
 37 Director, said ERA has been such a great partner, and is thankful for Robin Jacob's leadership.  
 38 Commissioner Marcoplos read the proclamation:

39  
 40 **ORANGE COUNTY BOARD OF COMMISSIONERS**  
 41 **PROCLAMATION RECOGNIZING**  
 42 **ROBIN JACOBS**

43  
 44 **WHEREAS**, Robin Jacobs retired at the end of October, 2019 as the Executive Director and  
 45 legal counsel for the Association for the Preservation of the Eno River Valley, better known as  
 46 the Eno River Association; and

47  
 48 **WHEREAS**, Ms. Jacobs previously served the Association for five years as a member of its  
 49 Board of Directors; and

50

1 **WHEREAS**, Ms. Jacobs served as the executive Director and legal counsel for the Association  
 2 for 15 years, leading the organization through many significant milestones and built the  
 3 Association into a professionally-staffed organization increasing its capacity to meet the  
 4 Association's mission to conserve and protect the natural, cultural and historical resources of  
 5 the Eno River basin; and

6  
 7 **WHEREAS**, in her time at the Association, 1,664 acres of land were conserved, with the  
 8 majority being transferred to public ownership (Eno River State Park, etc.); and

9  
 10 **WHEREAS**, during this time, Ms. Jacobs and the Association collaborated with Orange County  
 11 on many land conservation projects, including the purchase of four properties for future parks  
 12 and/or natural areas with amenities for public enjoyment, three conservation easements that  
 13 protect significant natural areas, and five conservation easements that protect prime farmland;  
 14 and

15  
 16 **WHEREAS**, Ms. Jacobs was a tireless advocate for local and regional open space conservation  
 17 and the protection of natural resources across local government boundaries, and will be greatly  
 18 missed by Orange County in this capacity;

19  
 20 **NOW, THEREFORE, BE IT PROCLAIMED** that the Orange County Board of Commissioners  
 21 expresses its deep appreciation, gratitude and respect for the guidance, actions and assistance  
 22 provided by Robin Jacobs and her leadership of the Eno River Association, and that the Board  
 23 wishes her well in her retirement.

24  
 25 This the 10<sup>th</sup> day of December, 2019.

26  
 27 A motion was made by Commissioner Marcoplos, seconded by Commissioner Price for  
 28 the Board to approve and authorize the Chair to sign the attached proclamation recognizing and  
 29 expressing appreciation to Robin Jacobs for her work with the Eno River Association.

30  
 31 **VOTE: UNANIMOUS**

32  
 33 Robin Jacobs said thank you for this incredible honor. She thanked the Board for its  
 34 partnership with the ERA, and said she is going to stay on the ERA land stewardship  
 35 committee. She said she has been coming since 2004 to bring ERA calendars to the BOCC.  
 36 Commissioner Price thanked her for all of her hard work.

37  
 38 **e. Recognition of Emergency Services Planner Sarah Pickhardt by the Veterans of**  
 39 **Foreign Wars - Post 9100**

40 The Board will host and join with the Veterans of Foreign Wars - Post 9100 in honoring  
 41 Emergency Management Planner Sarah Pickhardt with a certificate of recognition for her  
 42 dedication and service to Orange County and the residents of North Carolina.

43 Dinah Jeffries, Emergency Services Director, introduced Captain Buck Simmons, and  
 44 reviewed the information below:

45  
 46 **BACKGROUND:** The mission statement of the Veterans of Foreign Wars (VFW) is "To foster  
 47 camaraderie among United States veterans of overseas conflicts. To serve our veterans, the  
 48 military and our communities. To advocate on behalf of all veterans."  
 49

1 VFW Post 9100 has ventured out to embrace community providers, law enforcement, fire,  
 2 EMS, teachers, etc., and recognize selected individuals who have served with dedication and  
 3 selflessness to those in need of help. The Orange County Emergency Services Department  
 4 nominated Sarah Pickhardt, Emergency Management Planner, for her dedication, untiring  
 5 service and willingness to go wherever she is called, regardless of the mission or location.  
 6 Captain Buck Simmons, former United States Marine Corps pilot, will be present at the meeting  
 7 on behalf of Post 9100. Captain Simmons flew 920 combat missions in Viet Nam and received  
 8 multiple medals and awards during his service. His proudest accomplishment was in the  
 9 “number of Marines” he was able to keep alive.

10  
 11 On behalf of the VFW, Post 9100 will recognize Sarah Pickhardt for her exemplary service to  
 12 the residents and visitors of Orange County, and throughout the State of North Carolina with a  
 13 framed citation in honor of Ms. Pickhardt’s contributions and with a one hundred dollar (\$100)  
 14 donation to the organization of her choice.

15  
 16 Captain Simmons said the VFW likes to be involved in its communities, and to recognize  
 17 those who give back to the community. He shared a story of a military service experience that  
 18 he said opened his eyes to all that those in emergency services do for others. He presented a  
 19 plaque to Sarah Pickhardt in thanks for all that she does.

20 Kirby Saunders read a citation acknowledging the excellent efforts made by Sarah  
 21 Pickhardt in her line of work. He presented her with the citation, as well as some coins.

22 The Board hosted and expressed their appreciation to the Veterans of Foreign Wars  
 23 Post 9100 for extending their outreach to recognize individuals who have a positive impact on  
 24 the community, and join with Post 9100 in recognizing and congratulating Sarah Pickhardt for  
 25 receiving this honor.

26  
 27 **f. Presentation of Comprehensive Annual Financial Report for FYE 6/30/2019**

28 The Board received the Comprehensive Annual Financial Report (CAFR) for the fiscal  
 29 year ended June 30, 2019.

30  
 31 **BACKGROUND:** The CAFR reports on all financial activity of the County for the fiscal year July  
 32 1, 2018 through June 30, 2019. Mauldin and Jenkins, a firm of Certified Public Accountants,  
 33 audited the financial statements. The financial statements and audit are required by Chapter  
 34 159-34 of the North Carolina General Statutes. The County prepares a Comprehensive Annual  
 35 Financial Report (CAFR) that meets the standards set by the Government Finance Officers  
 36 Association (GFOA). The CAFR is submitted to the GFOA in order to be awarded the  
 37 Certificate of Achievement for Excellence in Financial Reporting. The financial report for the  
 38 Orange  
 39 County SportsPlex, as required under the management contract, is included in the County’s  
 40 CAFR.

41  
 42 The County received an unmodified (clean) audit opinion on the financial statements received  
 43 from the audit. The financial audit results indicate compliance with County financial policies.

44 The  
 45 Chief Financial Officer and representatives of Mauldin and Jenkins will cover highlights of the  
 46 report and answer any questions.

47  
 48 Gary Donaldson, Chief Financial Officer, made the following PowerPoint presentation:

49  
 50 **Fiscal Year 2018-19 Review**

1 **December 10, 2019**

2 **BOCC Regular Meeting**

3  
4 **Operating and Capital Funds Highlights**

- 5 ➤ Met Board County Policies including Unassigned Fund Balance levels
- 6 ➤ Favorable Budget versus Actuals Performance and Fund Reserve Levels as forecasted
- 7 in Quarterly reports and Long-Term Forecast Model;
- 8 ➤ Continued reduction in General Fund subsidy to Solid Waste Fund from \$1.5 million to
- 9 \$126,510;
- 10 ➤ Strong Investment Earnings results; earnings increased by \$358,107 to \$1.1 million
- 11 through proactive Finance Investment strategy;
- 12 ➤ New Debt Series 2019A Limited Obligations Bonds: \$14.1 million included IT
- 13 Infrastructure investments, Building Remediation (Meadowlands, Government Annex,
- 14 District Attorney and Battle Courtroom) and Public Safety and Solid Waste Vehicle
- 15 Replacements.
- 16 ➤ Affirmation of 'AAA' Bond Rating by all Three Major Credit Rating Agencies

17  
18 **General Fund Budget versus Actual** (table)

19  
20 **Audited Fund Balances and Net Positions** (table)

21 **Finance Investment Strategy and Results** (table)

22  
23 James Bence, Maudlin and Jenkins, made the following PowerPoint presentation:

24  
25 **Maudlin and Jenkins**

26 **Presentation of 2019 Audit Results**

27 **Orange County, North Carolina**

28 **December 10, 2019**

29  
30 **Agenda**

- 31 • Engagement Team
- 32 • Results of the 2019 Audit
- 33 • Financial Ratios
- 34 • Comments, Recommendations, and Other Issues
- 35 • Questions & Comments

36  
37 **Engagement Team:** Maudlin & Jenkins, LLC

38  
39 **Results of 2019 Audit**

- 40 • Our Responsibility Under Auditing Standards Generally Accepted in the United States
- 41 of America (GAAS) and Government Auditing Standards (GAS)
- 42 ○ We considered the internal control structure for the purpose of expressing our
- 43 opinion on the County's basic financial statements and not providing assurance
- 44 on the internal control structure.
- 45 ○ Our audit was performed in accordance with GAAS and GAS.
- 46 ○ Our objective is to provide reasonable—not absolute—assurance that the basic
- 47 financial statements are free of material misstatement.
- 48 ○ We did not audit the financial statements of the Orange County ABC Board. We
- 49 reviewed and relied on the report of other auditors for amounts included in the
- 50 County's statements related to the ABC Board.

- 1           ○ The basic financial statements are the responsibility of the County's  
2           management.
- 3     • Report on 2019 Basic Financial Statements
- 4           ○ Unmodified ("clean") opinion on basic financial statements.
- 5           ○ Presented fairly in accordance with accounting principles generally accepted in  
6           the United States of America.
- 7           ○ Our responsibility does not extend beyond financial information contained in our  
8           report.
- 9     • Significant Accounting Policies
- 10          ○ The significant accounting policies used by the County are described in Note 1 to  
11          the basic financial statements.
- 12          ○ The policies used by the County are in accordance with generally accepted  
13          accounting principles and similar government organizations.
- 14          ○ In considering the qualitative aspects of its policies, the County is not involved in  
15          any controversial or emerging issues for which guidance is not available.
- 16     • Management Judgment/Accounting Estimates
- 17          ○ The County uses various estimates as part of its financial reporting process –  
18          including valuation of accounts receivable, depreciation of capital assets, self-  
19          insurance claim liabilities, and pension and OPEB assumptions.
- 20          ○ Management's estimates used in preparation of financial statements were  
21          deemed reasonable in relation to the financial statements taken as a whole. We  
22          considered this information and the qualitative aspects of management's  
23          calculations in evaluating the County's significant accounting estimates.
- 24     • Financial Statement Disclosures
- 25          ○ The footnote disclosures to the financial statements are also an integral part of  
26          the financial statements and the process used by management to accumulate  
27          the information included in the disclosures was the same process used in  
28          accumulating the statements. The overall neutrality, consistency, and clarity of  
29          the disclosures were considered as part our audit.
- 30     • Relationship with Management
- 31          ○ We received full cooperation from the County's management and staff.  
32          There were no disagreements with management on accounting issues or  
33          financial reporting matters.
- 34     • Audit Adjustments
- 35          ○ There were several posted adjustments, which were necessary during the audit  
36          process. Those entries have been provided to management and have all been  
37          recorded on the County's general ledger by management and they have agreed  
38          with all adjustments.
- 39     • Management Representation
- 40          ○ We requested, and received, written representations from management relating  
41          to the accuracy of information included in the financial statements and the  
42          completeness and accuracy of various information requested by us.
- 43     • Consultation with Other Accountants
- 44          ○ To the best of our knowledge, management has not consulted with, or obtained  
45          opinions from, other independent accountants during the year, nor did we face  
46          any issues requiring outside consultation.
- 47     • Significant Issues Discussed with Management
- 48          ○ There were no significant issues discussed with management related to business  
49          conditions, plans, or strategies that may have affected the risk of material  
50          misstatement of the financial statements.

- 1 • Information in Documents Containing Audited Financial Statements
  - 2 ○ Our responsibility for other information in documents containing the County's
  - 3 comprehensive annual financial report and our report thereon does not extend
  - 4 beyond the information identified in our report. If the County intends to publish or
  - 5 otherwise reproduce the financial statements and make reference to our firm, we
  - 6 must be provided with printers' proof for our review and approval before printing.
  - 7 The County must also provide us with a copy of the final reproduced material for
  - 8 our approval before it is distributed.
- 9 • Auditor Independence
  - 10 ○ In accordance with AICPA professional standards, M&J is independent with
  - 11 regard to the County and its financial reporting process.
  - 12 There were no fees paid to M&J for management advisory services during fiscal
  - 13 year 2019 that might affect our independence as auditors.

14  
15 **General Fund Balance Ratio to Expenditures** (graph) (add verbiage from PPT)-87 days of  
16 fund balance

17  
18 **Trend Analysis of Property and Sales**

19 **Tax Revenue per capita** (graph)

20  
21 **General Fund Budget to Actual Results**

22 **Fiscal Year 2019** (graph)

- 23  General Fund revenues were 1.5% more than the amended budgeted amount. The
- 24 actual revenue was over budget due to increased actual property tax collections.
- 25  Expenditures for many functional areas were less than budget by \$7.9 million (3.5%)
- 26 from the operating budget. Several departments came in under budget due to personnel
- 27 vacancies and efforts to spend conservatively.
- 28  Budgeted use of fund balance was not needed to the extent anticipated, as actual
- 29 revenues and other financing sources exceeded expenditures.
- 30  General Fund significant transfers were \$1,493,643 to School Capital Improvement
- 31 Fund; \$1.7 million from School Capital Improvements; \$220,000 to County Capital
- 32 Improvement Fund; \$126,510 to Solid Waste Landfill Fund; \$2,626,520 to Internal
- 33 Service Funds and \$687,783 to non-major governmental funds.

34  
35 **Enterprise Results**

- 36 • Solid Waste Fund still relies on transfers in from the General Fund.
- 37 • The Solid Waste and Sportsplex Fund reported an increase in net position for the fiscal
- 38 year ended June 30, 2019.

39  
40 **Single Audit Engagements**

- 41 • Federal Expenditures of \$16.8 million
- 42 • Type A program threshold in 2019: \$750,000
- 43 • State Expenditures of \$4.3 million
- 44 • Testing for 3 Federal and 2 state programs in 2019 – DEFSA
  - 45 ○ Child Support Enforcement (93.563)
  - 46 ○ Medicaid (93.778) (State)
  - 47 ○ Section 8 Housing Vouchers (14.871)
  - 48 ○ Juvenile Crime Prevention Council (State)
  - 49 ○ Lottery Proceeds (State)

50

## 1 **Material Weaknesses on Financial Reporting**

### 2 **Equity Reconciliation**

3 During our testing, audit adjustments were required to adjust the opening net  
4 position of the four funds. The entries included adjusting balances incorrectly coded to equity  
5 during the current year, as well as to record audit entries from the prior year which were not  
6 posted to the County's general ledger. Audit adjustments totaling approximately \$2,794,000  
7 were needed to correct the County's opening fund balance and net position as of June 30,  
8 2019.

## 10 **Comments, Recommendations, and Other Issues**

### 11 **Industry recommendation**

12 The Information Technology environment is characterized by rapid change and there has  
13 been no shortage of headlines about cybersecurity attacks. While breaches of large  
14 organizations have been very high profile and have received a lot of press coverage,  
15 organizations of all sizes face the same types of threats and are experiencing similar  
16 breaches. Many organizations are still struggling to effectively address cybersecurity  
17 issues; however, they are no longer ignoring them. During the performance of our audit of  
18 the financial statements of the County, we noted that the organization is taking measures  
19 to prevent such an attack on the County, but is lacking some elements of a Cybersecurity  
20 Framework or Cybersecurity Risk Management Program (CRMP). A functioning CRMP  
21 will assist the County with comprehensively identifying cybersecurity weaknesses,  
22 potential threats and risks, and controls used to safeguard information and systems. We  
23 recommend that the entity investigate and consider implementation of a Cybersecurity  
24 Risk Management Program including covering the monitoring and testing of controls in  
25 place.

- 26 • **New GASB Pronouncements - Implemented This Year**

27 Statement No. 88, *Certain Disclosures Related to Debt, Including Direct*  
28 *Borrowings and Direct Placements*, under Statement 88, debt for disclosure  
29 purposes is defined as a liability that arises from a contractual obligation to pay  
30 cash (or other assets) in one or more payments to settle an amount that is fixed  
31 at the date the contractual obligation is established.

- 32 • **New GASB Pronouncements for Future Years**

33 GASB Statement No. 87, *Leases* was issued in June 2017 and is effective for  
34 the first reporting period beginning after December 15, 2019. This statement  
35 increases the usefulness of governments' financial statements by requiring  
36 recognition of certain lease assets and liabilities for leases that previously were  
37 classified as operating leases and recognized as inflows of resources or outflows  
38 of resources based on the payment provisions of the contract. It establishes a  
39 single model for lease accounting based on the foundational principle that leases  
40 are financings of the right to use an underlying asset. Under this statement, a  
41 lessee is required to recognize a lease liability and an intangible right-to-use  
42 lease asset, and a lessor is required to recognize a lease receivable and a  
43 deferred inflow of resources, thereby enhancing the relevance and consistency  
44 of information about governments' leasing activities. Applicable for June 30,  
45 2021.

46 Statement 89, *Accounting for Interest Cost Incurred Before the End of a*  
47 *Construction Period*, this standard eliminates the requirement/ability to capitalize  
48 construction period interest costs as part of the cost of a capital asset in  
49 enterprise funds. This standard should be applied prospectively with no

1 restatement. This standard can be early implemented as part of fiscal year  
2 2019, but is applicable for June 30, 2021.

3 • New GASB Pronouncements for Future Years

4 Statement No. 90, *Equity Interests an amendment of GASB Statements No. 14*  
5 *and No. 61*, is intended to improve the consistency and comparability of reporting  
6 a government's majority equity interest in a legally separate organization and to  
7 improve the relevance of financial statement information for certain component  
8 units. It defines a majority equity interest and specifies that a majority equity  
9 interest in a legally separate organization should be reported as an investment if  
10 a government's holding of the equity interest meets the definition of an  
11 investment. A majority equity interest that meets the definition of an investment  
12 should be measured using the equity method, unless it is held by a special-  
13 purpose government engaged only in fiduciary activities, a fiduciary fund, or an  
14 endowment (including permanent and term endowments) or permanent fund.  
15 Those governments and funds should measure the majority equity interest at fair  
16 value. Applicable for June 30, 2020.

17 • Other Matters Currently Being Considered by GASB

18 **Re-Examination of the Financial Reporting Model.** GASB has added this  
19 project to its technical agenda to make improvements to the existing financial  
20 reporting model (established via GASB 34). Improvements are meant to  
21 enhance the effectiveness of the model in providing information for decision-  
22 making and assessing a government's accountability.

23 **Conceptual Framework is a constant matter being looked at by GASB.**

24 Current measurement focus statements (for governmental funds) to change to  
25 near-term financial resources measurement. May dictate a period (such as 60  
26 days) for revenue and expenditure recognition. May expense things such as  
27 supplies and prepaid assets at acquisition.

28 **Revenue and Expense Recognition** is another long-term project where the  
29 GASB is working to develop a comprehensive application model for recognition  
30 of revenues and expenses from non-exchange, exchange, and exchange-like  
31 transactions.

32 **Conduit Debt.** The GASB is looking at improving the definition of conduit debt  
33 and determining whether a liability should be reported for these transactions.

34 Other Changes

35 There continues to be changes to auditing standards relative to the conduct and  
36 reporting of Single Audits. This year's financial and compliance audit recognized  
37 the implementation of the new Uniform Grant Guidance (UG) which included  
38 significant changes to cost principles and other requirements for auditees  
39 receiving Federal funds. These changes are driven based on the grant award  
40 date as awarded by the Federal agency. As such, auditors and auditees will  
41 follow requirements from both the "old" and "new" guidance for a few years to  
42 come.

43  
44 **Free Quarterly Continuing Education for Governmental Clients**

45 • **Since March of 2009:**

- 46 ○ Mauldin & Jenkins provides free quarterly continuing education for all of our  
47 governmental clients. Topics are tailored to be of interest to governmental  
48 entities. In an effort to accommodate our entire governmental client base, we  
49 offer the sessions several times per quarter at a variety of client provided

1 locations resulting in greater networking and knowledge sharing among our  
 2 governmental clients. We normally see approximately 100 people per quarter.

- 3 ○ Examples of subjects addressed in the past few quarters include:

4 Revenue Accounting Requirements

5 GASB Updates

6 Internal Controls – Revenues & Receipts

7 Internal Controls – Expenses, Disbursements & Payroll

8 Collateralization of Deposits

9 SPLOST Accounting, Reporting & Compliance

10 Capital Asset Accounting

11 Grant Accounting, Processes and Controls

12 Policies & Procedures Manuals

13 Segregation of Duties

14 GASB No. 51 – Intangible Assets

15 Single Audits for Auditees

16 GASB No. 54 – Governmental Fund Balance

17 Best Budgeting Practices, Policies and Processes

18 Internal Revenue Compliance (Payroll)

19 CAFR Preparation

20 GASB No. 60 – Service Concession Arrangements

21 GASB No. 61, the Financial Reporting Entity

22 GASB No. 63 & 65 – Deferred Inflows and Outflows

23 GASB No 67 & 68, Accounting/Reporting Pension Plans

24  
 25 Commissioner Bedford referred to the general fund versus actual, and asked if these  
 26 changes were built into the budget for 2020, and how much more money can the County spend  
 27 than it was planning on.

28 James Bence said a lot of these variances are not related to audit adjustments, but  
 29 rather to how the County's general fund performs. He said staff may be able to better answer  
 30 this question.

31 Commissioner Bedford said this was probably already done by the Finance Department  
 32 as budget amendments, prior to the auditors coming in.

33 James Bence said the \$11 million is actuals over the appropriated budgets. He said  
 34 the County already used, and was reporting, \$7.8 million of fund balance in the original  
 35 adoption of the FY 202 budget.

36 Commissioner Greene referred to the reduction in subsidy to the solid waste fund, and  
 37 said this is a dramatic number. She asked if staff expected the number to be this great.

38 Bonnie Hammersley said yes, and for 2019-20, the budgeted amount of 0. She said  
 39 half a million was budgeted for 18-19, and staff was hoping to do that fairly quickly, which it was  
 40 able to do.

41 Bonnie Hammersley said the first year she was in the County there were revenues that  
 42 came in about 8% over while the County was spending 95%. She said this resulted in 13%  
 43 discrepancy between what the budget was. She said right now it is 1.5% and 3% over, which is  
 44 much closer. She gave kudos to the budget and finance staff, which only has one finding this  
 45 year in the audit.

46 Commissioner Dorosin referred to the slide about General Fund revenues, and asked  
 47 the presenter to walk through this slide again.

48 James Bence said the BOCC was planning to reduce the general fund's fund balance  
 49 to cover operations.

1 Commissioner Dorosin said the Board then decided to add almost \$2 million to this  
2 reduction.

3 James Bence said the County actually added \$2 million to the reserves.

4 Commissioner Dorosin said the County took nothing from reserves.

5 James Bence said \$2.7 million was added to the fund balance, and the County has  
6 already appropriated \$7.8. He said when the \$2.7 million was added, the County reached its  
7 goal of 16.5% unassigned fund balance. He said the more this balance is used, the more the  
8 County will eat into its ideal percentage.

9 Commissioner Dorosin referred to the letter at the Commissioners' places, and item #6  
10 talks about cybersecurity. He asked if this takes into account the new staff that has been  
11 created for cybersecurity.

12 Bonnie Hammersley said the new position will begin as of January 2020, which will help  
13 address point #6.

14 James Bence said all of this is as of June 30, 2019.

15 Chair Rich asked if the BOCC should send additional questions to Gary Donaldson and  
16 Bonnie Hammersley, once it receives the PowerPoint.

17  
18  
19 **5. Public Hearings**  
20 **NONE**

21  
22 **6. Regular Agenda**

23  
24 **a. County Commissioners: Boards and Commissions Assignments**

25 The Board considered selecting the Boards and Commissions on which Board members  
26 would like to serve during 2020.

27  
28 **BACKGROUND:** BOCC members serve on various County and County-related boards and  
29 commissions. On an annual basis, BOCC members indicate their desire to continue serving on  
30 specific boards or commissions or their desire to make changes.

31  
32 Chair Rich said she would like to answer a few questions that have been submitted  
33 regarding this process, first of which is why pick National Association of Counties (NACo) and  
34 North Carolina Association of County Commissioners (NCACC) at an organizational meeting  
35 versus this meeting. She said these are associations and not committees, but these 2 can be  
36 added to the chart.

37 Commissioner Marcoplos said the Board needs to re-visit a few aspects of this process  
38 at another time.

39 Chair Rich said the next question asks what happens if one joins a board part way  
40 through the year, or a board is newly formed, does one stay on that board. She said Donna  
41 Baker said, traditionally, Commissioners get to stay on a board, but this is open for discussion.

42 Commissioner Price said Commissioners can ask to stay on it.

43 Chair Rich reviewed the various situations where this is currently an issue.

44 Commissioner Bedford said she is in a similar situation with the Behavioral Task Force,  
45 and said she assumed staying on this would have to be her one save.

46 Commissioner Price asked if this implies an automatic continuance on a board.

47 Chair Rich said the Commissioners would just ask.

48 Commissioner Price asked if this would be a save or a pick.

49 Commissioner Rich said no.

1 Commissioner Price said this brings the board back to where it was earlier, with  
2 Commissioners being able to stay on boards.

3 Commissioner Dorosin said he is surprised at how much time the Board takes talking  
4 about these processes, but he appreciates Commissioner Price's attentiveness.

5 Chair Rich said OWASA is not a board or a committee, but rather she and  
6 Commissioner Marcoplos chose to meet with OWASA.

7 Commissioner Bedford said she was the BOCC appointee to the Cardinal Innovations  
8 (CI) Central Regional last year, and CI is reorganizing and will now have an Orange County  
9 Community Advisory Community. She said CI will vet members through the process, and the  
10 BOCC will appoint to this new group also. She said this group will meet during the weekday,  
11 and the chair of this group will move to the newly created, regional 5 County Health Committee.

12 Commissioner Dorosin clarified that CI will pick who goes on this board.

13 Commissioner Bedford said CI will pick who goes on the regional health board, and  
14 there was an application process for the local Orange County community board, and names will  
15 be forwarded to the BOCC for appointment. She said there is not a set amount of members,  
16 but there are various categories of members.

17 Commissioner Marcoplos clarified that the regional health board is advisory, not  
18 governing.

19 Commissioner Bedford said it is advisory up to the health committee, and the health  
20 committee will meet 3 times a year with the CI Board. She said there will be a CI board  
21 member on the health committee as well.

22 Commissioner Dorosin asked if the item on the list tonight "CI county commissioner  
23 advisory board" no longer exists.

24 Commissioner Bedford said that is entirely different, and is a separate board on which  
25 Commissioner Price has served. She said this board helps to vet and appoint members to the  
26 CI Board.

27 Commissioner Bedford said this was created after the state takeover.

28 Chair Rich asked if Commissioner Bedford would like to remain on the board.

29 Commissioner Dorosin said CI will send a list of people for the Orange County  
30 Committee.

31 Commissioner Bedford said yes, CI will send them the full list and help categorize them

32 Commissioner Dorosin said the BOCC has carte blanche to choose who they want.

33 Commissioner Bedford said CI will forward all the names.

34 Commissioner Greene said Commissioner McKee is the current representative for the  
35 Community Home Trust (CHT), and she serves on it as a community member, which looks like  
36 the BOCC has double representation. She said she is happy to resolve this concern tonight by  
37 being the BOCC representative, and Commissioner McKee is in agreement.

38 Chair Rich asked if Commissioner Marcoplos and Commissioner Bedford would like to  
39 stay on their mid term appointment committees.

40 Commissioner Marcoplos said he would like to stay on the climate committee.

41 Commissioner Bedford said she would like to stay on Orange County Behavioral Health task  
42 force.

43  
44 Round Robin starts:

45  
46 **Process Governing the Selection Process of BOCC Boards/Commissions Assignments**

47 1. One "Save" in order of seniority (choosing one board that they currently serve on and service  
48 as an officer is not an automatic exemption):

- 49 • If a "Save" is skipped by a BOCC member – The save process continues  
50 through the remaining BOCC members

- 1 – Then, by seniority, the members who skipped are allowed one pick so that each BOCC  
 2 member has one position. • Appointments to regional boards are limited to four -1 year  
 3 terms  
 4 • Appointments to intra-county boards are limited to two -1 year terms  
 5  
 6 The round robin process will continue as in the past below:  
 7 2. The junior member will then pick one board first in the first round and then least senior  
 8 members of the Board will choose one board on which to serve 3. In the second round, the  
 9 senior member will pick first, and then the other senior members to the least senior member will  
 10 pick  
 11 4. And then it is back to the junior member.....  
 12

<b>BOARD NAME</b>	<b>MEETING DATE</b>	<b>BOCC MEMBER</b>	<b>BOCC member Serving 2019</b>	<b>BOCC Member Serving 2020</b>
<b>STATUTORY</b>				
ABC Board	Monthly, Third Tues 8:30 AM-ABC offices in Hillsborough	Commissioner Not Required (non-voting member) Intra-county	Commissioner Price	Commissioner Dorosin (2020-2022)
Board of Health	Monthly, Typically Fourth Wed 7:00 PM-at Health Dept in Hillsborough	1 Commissioner Required Intra-county	Commissioner McKee	Commissioner McKee (2019-2021)
Board of Social Services	Monthly, Third Monday- 4:00 PM at DSS offices in Hillsborough	2 appointees ( one citizen) Commissioner not required but usually a Commissioner serves -Intra-county	Commissioner Bedford	Commissioner Bedford (2019-2021)
Cardinal Innovations County Commissioner Advisory Board	TBD	Regional	Commissioner Price	Commissioner Price (2019-2023)
<b>INTERGOVERNMENTAL and OTHER GROUPS WITH BOCC MEMBERS</b>				
Burlington/Graham MPO Transportation Advisory Committee	6x/year-(or more as needed) Tuesdays at 5pm in Burlington	Requires 1 Commissioner member 1 Alternate Commissioner Regional	Commissioner Bedford- Member  Commissioner McKee - Alternate	Commissioner Bedford – Member (2019-2023)  Commissioner Marcoplos - Alternate

				(2020-2024)
Chatham Orange Joint Planning Task Force	3x/year- alternates between Orange County and Chatham County	2 Commissioners Regional	Commissioner Price –Member Commissioner Rich- Alternate	Commissioner Dorosin Member (2020-2024)  Commissioner McKee – Alternate (2020-2024)
Chapel Hill/Carrboro Chamber of Commerce	Monthly  Third Thursdays at 8:30am at Chamber	1 BOCC member Intra-county	Commissioner McKee	Commissioner McKee (2019-2021)
Climate Committee	TBD	1 BOCC member Intra-county	Commissioner Marcoplos (Mid-year appointment)	Commissioner Marcoplos (2019-2021)
Community Home Trust BOD	Monthly-2 <sup>nd</sup> Thursdays at 6pm at CHT office	1 Commissioner Required Intra-county	Commissioner McKee	Commissioner Greene (2020-2022)
Durham- Chapel Hill – Carrboro Metropolitan Planning Organization (MPO)- Transportation Advisory Committee (DCHC-MPO)	Monthly- 2 <sup>nd</sup> Monday at 9am in Durham	1 Commissioner 1 Commissioner Alternate Regional	Commissioner Price- Member  Commissioner Rich- Alternate	Commissioner Price – member (2019-2023) Chair Rich – Alternate (2019-2023)
Durham- Orange- Chapel Hill Work Group	Quarterly- at noon - rotates locations- Durham/ Chapel Hill/Orange County	2 BOCC Members Regional	Commissioner Bedford  Commissioner Marcoplos	Commissioner Marcoplos (2019-2023) Commissioner Greene (2020-2024)
Durham Tech Board of Trustees	6x/per year- usually 4 <sup>th</sup> Tuesday of month at 4-6pm (locations move about) Plus there are committee meetings	2 Appointees– one Commissioner Regional  One resident- already appointed	Commissioner Marcoplos - Member	Commissioner Dorosin (2020-2024)

Family Success Alliance	Meets 6x per year-1-3pm Alternates – northern and southern Orange County	2 Commissioners Intra-county-	Commissioner Price Commissioner Marcoplos	Commissioner Greene (2020-2022)  Commissioner Bedford (2020-2022)
Fire Chief's Association of Orange County	Bi-monthly – first Weds.-7pm	Commissioner not required as member – but can attend as guest(s) Intra-county	Commissioner Dorosin	Chair Rich (2020-2022)
Food Council	Meets 1/x per Month ( usually the 1 <sup>st</sup> Monday at 4:00) Alternates between Chapel Hill and Hillsborough	1 Commissioner Intra-county	Commissioner Greene	Commissioner McKee (2020-2022)
Go Triangle Board of Trustees	Monthly 3 <sup>rd</sup> Wed-12pm in Durham	1 Commissioner Regional	Commissioner Marcoplos	Commissioner Marcoplos (2019-2023)
Go Triangle Special Tax Board	Meets every January (more often if needed) in Durham at GoT office	2 Commissioners required Regional	Commissioner Rich Commissioner Price	Commissioner McKee (2020-2024) Commissioner Price (2019-2023)
Go Triangle Community Advisory Committee-	6x per year ( assuming they will meet at Go T offices)	1 Board of County Commissioners Liaison Regional	Commissioner Price	Commissioner Bedford (2020-2024)
Healthy Carolinians	Meets quarterly (3 <sup>rd</sup> Thursdays at 8:30am)	Commissioner not required –often same BOCC Member as on the Board of Health Intra- county	Chair Dorosin	Commissioner Price (2020-2022)
Orange County Local Government Affordable Housing Collaborative (the Collaborative)	Quarterly	1 Commissioner Required Intra-county	Commissioner Dorosin	Commissioner Dorosin 2019-2021
Intergovernmental Parks Work Group	Meets 2-3 times per year at 5:30pm-on Wed. at SHSC	1 Commissioner Member 1 Alternate Commissioner Intra-county	Commissioner McKee –Member Commissioner Bedford - Alternate	Commissioner McKee – member (2019-2021) Commissioner Dorosin – alternate

				(2020-2022)
Joint Public Safety Training Facility Work Group	Meets as needed at ES	2 Commissioners Intra-county	Chair Dorosin Commissioner Price	Commissioner Marcoplos (2020-2022) Commissioner Price (2019-2021)
Jordan Lake One Water Association-Elected Officials	Meets the third Wednesday of every other month from 9:00 AM to 11:00 AM at TJCOG	1 Commissioner Regional	Commissioner Marcoplos	Commissioner Marcoplos (2019-2023)
Justice Advisory Council	Quarterly (Friday afternoons-3:30pm) in Hillsborough	2 Commissioners Intra-county	Commissioner Greene  Commissioner Dorosin	Commissioner Greene (2019-2021) Commissioner Price (2020-2022)
JCPC (Orange County Juvenile Crime Prevention Council)	Meets 6-7x per year (every other month) Fridays at noon	1 Commissioner Intra-county	Chair Rich	Commissioner Bedford (2020-2022)
LIWG ( Legislative Issues Work Group)	Meets as needed	2 Commissioners Term - one year	Commissioner Dorosin Commissioner Price	Chair Rich (2020) Commissioner Dorosin (2020)
NACo Voting Delegate		1 Commissioner Required	Commissioner Price	Chair Rich (2020)
NCACC Voting Delegate		1 Commissioner Required May have alternate	Commissioner Dorosin	Commissioner Bedford (2020)
N/S BRT (North/South Bus Rapid Transit) policy committee	As needed	1 Commissioner Intra-county	Commissioner Dorosin	Commissioner Price (2020-2022)
Orange Co Behavioral Health Task Force	Every other month 3:30-5pm Hillsborough Hospital	1 Commissioner (IntraCounty)	Commissioner Bedford (2019-2021) Mid year appointment	Commissioner Bedford (2019-2021)

Orange County Partnership for Young Children	Bi-monthly- Last Wednesday-at 8:30am- alternates – Chapel Hill/ Hillsborough	1 Commissioner Intra-county	Commissioner Bedford	Commissioner Bedford (2019-2021)
Partnership to End Homelessness	Monthly-3 <sup>rd</sup> Mondays	1 Commissioner	Commissioner Greene	Commissioner Greene (2019-2021)
Piedmont Food And Agricultural Processing (PFAP) Center	5-6 times per year	1 Commissioner Regional	Commissioner Bedford	Commissioner Marcoplos (2020-2024)
Small Business Loan Program	Meets as needed to vet applications received (7:30am on Fridays)	1 Commissioner Intra-county	Commissioner Bedford	Chair Rich (2020-2022)
Solid Waste Advisory Group (SWAG)	Meets as needed	2 Commissioners Intra-county	Chair Rich Commissioner Marcoplos	Commissioner Marcoplos (2019-2021) Chair Rich (2019-2021)
Strategic Communications Work Group	Meets as needed	2 Commissioners Commissioners (internal)	Commissioner McKee Commissioner Price	Commissioner Dorosin (2020-2022)  Chair Rich (2020-2022)
Transit Planning Committee	Meets as needed	2 Commissioners Intra-local	Commissioner Marcoplos Commissioner Greene (11/7/2019)	Commissioner Marcoplos (2020-2024) Commissioner Greene (2020-2024)
Triangle Area Rural Planning Organization (TARPO) Transportation Advisory Committee	Bi-monthly-meetings at 12pm, alternates counties –Lee and Chatham	1 Commissioner Member 1 Alternate Commissioner Regional	Member-Commissioner Greene  Alternate-Commissioner Marcoplos	Commissioner Greene (2019-2023)  Commissioner Marcoplos (2019-2023)
TJCOG	Meet 1x per month- Last Wednesday 6pm-	1 Commissioner 1 Alternate Regional	Member-Commissioner Greene	Commissioner Greene – member (2019-2023) Chair Rich –

			Alternate – Chair Rich	alternate (2019-2023)
Upper Neuse River Basin Association	Bi- monthly at 9:30am-12:00pm (meets in Butner)	One Director Position Two Alternate Positions Regional	Member- Commissioner Greene  Alternate – Chair Rich	Commissioner Greene – member (2019-2023) Commissioner Bedford – alternate (2020-2024)
Workforce Development Board – Regional Partnership	Meets monthly in various counties-	Does not require a Commissioner-usually has been 1 Non- Voting Liaison	Nancy Coston	Nancy Coston
Visitor’s Bureau	8:00 am third Wed., monthly, no meeting in July/December	1 Commissioner Required Intra-county	Commissioner Rich	Commissioner Bedford (2020-2022)

1  
2

**EX-OFFICIO**

<b>Hillsborough/Orange County Chamber of Commerce- does not require a Commissioner</b>	Chair Serves
<b>NC DOT Quarterly Meetings</b>	Chair/Vice Chair
<b>School Collaboration Meetings</b>	Chair/Vice Chair

3  
4

5 **RECOMMENDATION(S):** The Manager recommends that the Board discuss and select the  
6 Boards and Commissions on which Board members would like to serve, and formally approve  
7 the Board assignments if appropriate, or direct the Clerk to finalize the list and schedule the  
8 assignments for final approval at the Board’s January 21, 2020 business meeting.

9

10 A motion was made by Commissioner Dorosin, seconded by Commissioner Price to  
11 approve the BOCC selections to the various boards and commissions they serve on.

12

13 **VOTE: UNANIMOUS**

14

15 Commissioner Greene asked if the Strategic Communications workgroup could be  
16 explained.

17

18 Chair Rich said it reviews how the County is communicating with the public about  
19 various items. She said it meets as needed.

19

20 Commissioner Dorosin said he would like to add the issue communication outreach to  
21 this committee’s agenda, especially as pertains to diversity and equity.

21

22 Commissioner Marcoplos said another issue for this committee to consider is the  
23 proactive dissemination of information when the BOCC has controversial issues to consider.

23

24

24 **7. Reports**

25

1        **a. Orange County Complete Count Committee for the 2020 Census**

2        The Board received a report on the 2020 Census and the Orange County Complete  
3 Count Committee.

4        **BACKGROUND:** At its May 21, 2019 meeting, the Board of Commissioners approved the  
5 creation of an Orange County Complete Count Committee (CCC) to develop and implement a  
6 2020 Census awareness campaign to encourage residents to respond. Board Vice-Chair  
7 Renee Price was appointed to lead the Committee, with Community Relations Director Todd  
8 McGee as staff liaison.

9  
10       The Committee is a group of community volunteers, local government elected officials and staff  
11 dedicated to increasing awareness and motivating residents to respond to the 2020 Census.  
12 The Committee held its first meeting in July and has been meeting regularly since. The  
13 committee is comprised of 56 members representing 28 community organizations and local  
14 governments. With increased awareness of the Census, more members are added to the CCC.  
15 The CCC will work with community partners to focus on hard-to-count communities, including  
16 people of color, non-English speaking communities, low-income families, people who live in  
17 non-traditional housing and the refugee populations within the County. An accurate count of  
18 these populations will ensure that all available federal resources will be provided to support  
19 these communities.

20  
21       Committee members represent a broad spectrum of government and community leaders from  
22 business, non-profits, faith-based groups, and other community organizations. The Committee  
23 has created a page on the Orange County website ([www.orangecountync.gov/2020census](http://www.orangecountync.gov/2020census)) to  
24 house information and materials, including links to resources for the public to use to help  
25 promote awareness.

26  
27       The Committee has created several subcommittees to focus on specific areas:

- 28       • **Be Counted Sites:** libraries, community centers, senior centers
- 29       • **Publicity and Marketing:** Public Information Officers for the County and Towns
- 30       • **Hard to Count Non-English speaking:** Chinese School, El Centro
- 31       • **Hard To Count Non-governmental Organizations (NGOs) with Clients:** Department  
32 of Social Services, Department of Health
- 33       • **Housing:** County, Town, Habitat for Humanity, EmPOWERment,
- 34       • **Community Outreach:** National Association for the Advancement of Colored People  
35 (NAACP), churches, faith assemblies
- 36       • **Business Community:** Chambers of Commerce
- 37       • **Schools:** Orange County Schools, Chapel Hill-Carrboro City Schools
- 38       • **Colleges/Universities:** Durham Technical Community College, UNC-Chapel Hill  
39 offcampus
- 40       • **Planning/GIS/Information Technology Support:** Planning and Technology  
41 Department Staffs
- 42       • **Elected Officials:** Serving as Ambassadors

43  
44       Among the **Strategies** that the Committee plans to use are:

- 45       • Videos, Facebook, other social media outlets
- 46       • News online and in print
- 47       • Public Service Announcements on the radio, in buses
- 48       • Posters in local government facilities, medical clinics and businesses
- 49       • Get out the Count events
- 50       • Tabling at events

- 1 • Website with links
- 2 • Identify trusted partners within the hard-to-reach communities to deliver our message.
- 3 • Recruit community Census communicators who will spread the messages to
- 4 neighborhoods through listservs, e-mail newsletters, social media, Next Door and other
- 5 means.
- 6 • Kickoff events on Census Day (April 1, 2020) at all Be Counted Sites

### 7 **Tentative schedule**

9 • **January-February** – The Census Bureau begins national awareness campaign. The  
 10 Orange County CCC will develop local messages to amplify the Census Bureau's  
 11 outreach efforts with a focus on the importance of participating in the Census. In addition,  
 12 the Committee will develop talking points that address specifically how the Census data  
 13 is used to benefit the local community. The CCC will recruit community volunteers who  
 14 will agree to share information with their friends and neighbors through community  
 15 emails, newsletters, etc.

16 • **March** – The Census Bureau mails postcards to households with unique identifying  
 17 numbers. Households will be able to complete the census online, by phone or by  
 18 requesting a paper form. The CCC message will shift to alerting residents to expect the  
 19 postcard and encouraging them to complete the questionnaire.

20 • **April** – Be Counted sites will open on Census Day (April 1) to provide online access to  
 21 residents who do not have Internet service. These sites will be located at libraries,  
 22 community centers and other facilities throughout Orange County (see attached map).  
 23 The Be Counted Subcommittee will look to add additional sites in areas that have  
 24 experienced low response rates in prior censuses.

- 25 • **May-July** – The Committee will continue to promote responding to the census.

### 26 **Next steps**

27 The subcommittees and Committee will meet through winter and spring to identify strategies to  
 28 accomplish their objectives.  
 29

30  
 31 Todd McGee made the following PowerPoint presentation:

### 32 **The 2020 Census:**

#### 33 **What it means to Orange County**

#### 34 **What's at stake?**

- 35 • Political representation
- 36 • Federal funding
- 37 • Community Planning and Economic Development

#### 38 **Projected Change in Congressional seats in 2020** (map)

#### 39 **Federal Funding**

40 Each person counted in North Carolina is about \$1,600.00 in federal funding for the state.

#### 41 **Data**

- 42 • Businesses use data to determine locations or expansions
- 43 • Local governments use the data for planning purposes

- Federal government uses the data to distribute \$675 billion a year for schools, roads, transportation, social services, etc.

#### **Local Governments**

- **Preparation**

- Boundary Annexation Survey (BAS)
- Census Redistricting Program
- Local Update of Census Addresses (LUCA)
- Participant Statistical Areas Program (PSAP)
- New Construction

A lot of the early geospatial preparations for the Census rely on contact with Local Governments. BAS, LUCA, New Construction, and PSAP work directly with local governments or their designated liaisons.

But all the preparation is wasted if there is poor participation in the Census. Census Bureau reached out to Local Governments to form CCCs.

- **Challenges:**

- Digital Divide
- Hard To Count Communities
- Inadequate and late funding
- The Postcard vs. Paper Form
- Marketing

In the 2020 Census, about 95 percent of housing units will receive their census invitations in the mail. The U.S. Census Bureau will send up to five mailings to encourage you to respond online, by mail, or by phone. In Orange County, almost everyone will first receive a letter asking you to go online to complete the census questionnaire. One census tract in Chapel Hill has been identified as an area less likely to respond online, so they will receive a paper questionnaire along with their first invitation.

Chair Rich asked if the person will be easily identifiable as a census taker.

Todd McGee said 5 mailings will be sent before a person will show up. He said the goal is to keep census takers out of Orange County.

This will include information about how to respond online or by phone.

#### **Complete Count Committees in N.C.** (map)

#### **Complete County Committees-CCCs**

- Led by Vice Chair Renee Price
- More than 50 members and growing
- Stacey Carless, Executive Director, NC Counts Coalition
- Bob Coats, Governor's Census Liaison
- Eric Edelheit, Census Bureau Liaison
- Subcommittees
  - Be Counted Sites
  - Publicity and Marketing
  - Hard to Count Non-English Speaking
  - Hard to Count NGOs with clients
  - Community Outreach
  - Business Community
  - Schools

1  
2 The Census staff has already begun sowing CCC seeds. The NC CCC should not reinvent the  
3 wheel, but we can support existing CCC and encourage CCC growth.

4 LOCAL ownership of the Census is key:

- 5 ○ GIS/IT support
- 6 ○ Elected Officials

7  
8 Commissioner Dorosin said there is a lot of hiring for the census, and it may be good to  
9 add a link – to work for the census – on the web.

10 Todd McGee said staff has been pushing that out on social media, but it can also be  
11 added to the website.

12 Commissioner Price said recruiting events are already taking place.

13 Todd McGee said the “be counted” sites can now serve as a source for a job  
14 application.

15 Commissioner Dorosin said he would like all of this information to be strongly promoted.

16 Commissioner Marcoplos asked if the personal home visits are a last resort, and if those  
17 people are all paid employees.

18 Todd McGee said those people that visit homes are the paid census takers, employed  
19 by the Census Bureau. He said those who are out publicizing the census are more likely  
20 volunteers.

21 Commissioner Marcoplos asked if there is any expectation that every dwelling will be  
22 contacted, or exhaustively checked.

23 Todd McGee said Orange County has always been very responsive, so the Census  
24 Bureau is not concerned about Orange County, which leads to it being an unlikely candidate to  
25 receive grant funds. He said he is worried about the digital divide, and the political atmosphere.

26 Commissioner Marcoplos asked if the participation percentage for Orange County is  
27 known.

28 Todd McGee said the Census Bureau considers a 75% initial response rate to be good,  
29 and Orange County was close to 90% in 2010. He said his goal is to be 10-15% higher than  
30 the average response rate, and responses are accepted through July and August.

31 Commissioner Marcoplos asked if there is any benefit to marshal more volunteers.

32 Todd McGee said he is concerned about that because it may confuse people, since it is  
33 unknown who has responded and who has not. He said it is possible that there will be an  
34 online live response by census tract, which could possibly allow staff to engage in some  
35 targeted outreach.

36 Commissioner Marcoplos said the federal government will have the specific information,  
37 but sharing it would be a privacy issue.

38 Todd McGee said that is correct. He said the government cannot share identifying  
39 census data with anyone.

40 Commissioner Bedford asked if there is a particular practice to county the homeless.

41 Todd McGee said the homeless are counted separately. He said the students that live  
42 in dorms are also a unique group, which is counted by the University. He said a group that the  
43 staff is concerned about is students that live in off-campus housing, since so many live in the  
44 same dwelling. He said another hard group is those under age 5 years.

45 Chair Rich referred to the sites, and the upper right and lower left groups on the map,  
46 and asked if there is a way to better reach this part of the population.

47 Todd McGee said the “be counted” site committee will look at this. He said a possible  
48 location is the grange in the northwest part of the County. He would like to set up some  
49 computers during one of their meetings. He said a volunteer fire station is another possible  
50 location.

1 Chair Rich asked if information could be posted at the Animal Shelter.

2 Todd McGee said the committee will be creating flyers and posters to be distributed at  
3 all government buildings as well as businesses, etc. He said the recreation centers and the  
4 Sportsplex are also good location to publicize.

5 Commissioner Dorosin said it would also be good to partner with churches.

6 Commissioner Price said yes.

7 Todd McGee said the month of March has 5 Sundays, and pastors generally prepare 4  
8 sermons per month, and a 5<sup>th</sup> Sunday presents an opportunity to coordinate a 5<sup>th</sup> Sunday,  
9 "souls to the polls" type movement.

10 Commissioner Dorosin said Todd McGee has identified the challenges, such as the  
11 digital divide, etc., and seems to have good plans in place. He said is it also possible to partner  
12 with the schools, which can stuff backpacks and email parents. He said when he served in this  
13 area in 2000, there were more resources available (swag, fliers, etc.), and this may be helpful.

14 Commissioner Marcoplos said he can be a White Cross Volunteer. He said there is a  
15 new Hispanic restaurant and market that opened, and the owners are leaders in the Hispanic  
16 community and would happy to help spread the word.

17 Chair Rich said there are so many people who are untrusting of official things, and  
18 asked if there is a way to better reach these people.

19 Todd McGee said with the low response and hard to reach communities, the best  
20 practice is to identify the trusted community members and ask them to deliver the message to  
21 the community at large. He said staff is working with the FSA, the Refugee Partnership, and  
22 other organizations.

23 Commissioner Price said they want to recruit people of different nationalities, languages,  
24 etc. to serve as the trusted messengers.

25 Commissioner Dorosin suggested that Commissioner Bedford bring it up to the  
26 Partnership for Young Children.

27 Commissioner Marcoplos said building material suppliers may be a good contact too.

28 Commissioner Price said they are trying to work with the chambers of commerce.

29 Commissioner Marcoplos said he meant places like Lowes, Home Depot, Fitch Lumber,  
30 etc.

31 Chair Rich said this will come to the Assemblies of Governments meeting in January.

32 Todd McGee said staff will have the most current information at that time.

33 Commissioner Dorosin suggested putting something on the homepage of the County  
34 website.

35 Commissioner Bedford suggested putting information on the buses, etc.

36 Commissioner Dorosin said it is frustrating that local partners will not be more helpful.

37 Chair Rich said she can talk with the Board's OWASA appointees.

38 Commissioner Price said one concern is do people actually read their mail, and if they  
39 are looking at the inserts in their bills.

40

## 41 **8. Consent Agenda**

42

### 43 **• Removal of Any Items from Consent Agenda**

44

45 Commissioner Dorosin asked if the Schools Adequate Public Facilities Ordinance  
46 (SAPFO) attachment could come in a different format in the future. He said attachment 2 gives  
47 total capacity of 100% by elementary, middle and high; while attachment 1 has individual school  
48 numbers, but it does not give the sense of the percentage. He said he would like to get the  
49 same data by school, and the percentage by capacity.

1 Commissioner Bedford said she wonders why this information would be helpful,  
2 because SAPFO applies at the district level, and the school board should redistrict if there is  
3 over 100% capacity.

4 Commissioner Dorosin said he wants to know if this should be happening, and if so, is it  
5 happening.

6 Commissioner McKee said that information has been provided before.

7 Commissioner Dorosin said it would be helpful to have in this report as well.  
8

9 • **Approval of Remaining Consent Agenda**

10 A motion was made Commissioner Price, by seconded by Commissioner Marcoplos to  
11 approve the consent agenda.  
12

13 **VOTE: UNANIMOUS**

14 • **Discussion and Approval of the Items Removed from the Consent Agenda**

15 **a. Minutes**

16 The Board approved the minutes from November 19, 2019 as submitted by the Clerk to the  
17 Board.

18 **b. Fiscal Year 2019-20 Budget Amendment #4**

19 The Board approved budget, grant and capital project ordinance amendments for fiscal year  
20 2019-20 for the Health Department; and Housing and Community Development.

21 **c. Schools Adequate Public Facilities Ordinance (SAPFO) – Approval of Membership**  
22 **and Capacity Numbers**

23 The Board approved the November 15, 2019 membership and capacity numbers for both  
24 school districts (Orange County and Chapel Hill-Carrboro City Schools) which will be used in  
25 developing 10-year student membership projections and the 2020 SAPFO Technical Advisory  
26 Committee (SAPFOTAC) Report.  
27

28 **9. County Manager's Report**

29 Bonnie Hammersley said there is an information item about possible childcare at Board  
30 of County Commissioners meetings. She summarized the report and Nancy Coston and her  
31 team reviewed this item closely, and said this is a high-risk endeavor due to medical issues,  
32 appropriate caretakers, etc. She said one of the things that all agreed upon is looking at what  
33 barriers exist for people being able to attend meetings.  
34

35 **10. County Attorney's Report**

36 **NONE**

37 **11. \*Appointments**

38 **NONE**

39 **12. Information Items**

- 40
- 41 • December 2, 2019 BOCC Meeting Follow-up Actions List
  - 42 • Memorandum – Child Care at Board of Commissioners Meetings

43 **13. Closed Session**

44 **NONE**  
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**14. Adjournment**

A motion was made by Commissioner Dorosin, seconded by Commissioner McKee to adjourn the meeting at 9:41 p.m.

**VOTE: UNANIMOUS**

Penny Rich, Chair

Donna Baker  
Clerk to the Board

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-b**

**SUBJECT:** Motor Vehicle Property Tax Releases/Refunds

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**DEPARTMENT:** Tax Administration

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**ATTACHMENT(S):**

Resolution  
Releases/Refunds Data Spreadsheet  
Reason for Adjustment Summary

**INFORMATION CONTACT:**

Nancy T. Freeman, Tax Administrator,  
(919) 245-2735

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**PURPOSE:** To consider adoption of a resolution to release motor vehicle property tax values for eight taxpayers with a total of eight bills that will result in a reduction of revenue.

**BACKGROUND:** North Carolina General Statute (NCGS) 105-381(a)(1) allows a taxpayer to assert a valid defense to the enforcement of the collection of a tax assessed upon his/her property under three sets of circumstances:

- (a) "a tax imposed through clerical error", for example when there is an actual error in mathematical calculation;
- (b) "an illegal tax", such as when the vehicle should have been billed in another county, an incorrect name was used, or an incorrect rate code (the wrong combination of applicable county, municipal, fire district, etc. tax rates) was used;
- (c) "a tax levied for an illegal purpose", which would involve charging a tax which was later deemed to be impermissible under state law.

NCGS 105-381(b), "Action of Governing Body" provides that "Upon receiving a taxpayer's written statement of defense and request for release or refund, the governing body of the taxing unit shall within 90 days after receipt of such a request determine whether the taxpayer has a valid defense to the tax imposed or any part thereof and shall either release or refund that portion of the amount that is determined to be in excess of the correct liability or notify the taxpayer in writing that no release or refund will be made".

For classified motor vehicles, NCGS 105-330.2(b) allows for a full or partial refund when a tax has been paid and a pending appeal for valuation reduction due to excessive mileage, vehicle damage, etc. is decided in the owner's favor.

**FINANCIAL IMPACT:** Approval of these release/refund requests will result in a net reduction of \$1,495.55 to Orange County, the towns, and school and fire districts. Financial impact year to date for FY 2019-2020 is \$14,139.86.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board:

- Accept the report reflecting the motor vehicle property tax releases/refunds requested in accordance with the NCGS; and
- Approve the attached release/refund resolution.

NORTH CAROLINA

RES-2020-002

ORANGE COUNTY

**REFUND/RELEASE RESOLUTION (Approval)**

**Whereas**, North Carolina General Statutes 105-381 and/or 330.2(b) allows for the refund and/or release of taxes when the Board of County Commissioners determines that a taxpayer applying for the release/refund has a valid defense to the tax imposed; and

**Whereas**, the properties listed in each of the attached "Request for Property Tax Refund/Release" has been taxed and the tax has not been collected: and

**Whereas**, as to each of the properties listed in the Request for Property Tax Refund/Release, the taxpayer has timely applied in writing for a refund or release of the tax imposed and has presented a valid defense to the tax imposed as indicated on the Request for Property Tax Refund/Release.

**NOW, THEREFORE, IT IS RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY THAT** the recommended property tax refund(s) and release(s) are approved.

Upon motion duly made and seconded, the foregoing resolution was passed by the following votes:

Ayes: Commissioners \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

I, Donna Baker, Clerk to the Board of Commissioners for the County of Orange, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the recorded minutes of the Board of Commissioners for said County at a business meeting of said Board held on \_\_\_\_\_, said record having been made in the Minute Book of the minutes of said Board, and is a true copy of so much of said proceedings of said Board as relates in any way to the passage of the resolution described in said proceedings.

WITNESS my hand and the corporate seal of said County, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Clerk to the Board of Commissioners

**BOCC REPORT - REGISTERED MOTOR VEHICLES**  
**January 21, 2020**

NAME	ACCOUNT NUMBER	BILLING YEAR	ORIGINAL VALUE	ADJUSTED VALUE	FINANCIAL IMPACT	REASON FOR ADJUSTMENT	ADDITIONAL EXPLANATION
Enyedi, Mark	34768733	2019	33,020	26,070	(112.15)	Value adjustment (appraisal appeal)	
Epstein, Sharon Ellen	33380836	2019	9,930	0	(190.24)	County changed to Chatham (illegal tax)	
Henry, Michael	50364108	2019	25,019	25,019	(207.56)	*Situs error (illegal tax)	
Joyner, Joseph Michael	50826310	2019	7,500	1,040	(104.24)	Value adjustment (appraisal appeal)	
Medenblik, Anne Hofman	34889436	2019	31,631	20,249	(109.81)	Value adjustment (appraisal appeal)	
Tanson Technology Inc.	50850567	2019	21,420	0	(387.52)	County changed to Durham (illegal tax)	
Wagner, John	51016035	2019	26,400	500	(248.49)	Antique plate (property classification)	
Watkins, Lester Norman	50690175	2019	14,550	500	(135.54)	Antique plate (property classification)	
					<b>(1,495.55)</b>	<b>TOTAL</b>	

<b>Adjustment Descriptions</b>
<i>Clerical error G.S. 105-381(a)(1)(a): e.g. when there is an actual error in mathematical calculation.</i>
<i>Illegal tax G.S. 105-381(a)(1)(b): e.g. when the vehicle should have been billed in another county, an incorrect name was used, or an incorrect rate code was used.</i>
<i>Tax levied for an illegal purpose G.S. 105-381(a)(1)(c): e.g. charging a tax that was later deemed to be impermissible under State law.</i>
<i>Appraisal appeal G.S. 105-330.2(b): e.g. reduction in value due to excessive mileage or vehicle damage.</i>
<i>*Situs error: An incorrect rate code was used to calculate bill. Value remains constant but bill amount changes due to the change in specific tax rates applied to that physical location.</i>
<i>Classification GS 105-330-9(b): e.g. Antique automobiles are designated a special class of property under the NC Constitution.</i>
The spreadsheet represents the financial impact that approval of the requested release or refund would have on the principal amount of taxes.
Approval of the release or refund of the principal tax amount also constitutes approval of the release or refund of all associated interest, penalties, fees, and costs appurtenant to the released or refunded principal tax amount.

**Military Leave and Earning Statement (LES):** Is a document given on a monthly basis to members of the United States military which reports their pay, home of record and service status. The LES is required when applying for exemption from Motor Vehicle Property Taxes. Active duty, non-resident military personnel may be exempt from North Carolina motor vehicle property tax as allowed by United States Code, Title 50, Service members' Civil Relief Act of 1940. (Amended in 2009 by The Military Spouse's Residency Relief Act)

**Titles and Brands: Section 1, Chapter 7**  
NCDMV Title Manual 14<sup>th</sup> Edition Revised January 2016

**Title:** Document that records the ownership of vehicles and the liens against them.

**Custom-Built:** A vehicle that is completely reconstructed or assembled from new or used parts. Will be branded "Specially Constructed Vehicle"

**Flood Vehicles:** A motor vehicle that has been submerged or practically submerged in water to the extent that damage to the body, engine, transmission or differential has occurred.

**Reconstructed Vehicles:** A motor vehicle required to be registered that has been materially altered from original construction due to the removal addition or substitution of essential parts.

**Salvaged Motor Vehicles:** Is a vehicle that has been damaged by collision or other occurrence to the extent that the cost of repairs exceeds 75% of fair market value, whether or not the motor vehicle has been declared a total loss by an insurer. Repairs shall include the cost of parts and labor, or a vehicle for which an insurance company has paid a claim that exceeds 75% of the Fair Market Value. If the salvaged vehicle is six model years old or newer, an Anti-Theft Inspection by the License and Theft Bureau is required.

**Salvage Rebuilt Vehicle:** A salvaged vehicle that has been rebuilt for title and registration.

**Junk Vehicle:** A motor vehicle which is incapable of operation or use upon the highways and has no resale value except as scrap or parts. The vehicle shall not be titled.

**Antique Vehicle:** A motor vehicle manufactured in 1980 and prior

**Commercial Trucking (IRP):** The International Registration Plan is a registration reciprocity agreement among jurisdictions in the US and Canada which provides for payment of license fee on the basis of fleet miles operated in various jurisdictions.

**Total Loss:** Repairs were more than the market value of the vehicle and the insurance company is unwilling to pay for the repairs.

**Total Loss/Rebuilt:** Whatever the repairs were to make the vehicle road worthy after a Total Loss status has been given. Vehicle must be 5 years old or older. Vehicle status then remains as salvaged or rebuilt.

**Certificate of Destruction:** NC DMV will not register this type of vehicle. It is not fit for North Carolina roads.

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-c**

**SUBJECT:** Property Tax Releases/Refunds

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**DEPARTMENT:** Tax Administration

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**ATTACHMENT(S):**

Resolution  
Releases/Refunds Data Spreadsheet

**INFORMATION CONTACT:**

Nancy T. Freeman, Tax Administrator,  
(919) 245-2735

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**PURPOSE:** To consider adoption of a resolution to release property tax values for fifteen taxpayers with a total of twenty-three bills that will result in a reduction of revenue.

**BACKGROUND:** The Tax Administration Office has received fifteen taxpayer requests for release or refund of property taxes. North Carolina General Statute 105-381(b), "Action of Governing Body" provides that "upon receiving a taxpayer's written statement of defense and request for release or refund, the governing body of the Taxing Unit shall within 90 days after receipt of such a request determine whether the taxpayer has a valid defense to the tax imposed or any part thereof and shall either release or refund that portion of the amount that is determined to be in excess of the correct liability or notify the taxpayer in writing that no release or refund will be made". North Carolina law allows the Board to approve property tax refunds for the current and four previous fiscal years.

**FINANCIAL IMPACT:** Approval of this change will result in a net reduction in revenue of \$122,928.78 to the County, municipalities, and special districts. The Tax Assessor recognized that refunds could impact the budget and accounted for these in the annual budget projections.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board approve the attached resolution approving these property tax release/refund requests in accordance with North Carolina General Statute 105-381.

NORTH CAROLINA

RES-2020-003

ORANGE COUNTY

**REFUND/RELEASE RESOLUTION (Approval)**

**Whereas**, North Carolina General Statutes 105-381 and/or 330.2(b) allows for the refund and/or release of taxes when the Board of County Commissioners determines that a taxpayer applying for the release/refund has a valid defense to the tax imposed; and

**Whereas**, the properties listed in each of the attached "Request for Property Tax Refund/Release" has been taxed and the tax has not been collected: and

**Whereas**, as to each of the properties listed in the Request for Property Tax Refund/Release, the taxpayer has timely applied in writing for a refund or release of the tax imposed and has presented a valid defense to the tax imposed as indicated on the Request for Property Tax Refund/Release.

**NOW, THEREFORE, IT IS RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY THAT** the recommended property tax refund(s) and release(s) are approved.

Upon motion duly made and seconded, the foregoing resolution was passed by the following votes:

Ayes: Commissioners \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

I, Donna Baker, Clerk to the Board of Commissioners for the County of Orange, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the recorded minutes of the Board of Commissioners for said County at a business meeting of said Board held on \_\_\_\_\_, said record having been made in the Minute Book of the minutes of said Board, and is a true copy of so much of said proceedings of said Board as relates in any way to the passage of the resolution described in said proceedings.

WITNESS my hand and the corporate seal of said County, this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Clerk to the Board of Commissioners

Clerical error G.S. 105-381(a)(1)(a)  
 Illegal tax G.S. 105-381(a)(1)(b)  
 Appraisal appeal G.S. 105-330.2(b)

**BOCC REPORT - REAL/PERSONAL  
 January 21, 2020**

NAME	ACCOUNT NUMBER	BILLING YEAR	ORIGINAL VALUE	ADJUSTED VALUE	FINANCIAL IMPACT	REASON FOR ADJUSTMENT	ADDITIONAL INFORMATION
Anderson, Tempie L.	154166	2019	133,000	120,500	(116.96)	Assessed in error (illegal tax)	Parcel was assessed based on 8 acres rather than 4.75 acres
Anderson, Tempie L.	154166	2018	133,000	120,500	(114.78)	Assessed in error (illegal tax)	Parcel was assessed based on 8 acres rather than 4.75 acres
Anderson, Tempie L.	154166	2017	133,000	120,500	(113.19)	Assessed in error (illegal tax)	Parcel was assessed based on 8 acres rather than 4.75 acres
Anderson, Tempie L.	154166	2016	116,937	102,892	(133.15)	Assessed in error (illegal tax)	Parcel was assessed based on 8 acres rather than 4.75 acres
Anderson, Tempie L.	154166	2015	116,937	102,892	(133.15)	Assessed in error (illegal tax)	Parcel was assessed based on 8 acres rather than 4.75 acres
Bellevue Mill LLC	1058731	2019	12,958,600	6,479,300	(96,405.50)	Assessed in error (illegal tax)	G.S 105-278 (historic property) exemption was removed in error
Bowman Road Partners LLC	1074193	2019	30,000	1	(401.37)	Assessed in error (illegal tax)	Parcel was assessed as a buildable lot but contains roads for the development
Costello, Terence William	3182385	2019	3,650	-	(121.85)	Assessed in error (illegal tax)	Gap bill: vehicle registered in New York during gap period
Costello, Terence William	3181850	2019	10,680	-	(252.53)	Assessed in error (illegal tax)	Gap bill: vehicle registered in New York during gap period
Edison Agrosociences Inc.	1076999	2019	30,662	-	(494.80)	Situs error (illegal tax)	Property located in Durham County
Enoch, Gilbert	154166	2014	116,937	102,892	(133.15)	Assessed in error (illegal tax)	Parcel was assessed based on 8 acres rather than 4.75 acres
Hamilton, John	1055025	2019	1,036,959	619,240	(6,215.24)	Situs error (illegal tax)	Some property listed was located in New Hanover County
Italian Pizzeria III	239859	2018	49,956	-	(989.25)	Assessed in error (illegal tax)	Discovery was issued based on the 2019 listing form for leasehold improvements listed in 2017 but should be listed in 2018. Leasehold improvements were not listed on depreciation schedule
Kincaid, Scott Lee Ervin	3182894	2019	25,337	-	(137.02)	Assessed in error (illegal tax)	Gap bill: vehicle was registered during the Gap period per NC Department of Motor Vehicles
Kirk, William Evert	3182252	2019	24,210	-	(358.12)	Assessed in error (illegal tax)	Gap bill: taxpayer transferred license plate from one vehicle to another without a gap in registration
Krating Inc. dba Sawasdee Thai Restaurant	1057993	2019	53,850	-	(997.34)	Assessed in error (illegal tax)	Business closed on 12/28/2018
Patino-Bancderas, Manuel	259163	2019	7,750	6,600	(15.34)	Assessed in error (illegal tax)	Mobile home added in error
Round About Midnight Inc. dba Cats Cradle	126502	2019	368,970	222,068	(2,451.94)	Assessed in error (illegal tax)	Leasehold improvement listed as real and personal property
Stoychev Stanimir Simeonov	3176117	2019	99,425	85,275	(189.32)	Value adjustment (appraisal appeal)	Taxpayer appealed value of vehicle and provided documentation to reduce value
Wagoner, Kurt Moore	277155	2019	334,421	N/A	(2,839.16)	Assessed in error (illegal tax)	Previously disqualified from present-use value program, evidence of compliance produced, necessitating reversal of deferred tax bill
Wagoner, Kurt Moore	277155	2018	334,421	N/A	(3,052.17)	Assessed in error (illegal tax)	Previously disqualified from present-use value program, evidence of compliance produced, necessitating reversal of deferred tax bill
Wagoner, Kurt Moore	277155	2017	334,421	N/A	(3,258.50)	Assessed in error (illegal tax)	Previously disqualified from present-use value program, evidence of compliance produced, necessitating reversal of deferred tax bill
Wagoner, Kurt Moore	277155	2016	326,603	N/A	(4,004.95)	Assessed in error (illegal tax)	Previously disqualified from present-use value program, evidence of compliance produced, necessitating reversal of deferred tax bill
				<b>Total</b>	<b>(122,928.78)</b>		
Gap Bill: A property tax bill that covers the months between the expiration of a vehicle's registration and the renewal of that registration or the issuance of a new registration.							
The spreadsheet represents the financial impact that approval of the requested release or refund would have on the principal amount of taxes.							
Approval of the release or refund of the principal tax amount also constitutes approval of the release or refund of all associated interest, penalties, fees, and costs appurtenant to the released or refunded principal tax amount.							

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-d**

**SUBJECT:** Applications for Property Tax Exemption/Exclusion

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**DEPARTMENT:** Tax Administration

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**ATTACHMENT(S):**

Exempt Status Resolution  
Spreadsheet  
Requests for Exemption/Exclusion

**INFORMATION CONTACT:**

Nancy T. Freeman, Tax Administrator,  
919-245-2735

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**PURPOSE:** To consider twelve untimely applications for exemption/exclusion from ad valorem taxation for twelve bills for the 2019 tax year.

**BACKGROUND:** North Carolina General Statutes (NCGS) typically require applications for exemption to be filed during the listing period, which is usually during the month of January. Applications for Elderly/Disabled Exclusion, Circuit Breaker Tax Deferment and Disabled Veteran Exclusion should be filed by June 1<sup>st</sup> of the tax year for which the benefit is requested. NCGS 105-282.1(a1) does allow some discretion. Upon a showing of good cause by the applicant for failure to make a timely application, an application for exemption or exclusion filed after the close of the listing period may be approved by the Department of Revenue, the Board of Equalization and Review, the Board of County Commissioners, or the governing body of a municipality, as appropriate. An untimely application for exemption or exclusion approved under this provision applies only to property taxes levied by the county or municipality in the calendar year in which the untimely application is filed.

Eleven applicants are applying for homestead exclusion based on NCGS 105-277.1, which allows exclusion of the greater of \$25,000 or 50% of the appraised value of the residence.

One applicant is applying for exemption based on NCGS 105-278.7 which allows for an exemption from property taxes for property used for educational, scientific, literary or charitable purposes.

Including these twelve applications, the Board will have considered a total of eighty-two untimely applications for exemption of 2019 taxes since the 2019 Board of Equalization and Review adjourned on June 27, 2019. Taxpayers could submit an untimely application for exemption of 2019 taxes to the Board of Commissioners through December 31, 2019.

Based on the information supplied in the applications and based on the above-referenced General Statutes, the applications may be approved by the Board of County Commissioners. NCGS 105-282.1(a1) permits approval of such application if good cause is demonstrated by the taxpayer.

**FINANCIAL IMPACT:** The reduction in the County's tax base associated with approval of the exemption application will result in a reduction of FY 2019/2020 taxes due to the County, municipalities, and special districts in the amount of \$10,869.29.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board approve the attached resolution for the above-listed applications for FY 2019/2020 exemption.

**NORTH CAROLINA**

**RES-2020-004**

**ORANGE COUNTY**

**EXEMPTION/EXCLUSION RESOLUTION**

**Whereas**, North Carolina General Statutes 105-282.1 empowers the Board of County Commissioners to approve applications for exemption after the close of the listing period, and

**Whereas**, good cause has been shown as evidenced by the information packet provided, and

**Whereas**, the Tax Administrator has determined that the applicants could have been approved for 2019 had applications been timely.

**NOW, THEREFORE, IT IS RESOLVED BY THE BOARD OF COUNTY**

**COMMISSIONERS OF ORANGE COUNTY THAT** the properties applying for exemption for 2019 are so approved as exempt.

Upon motion duly made and seconded, the foregoing resolution was passed by the following votes:

Ayes: Commissioners \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

I, Donna Baker, Clerk to the Board of Commissioners for the County of Orange, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the recorded minutes of the Board of Commissioners for said County at a business meeting of said Board held on \_\_\_\_\_ said record having been made in the Minute Book of the minutes of said Board, and is a true copy of so much of said proceedings of said Board as relates in any way to the passage of the resolution described in said proceedings.

WITNESS my hand and the corporate seal of said County, this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Clerk to the Board of Commissioners

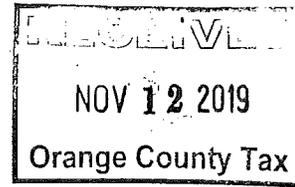
**BOCC REPORT - REAL/PERSONAL  
LATE EXEMPTION/ EXCLUSION  
January 21, 2020**

NAME	ACCOUNT NUMBER	BILL YEAR	ORIGINAL VALUE	TAXABLE VALUE	FINANCIAL IMPACT	REASON FOR ADJUSTMENT
Blackwood, Randy	232025	2019	248,900	131,177	(1,265.46)	Late application for exemption General Statute105-277.1 (homestead exemption)
Castro, Sandra	281247	2019	165,100	82,550	(818.56)	Late application for exemption General Statute105-277.1 (homestead exemption)
Holland Bobbie F.	280071	2019	284,600	173,985	(1,049.62)	Late application for exemption General Statute105-277.1 (homestead exemption)
Hooker, Janice Marie	126151	2019	138,600	69,300	(808.38)	Late application for exemption General Statute105-277.1 (homestead exemption)
Hunt, Fannie Lou	81533	2019	40,700	15,700	(241.17)	Late application for exemption General Statute105-277.1 (homestead exemption)
King, Helen	269518	2019	212,200	106,100	(1,712.13)	Late application for exemption General Statute105-277.1 (homestead exemption)
McNeill, Paul T.	11902	2019	174,715	107,480	(648.61)	Late application for exemption General Statute105-277.1 (homestead exemption)
Patterson, Patricia Ann	160482	2019	186,400	99,586	(839.75)	Late application for exemption General Statute105-277.1 (homestead exemption)
Residential Services, Inc.	156665	2019	112,900	0	(1,821.86)	Late application for exemption General Statute105-278.7(other charitable, educational, scientific, literary or charitable purposes)
Salisbury, Dixie L.	303012	2019	94,200	50,885	(411.01)	Late application for exemption General Statute105-277.1 (homestead exemption)
Spinks, Joyce W.	220711	2019	182,600	91,300	(880.77)	Late application for exemption General Statute105-277.1 (homestead exemption)
Wagoner, Barbara	287792	2019	45,950	20,950	(371.97)	Late application for exemption General Statute105-277.1 (homestead exemption)
					<b>(10,869.29)</b>	<b>Total</b>

\*Circuit Breaker does not result in a reduction in value. The exemption received is based on the income of the taxpayer.

The spreadsheet represents the financial impact that approval of the requested release or refund would have on the principal amount of taxes.

Approval of the release or refund of the principal tax amount also constitutes approval of the release or refund of all associated interest, penalties, fees, and costs appurtenant to the released or refunded principal tax amount.



**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 11/8/19

To Whom It May Concern:

I, (PRINT NAME) Randy Blackwood, wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 9883487835. Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

I was not aware there was a deadline to file by until I found the site online.

How did you find out about the program(s)? online

Thank you,

Randy Blackwood D

(Signature)

FILED

NOV 13 2019

ORANGE COUNTY  
TAX ADMINISTRATION



**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 11/13/19

To Whom It May Concern:

I, (PRINT NAME) Sandra G Castro, wish to be  
considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax  
Abstract or Parcel Identification Number(s) (PIN) # 9738519942.

Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

Knew of program in previous years but was not aware of the June 1 deadline to apply

How did you find out about the program(s)? Knew about the program <sup>but</sup> from a thought but was not aware of the deadline.

Thank you,

Sandra Guadalupe Castro  
Signature



From the desk of  
**Bobbie Holland**

November 23, 2019

Dear Administrator,

Enclosed is my application for Property Tax Relief. I was just made aware of this program although I realize now that a note was enclosed in my tax bill informing me of this.

Unfortunately, I just sat aside my bill without reading that note. I see that to be timely this application should have been filed by June 1<sup>st</sup>.

I would appreciate any consideration you might give to my application as in recent years I have had to ask for help with my taxes. This help may not be available this year and I really want to be able to do this on my own.

Best regards  
Bobbie Holland

FILED

JUN 24 2019

ORANGE COUNTY  
TAX ADMINISTRATION



FILED

JUN 24 2019

ORANGE COUNTY  
TAX ADMINISTRATION

**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 6/24/19

FILED

JUN 24 2019

ORANGE COUNTY  
TAX ADMINISTRATION

To Whom It May Concern:

I, (PRINT NAME) Janice Marie Hooker, wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 9768586249. Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

Was not aware of the deadline.

How did you find out about the program(s)? Word of mouth - tax office inquiry

Thank you,

Janice M Hooker  
(Signature)

FILED

NOV 27 2019

ORANGE COUNTY  
TAX ADMINISTRATION



**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 11-27-2019

To Whom It May Concern:

I, (PRINT NAME) Fannie Lou L Hunt  
wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019  
on Tax Abstract or Parcel Identification Number(s) (PIN) #  
9892384281L1

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

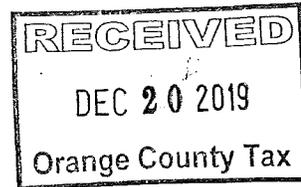
Please explain:

This was submitted late because I didn't know about the program and because this year has been much more difficult due to poor health, including multiple hospitalizations. Thank you for your consideration.

How did you find out about the program(s)? daughter found on back of bill

Thank you,

Fannie Lou Lattach Hunt  
(Signature)



Request for Approval of Property Tax Exemption, Exclusion or Deferral Due to Showing of Good Cause for Failure to Make a Timely Application

Date: Dec 17, 2019

To Whom It May Concern:

I, (PRINT NAME) Helen King, wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 9890605507.039. Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

Did not know I had to apply again for the tax relief - Waiting on DMV ID card to come as well. 95 years old and limited income with medical bills

How did you find out about the program(s)? Social Security Office

Thank you,

Helen King (Signature)



11  
FILED  
DEC 03 2019  
ORANGE COUNTY  
TAX ADMINISTRATION

**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 12-3-019

To Whom It May Concern:

I, (PRINT NAME) Paul T. McNeill Jr., wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 0804135386.

Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

I accidentally checked the box "I no longer qualify for property tax assistance on the 2019 listing Form.

How did you find out about the program(s)? \_\_\_\_\_

Thank you,

Signature Paul T. McNeill



FILED

DEC 04 2019

ORANGE COUNTY  
TAX ADMINISTRATION

**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: Dec 4, 2019

To Whom It May Concern:

I, (PRINT NAME) PATRICIA ANN PATTERSON, wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 9881 665 264.

Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

I WAS NOT AWARE THIS EXISTED

How did you find out about the program(s)? MY TAX PREPARER SUGGESTED IT

Thank you,

Patricia A. Patterson  
Signature



FILED

AUG 15 2019

ORANGE COUNTY  
TAX ADMINISTRATION

**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 8/12/2019

To Whom It May Concern:

I, (PRINT NAME) Residential Services Inc,  
wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019  
on Tax Abstract or Parcel Identification Number(s) (PIN) #  
9890824151.009.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

The above listed PIN is used for our organizations administrative offices. RSI is a 501C3 organization. We are exempt from real & personal property taxes under NC Gen Statute 105.278.7

How did you find out about the program(s)? Long time participant 1974

Thank you,

Shirley A. Woot for Residential Services Inc  
(Signature)



FILED

NOV 26 2019

ORANGE COUNTY  
TAX ADMINISTRATION

**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 11-16-2019

To Whom It May Concern:

I, (PRINT NAME) DIXIE SAUSBIKE, wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 9858821824. Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

I didn't know I would qualify for this.  
I'm sure they have already taken it out of my  
escrow account for the year 2019  
so I need to apply for 2020 also

How did you find out about the program(s)? Researched for Retirement help

Thank you,

Dixie Sausbiky  
(Signature)



FILED

DEC 30 2019

ORANGE COUNTY  
TAX ADMINISTRATION

**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 12-28-19

To Whom It May Concern:

I, (PRINT NAME) Joyce W. Spinks, wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 9882006295.

Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

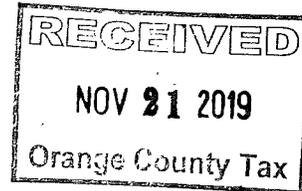
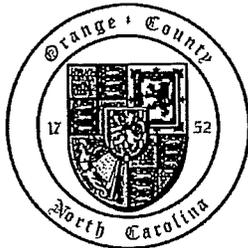
Please explain:

Did Not Know About.

How did you find out about the program(s)? Son - Found Info on trip to tax office on Another matter.

Thank you,

Joyce W. Spinks  
Signature



**Request for Approval of  
Property Tax Exemption, Exclusion or Deferral  
Due to Showing of Good Cause for Failure to Make a Timely Application**

Date: 10-13-19

To Whom It May Concern:

I, (PRINT NAME) Barbara Wagoner, wish to be considered for Property Tax Exemption, Exclusion or Deferral for the tax year 2019 on Tax Abstract or Parcel Identification Number(s) (PIN) # 9864 7 40 751. Please note that the deadline to submit a timely application Deadline is June 1st of the tax year.

In accordance with North Carolina General Statute 105-282.1(a1), I submit the reason(s) set forth below for consideration as demonstration of good cause for failure to make a timely application. An untimely application approved under G.S. 105-282.1 (a1) applies only to the property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. If additional space for explanation is needed, please submit an attachment with this request.

Please explain:

Am 73 not working right now  
Living only on Social Security 1,29.00  
a month not financially able to  
pay taxes this year hope to get back  
to work part time soon.  
How did you find out about the program(s)? a friend

Thank you,

Barbara Wagoner  
(Signature)

ORD-2020-001

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-e**

**SUBJECT:** Ratification of Contract Signature Authority and Approval of Budget Amendment #4-A for the Philip Nick Waters Emergency Services Building Remediation Project

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**DEPARTMENT:** County Manager's Office; Asset Management Services

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**ATTACHMENT(S):**

**INFORMATION CONTACT:**

Bonnie Hammersley, 919.245.2306  
Travis Myren, 919.245.2308  
Steven Arndt, 919.245.2658  
Angel Barnes, 919.245.2628

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**PURPOSE:** To ratify the County Manager's signature on Change Amendment 4 to the executed contract with Sasser Companies, Inc. in the amount of \$119,623.14, and approve Budget Amendment #4-A to increase the overall Philip Nick Waters Emergency Services Building Remediation project budget by adding an additional \$226,500, for a total project budget of \$3,435,959.

**BACKGROUND:** The current project budget approved by the BOCC totals \$3,209,459. This project budget includes remediation, content cleaning, roof replacement, window replacement, exterior sealing, and interior wall removal due to mold, Heating, Ventilation and Air Conditioning replacement, and controls installation.

During the course of construction, it was determined that the fire rating separation between the office spaces and the warehouse was not being maintained. After review with the Planning & Inspections Department, it was agreed that metal decking would be installed over the fire rated wall, separating the two spaces and allowing the building to maintain the fire rating required by code. The lobby area also required additional fire rating drywall to be installed to keep separation between the work areas and the lobby.

The additional funding request of \$106,877 is a combination of other changes that are planned prior to completion of the project. These changes include a security window between the lobby and offices, furniture for offices that were previously utilizing portable tables, and controls upgrade for an additional server for this facility.

This Budget Amendment #4-A amends the following Philip Nick Waters Emergency Services Building Remediation Capital Project, as well as the Roofing Project and HVAC Project Capital Project Ordinances:

**Philip Nick Waters Emergency Services Building Remediation Project (\$226,500)  
- Project #10068**

Revenues for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Alternative Financing – From Repurposed Projects	\$549,450	\$226,500	\$775,950
Alternative Financing – New	\$2,577,209	\$0	\$2,577,209
From General Fund – From Repurposed Projects	\$82,800	\$0	\$82,800
<b>Total Project Funding</b>	<b>\$3,209,459</b>	<b>\$226,500</b>	<b>\$3,435,959</b>

Appropriated for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Professional Services	\$250,700	\$0	\$250,700
Construction	\$2,958,759	\$226,500	\$3,185,259
<b>Total Costs</b>	<b>\$3,209,459</b>	<b>\$226,500</b>	<b>\$3,435,959</b>

**Roofing Capital Project (-\$105,000) - Project #30002**

Revenues for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Alternative Financing	\$2,235,954	(\$105,000)	\$2,130,954
From General Fund	\$1,171,000	\$0	\$1,171,000
From County Capital	\$100,000	\$0	\$100,000
Appropriated Fund Balance	\$100,100	\$0	\$100,100
<b>Total Project Funding</b>	<b>\$3,607,054</b>	<b>(\$105,000)</b>	<b>\$3,502,054</b>

Appropriated for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Roofing Projects	\$3,607,054	(\$105,000)	\$3,502,054
<b>Total Costs</b>	<b>\$3,607,054</b>	<b>(\$105,000)</b>	<b>\$3,502,054</b>

**HVAC Capital Project (-\$121,500) - Project #30018**

Revenues for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
Alternative Financing	\$3,430,700	(\$121,500)	\$3,309,200
From General Fund	\$669,723	\$0	\$669,723
<b>Total Project Funding</b>	<b>\$4,100,423</b>	<b>(\$121,500)</b>	<b>\$3,978,923</b>

Appropriated for this project:

	Current FY 2019-20	FY 2019-20 Amendment	FY 2019-20 Revised
HVAC Projects	\$4,100,423	(\$121,500)	\$3,978,923
<b>Total Costs</b>	<b>\$4,100,423</b>	<b>(\$121,500)</b>	<b>\$3,978,923</b>

**FINANCIAL IMPACT:** This Budget Amendment #4-A increases the Philip Nick Waters Emergency Services Building Remediation Capital Project by \$226,500 by the re-purposing of funds of \$105,000 from the Roofing Capital Project, and \$121,500 from the HVAC Capital Project.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this item:

- **GOAL: CREATE A SAFE COMMUNITY**  
The reduction of risks from vehicle/traffic accidents, childhood and senior injuries, gang activity, substance abuse and domestic violence.
- **GOAL: ENABLE FULL CIVIC PARTICIPATION**  
Ensure that Orange County residents are able to engage government through voting and volunteering by eliminating disparities in participation and barriers to participation.

Remediating and repairing the Philip Nick Waters Emergency Services building will create a safe working environment for staff.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board:

- 1) Ratify the County Manager's signature on Change Amendment 4 to the executed contract with Sasser Companies, Inc. in the amount of \$119,623.14; and
- 2) Approve Budget Amendment #4-A to increase the overall Philip Nick Waters Emergency Services Building Remediation Capital Project budget by adding an additional \$226,500, for a total project budget of \$3,435,959.

ORD-2020-002

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-f**

**SUBJECT:** Ratification of Contract Signature Authority and Approval of Budget Amendment #4-B for the Solid Waste Administration Building

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**DEPARTMENT:** County Manager's Office; Asset  
Management Services, Solid  
Waste Operations

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**ATTACHMENT(S):**

**INFORMATION CONTACT:**

Bonnie Hammersley, 919.245.2306  
Travis Myren, 919.245.2308  
Steven Arndt, 919.245.2658  
Robert Williams, 919.968.2788  
Angel Barnes, 919.245.2628

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**PURPOSE:** To ratify the County Manager's signature on the executed contract with Sasser Companies, Inc. in the amount of \$281,324, and budget contingency of \$28,132, and approve Budget Amendment #4-B the Solid Waste Administration Building.

**BACKGROUND:** In December 2019, air quality testing was performed within the Solid Waste Administration Building. The initial testing reflected toxigenic fungal growth within the large training/meeting room. The room was immediately closed and contained to avoid the spread of organic fungal growth throughout the facility. Additional air quality testing and building assessment work was completed and found additional roof leaks throughout the facility. The additional air and surface sampling reflected that no other areas were contaminated with organic growth. However, the conditions currently are optimal for fungal growth until all water intrusion issues are addressed.

The largest concerns from the findings were the elevated count of toxigenic Chaetomium found in the indoor air. The elevated amount of toxigenic fungi identified throughout the targeted area indicates that the indoor environment was optimum for fungal growth and that fungal spores have likely begun to colonize throughout the large training room. In order to return the building to a normal fungal ecology and normal moisture levels, all water-related issues must be identified and repaired before any remediation cleaning begins. This includes, but not limited to, HVAC issues, foundation leaks, roof and/or veneer leaks and any related plumbing. The main source identified during the assessments has been the roofing system.

This Budget Amendment #4-B provides for the above mentioned scope of work, estimated at \$281,324, and contingency funding of \$28,132, and will be included as part of the upcoming Spring 2020 financing package. The associated debt service will be paid from the Solid Waste Enterprise Fund beginning in FY 2020-21.

**FINANCIAL IMPACT:** This Budget Amendment #4-B increases the Solid Waste Enterprise Fund FY 2019-20 budget by \$309,456 to accomplish this work.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goals are applicable to this item:

- **GOAL: CREATE A SAFE COMMUNITY**  
The reduction of risks from vehicle/traffic accidents, childhood and senior injuries, gang activity, substance abuse and domestic violence.
- **GOAL: ENABLE FULL CIVIC PARTICIPATION**  
Ensure that Orange County residents are able to engage government through voting and volunteering by eliminating disparities in participation and barriers to participation.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal is applicable to this item:

- **ENERGY EFFICIENCY AND WASTE REDUCTION**  
Initiate policies and programs that: 1) conserve energy; 2) reduce resource consumption; 3) increase the use of recycled and renewable resources; and 4) minimize waste stream impacts on the environment.

**RECOMMENDATION(S):** The Manager recommends that the Board:

- 1) Ratify the County Manager's signature on the executed contract with Sasser Companies, Inc. in the amount of \$281,324; and
- 2) Approve Budget Amendment #4-B.

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-g**

**SUBJECT:** Declaration of Surplus Property - Structure at 686 Erwin Road

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**DEPARTMENT:** Environment, Agriculture, Parks  
and Recreation (DEAPR)

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**ATTACHMENT(S):**

1. Location Map
2. New Hope Volunteer Fire Department Checklist
3. New Hope Volunteer Fire Department Release

**INFORMATION CONTACT:**

Christian Hirni, 245-2514  
David Stancil, 245-2510  
Marabeth Carr, 245-2516

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**PURPOSE:** To declare an abandoned dilapidated structure located within Hollow Rock Nature Park as Orange County surplus, and to approve the removal of said structure by way of a live burn training conducted by New Hope Volunteer Fire Department (VFD).

**BACKGROUND:** When a portion of the Hollow Rock Nature Park was acquired from Triangle Land Conservancy several years ago, the site included an old dilapidated cottage that has been uninhabited for about 15 years. The structure is in a state of disrepair and is not habitable, and was planned for deconstruction in the adopted park master plan and Capital Investment Plan. The structure has been evaluated by County staff from DEAPR, Asset Management and Housing, and has been determined that it cannot be retrofitted for occupancy at its current location nor is it fiscally or logistically viable to relocate.

In discussions for park development with Durham County over the last few years, it was determined that deconstruction was the sole option for the structure, as it presents a risk to the County as both an “attractive nuisance” and a liability. Deconstruction would involve an expense to the County in the cost of labor and the cost of the residual debris removal.

Recently, the possibility of offering the structure to the local New Hope Volunteer Fire Department for possible training purposes was discussed. The New Hope VFD Fire Chief is very receptive to the possibility of utilizing the property for live burn training, as there are very limited options within the County for such training. Documentation of the process needed to pursue this approach has been attached. However, the structure must be declared as surplus by the Board of Commissioners before this can be pursued.

The live burn option would come at a substantially reduced cost to the County as the New Hope VFD will prepare the structure, conduct the asbestos mediation and removal of

electrical/plumbing/duct work. The reduction of the total tonnage to be removed will dramatically reduce the cost of residual debris removal as well. Notification of the training burn would be provided in advance to the public and nearby residents.

**FINANCIAL IMPACT:** There is no cost to declare the structure as surplus and/or make it available to the New Hope VFD. Orange County would cover fees for debris removal after the burn, which should not exceed \$7,500, and can be drawn from remaining park construction funds. The surplus and burn option provides a substantial reduction in demolition and removal costs for the County.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impacts are applicable to this item:

- **ENERGY EFFICIENCY AND WASTE REDUCTION**  
Initiate policies and programs that: 1) conserve energy; 2) reduce resource consumption; 3) increase the use of recycled and renewable resources; and 4) minimize waste stream impacts on the environment.
- **RESULTANT IMPACT ON NATURAL RESOURCES AND AIR QUALITY**  
Assess and where possible mitigate adverse impacts created to the natural resources of the site and adjoining area. Minimize production of greenhouse gases.

The proposed action will reduce amount of debris to be landfilled, reduce impervious surface within the floodplain, and provide more area for open space and park purposes.

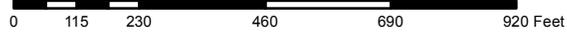
**RECOMMENDATION(S):** The Manager recommends that the Board declare the structure identified herein at 686 Erwin Road within Hollow Rock Nature Park as surplus property, and authorize the Chair and the Clerk to sign the release to New Hope Volunteer Fire Department, subject to final review by staff and County Attorney, with the live burn training expected to occur on or about February 2020.

Attachment 1



### Tract Information

Landowner: Orange County  
Lat: 35° 58.77"  
Long: 78° 59.98"  
Date: 1/06/2020  
Image: 2017 Aerial Photo  
Created By: Christian Hirni



ORANGE COUNTY



Department of Environment,  
Agriculture, Parks & Recreation

### Legend

- Roads
- Structure
- Streams
- County Owned Land



## Attachment 2

Street Address (Station 1):  
4012 Whitfield Road  
Chapel Hill, NC 27514  
Phone: (919) 493-1001  
Fax: (919) 419-0241

Mailing Address: **4**  
P.O. Box 16484  
Chapel Hill, NC 27516  
www.newhopefire.com

### New Hope Volunteer Fire Department of Orange County, Inc.

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December 9, 2019

To whom it may concern:

Thank you for agreeing to allow our organization the opportunity to deliver some of the best training available to our staff. In accordance with state statutes, there are a few things that need to occur prior to the burning of the property in question. We are providing you a checklist of things and a list of what to expect as we work through this process.

The following are things that need to be completed prior to the fire department conducting the training burn on the dwelling:

- ✓ Signed Structure Release statement
- ✓ Signed affidavit affirming that there is no active property insurance on the dwelling
- ✓ The testing and subsequent abatement and removal of any Asbestos within the dwelling (New Hope Fire Dept to complete this task)
- ✓ The removal of the electrical wires, otherwise referred to as the "electrical drop" from the house
- ✓ The removal of the HVAC system
- ✓ The removal of any tank vessels (water heater, water tank, etc) New Hope Fire Dept will complete this task
- ✓ The removal of the chimney to the roof line (New Hope Fire Department to complete)

Once the Structure Release is signed, New Hope Fire Department will need the keys for the dwelling and access so that we can perform any needed work to ensure the safety of our personnel while training with the building.

Thank you for willingness to provide our organization this wonderful training opportunity. If you should have any questions concerning this project, please do not hesitate to contact me.



**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-h**

**SUBJECT:** Approval to Extend the White Cross Fire Insurance District Boundary from the Cane Creek Fire Insurance District

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**DEPARTMENT:** Emergency Services

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**ATTACHMENT(S):**

Orange Grove and White Cross Insurance  
District Map

**INFORMATION CONTACT:**

Jason Shepherd, 919-245-6151  
Steve McCauley, 919-967-5858  
Phillip Nasser, 919-942-1194

---

**PURPOSE:** To approve the proposed White Cross Fire Insurance District map which has been expanded to include properties from the Cane Creek Fire District that is not currently in its rated insurance district.

**BACKGROUND:** This proposed action is the same concept used in the past by other County fire departments to address the insurance concerns for property owners.

Certain properties in the Cane Creek Fire Insurance District are located greater than six miles from Orange Grove Fire Station 2 located at 6801 Rocky Ridge Road, Hillsborough. As a result, those properties are not within the six mile insurance limits and are rated as a protection class 10. White Cross Fire Department Station 2 is located at 2521 Neville Road in the White Cross Fire Insurance District and serves an area which is adjacent to the Cane Creek Fire Insurance District.

The Fire Marshal's Office has worked with representatives from the Orange Grove Fire Department and the White Cross Fire Department to identify the areas not in the rated Central Orange Fire Insurance District. Fire Marshal staff has also worked with Orange County Geographic Information Systems (GIS) to identify those parcels in the Central Orange Fire District that are not in the six mile limits of Central Orange Fire Insurance District. Staff proposes to move five (5) parcels into the White Cross Fire Insurance District which will allow the five (5) parcels to be included in a rated insurance district and be eligible for insurance premiums. GIS staff has completed a revised map of the Cane Creek Fire Insurance District which is attached showing those parcels now being added to the White Cross Fire Insurance District.

Upon approval by the Board of County Commissioners, the Office of the State Fire Marshal can legally approve transfer of those affected parcels to the White Cross Fire Insurance District. Five (5) parcels will be added to the White Cross Fire Insurance District as shown on the revised map of the Cane Creek Fire Insurance District.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impact is applicable to this item:

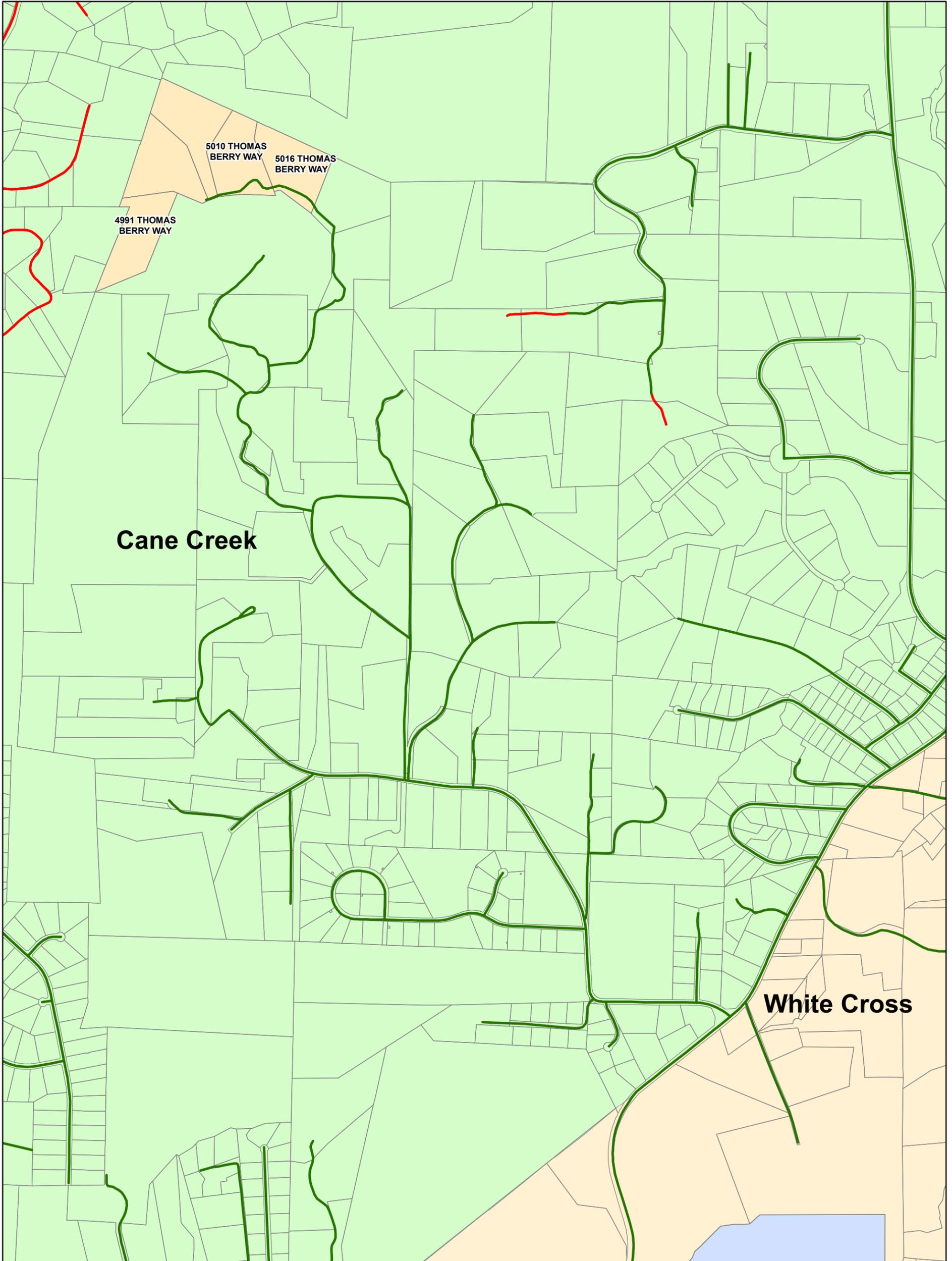
**ENERGY EFFICIENCY AND WASTE REDUCTION**

Initiate policies and programs that: 1) conserve energy; 2) reduce resource consumption; 3) increase the use of recycled and renewable resources; and 4) minimize waste stream impacts on the environment.

**FINANCIAL IMPACT:** The approval of this item has no financial impact on the County. This is an administrative action only and no changes in fire protection, service delivery or tax rates will be reflected by approval of the Board of County Commissioners. Upon approval by the Board and N. C. Department of Insurance, property owners in the expanded area will be eligible for lower fire insurance premiums.

**RECOMMENDATION(S):** The Manager recommends that the Board approve the attached White Cross Fire Insurance District Boundary map for insurance purposes only.

# Parcel Transfer from Cane Creek FID to White Cross FID



## Distance from White Cross stations

— 0 to 5 miles

— 5 to 6 miles

□ Parcel boundary

□ Parcel transfer from Cane Creek FID to White Cross FID



0 265 530 1,060 Feet

Map prepared by Land Records GIS Division  
for Emergency Services OC220K  
O:\gishome\gisproj\EmergencyServ\White Cross  
WhiteCrossISO\_05122015.mxd 12/10/2019

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No.** 8-i

**SUBJECT:** Phillip Nick Waters Emergency Services Stormwater Control Measure Access and Maintenance Easement and Agreement with Town of Hillsborough (510 Meadowlands Drive, Hillsborough)

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**DEPARTMENT:** Asset Management Services,  
County Attorney, Environment,  
Agriculture, Parks & Recreation

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**ATTACHMENT(S):**  
Stormwater Control Measure Access and  
Maintenance Easement and  
Agreement with Exhibit A – Stormwater  
BMP Easement

**INFORMATION CONTACT:**  
Angel Barnes, Capital Projects Manager,  
919.245.2628  
Steven Arndt, Asset Management  
Services Director, 919.245.2658  
Travis Myren, Deputy County Manager,  
919.245.2308

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**PURPOSE:** To:

- 1) Approve a Stormwater Control Measure Access and Maintenance Easement and Agreement with the Town of Hillsborough for the Orange County Phillip Nick Waters Emergency Services Stormwater Control Measures; and
- 2) Authorize the Chair to sign the necessary paperwork upon final County Attorney review.

**BACKGROUND:** The Town of Hillsborough is requesting a Stormwater Control Measure Access and Maintenance Easement and Agreement for the Orange County Phillip Nick Waters Emergency Services facility located at 510 Meadowlands Drive, Hillsborough. In 2014 the stormwater system was installed to meet the required standards. This agreement is to grant access to the stormwater control measures for required inspections.

**FINANCIAL IMPACT:** There is no financial impact for granting this Stormwater Control Measure Access and Maintenance Easement and Agreement.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impact is associated with this item:

- **RESULTANT IMPACT ON NATURAL RESOURCES AND AIR QUALITY**

Assess and where possible mitigate adverse impacts created to the natural resources of the site and adjoining area. Minimize production of greenhouse gases.

**RECOMMENDATION(S):** The Manager recommends that the Board

- 1) Approve the Stormwater Control Measure Access and Maintenance Easement and Agreement with the Town of Hillsborough for the Orange County Phillip Nick Waters Emergency Services Stormwater Control Measures; and
- 2) Authorize the Chair to sign the necessary paperwork upon final County Attorney review.

Prepared by and Return to: Heather Fisher, AICP, Stormwater Coordinator, Town of Hillsborough Planning Department,  
Stormwater and Environmental Services Division, P.O. Box 429, Hillsborough, NC 27278

STATE OF NORTH CAROLINA  
COUNTY OF ORANGE

STORMWATER CONTROL MEASURE ACCESS  
AND MAINTENANCE EASEMENT AND  
AGREEMENT

PIN: 9874-80-2738

This STORMWATER CONTROL MEASURE ACCESS AND MAINTENANCE EASEMENT AND AGREEMENT (“Easement and Agreement”), made this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by Orange County, a North Carolina county, whose principal address is 200 South Cameron Street, P.O. Box 8181, Hillsborough, NC 27278 (hereafter “Grantor”), with, to, and for the benefit of the Town of Hillsborough, a municipal corporation of the State of North Carolina, whose address is 101 East Orange Street, P.O. Box 429, Hillsborough, North Carolina 27278 (hereinafter “Grantee” or “Town”).

WITNESSETH:

THAT WHEREAS, Grantor is the owner in fee simple of certain real property, situated in the Town of Hillsborough, Hillsborough Township, County of Orange, North Carolina and more particularly described as follows:

All of the 3.00 acres shown as Lot A on the plat and survey by Alois Callemyn Land Surveyors entitled “Subdivision of Property Surveyed for Meadowlands Associates” recorded in Plat Book 75, Page 146 of the Orange County Registry;

it being the same land conveyed to the Grantor by deed recorded in Book 4013, Pages 40 through 42 in the Office of the Register of Deeds for Orange County (hereafter referred to as “Property”); and

WHEREAS, the property is located within the planning jurisdiction of the Town of Hillsborough, and is subject to certain requirements set forth in the UDO (Unified Development Ordinance) of the Town, (hereafter “Hillsborough UDO”), as such may be amended from time to time; and

WHEREAS, one of the conditions for development of the Property is the granting or dedication of a Stormwater Control Measure easement, which includes the implementation of certain stormwater practices such as, but not limited to, the construction, operation and maintenance of engineered stormwater control measure(s) as provided in the Hillsborough UDO; the dedication of an access easement for inspection and maintenance of the Stormwater Control Measure easement areas and engineered structures; and the assumption by Grantor of certain specified maintenance and repair responsibilities; and

WHEREAS, this Easement and Agreement has been procured in accordance with the requirements of NCGS Section 143-211 et. seq. and Section 6 (Development Standards), Subsection 6.20 (Stormwater Management) of the Hillsborough UDO.

NOW, THEREFORE, for a valuable consideration, including the benefits Grantor may derive therefrom, the receipt of which is hereby acknowledged, Grantor has dedicated, bargained and conveyed and by these presents does hereby dedicate, bargain, sell, grant and convey unto the Grantee, its successors and assigns, a perpetual, and irrevocable right and easement in, on, over, under, through and across the Property (1) for a STORMWATER CONTROL MEASURE easement (“hereafter SCM Easement”) of the nature and character and to the extent hereinafter set forth, more particularly shown, described and identified as “20’ BMP Access Easement” and “30’ X 70’ BMP Maintenance Esmt. for Sandfilter” as shown on Exhibit A entitled “Stormwater BMP Easement” which is attached to and made a part of this document; upon which Grantor shall construct, maintain, repair and reconstruct stormwater control measure(s), including detention pond(s), pipes and water control structures, sand filters, berms and dikes, and shall establish and maintain vegetative filters and groundcovers; and (2) an access easement more particularly shown and described on the attached Exhibit herein referenced, for the purpose of permitting Town inspection and, if necessary, maintenance and repair of the SCM Easement and engineered structure(s) as more fully set forth herein and in the Hillsborough UDO.

The terms, conditions, and restrictions of the Stormwater Control Measure Access and Maintenance Easement are:

1. Grantor represents and warrants that Grantor is financially responsible for construction, maintenance, repair and replacement of all stormwater control measures, appurtenances and vegetation, including the impoundment. Grantor agrees to perform the maintenance as outlined in the Operations and Maintenance Agreement recorded at Book 6468, Page 214 of the Orange County Registry and in consideration of the Certificate of Compliance with stormwater regulations received for Property.
2. If Grantor fails to comply with these requirements, or any other obligations imposed herein, in the Hillsborough UDO or Operations and Maintenance Agreement, the Town of Hillsborough may perform such work as Grantor is responsible for and recover the costs thereof from Grantor.
3. This Easement and Agreement gives the Grantee the following affirmative rights: Grantee, its officers, employees, and agents may enter Stormwater Control Measure and Access and Maintenance Easement whenever reasonably necessary for the purpose of inspecting same to determine compliance herewith, to maintain same and make repairs or replacements to the engineered stormwater control measure(s) and appurtenances and conditions as may be necessary or convenient thereto in the event Grantor defaults in its obligations and to recover from Grantor the cost thereof, and in addition to other rights and remedies available to it, to enforce by proceedings at law or in equity the rights, covenants, duties, and other obligations herein imposed.

The Grantor shall in all other respects remain the fee owner of the Property and area subject to these easements, and may make all lawful uses of the Property not inconsistent with these easements.

The Grantee does not waive or forfeit the right to take action to ensure compliance with the terms, conditions and purposes of this Easement and Agreement by a prior failure to act.

The Grantor agrees that the terms, conditions and restrictions of this easement will be promptly recorded by Grantor in the Orange County Registry. The designation Grantor and Grantee shall include the parties, their heirs, successors and assigns.

TO HAVE AND TO HOLD the aforesaid rights, privileges, and easements herein granted to the Grantee, its successors and assigns forever and the same Grantor does covenant and that Grantor is seized of said premises in fee and has the right to convey the same, that except as set forth below the same are free from encumbrances and that Grantor will warrant and defend the said title to the same against claims of all persons whosoever.

The covenants agreed hereto and the conditions imposed herein shall be binding upon the Grantor and its agents, personal representatives, heirs and assigns and all other successors to Grantor in interest and shall continue as a servitude running in perpetuity with the above described land.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be signed in its name, the day and year first above written.

Orange County, a North Carolina county

By: \_\_\_\_\_  
Penny Rich  
Chair, Orange County Board of Commissioners

STATE OF NORTH CAROLINA  
COUNTY OF \_\_\_\_\_

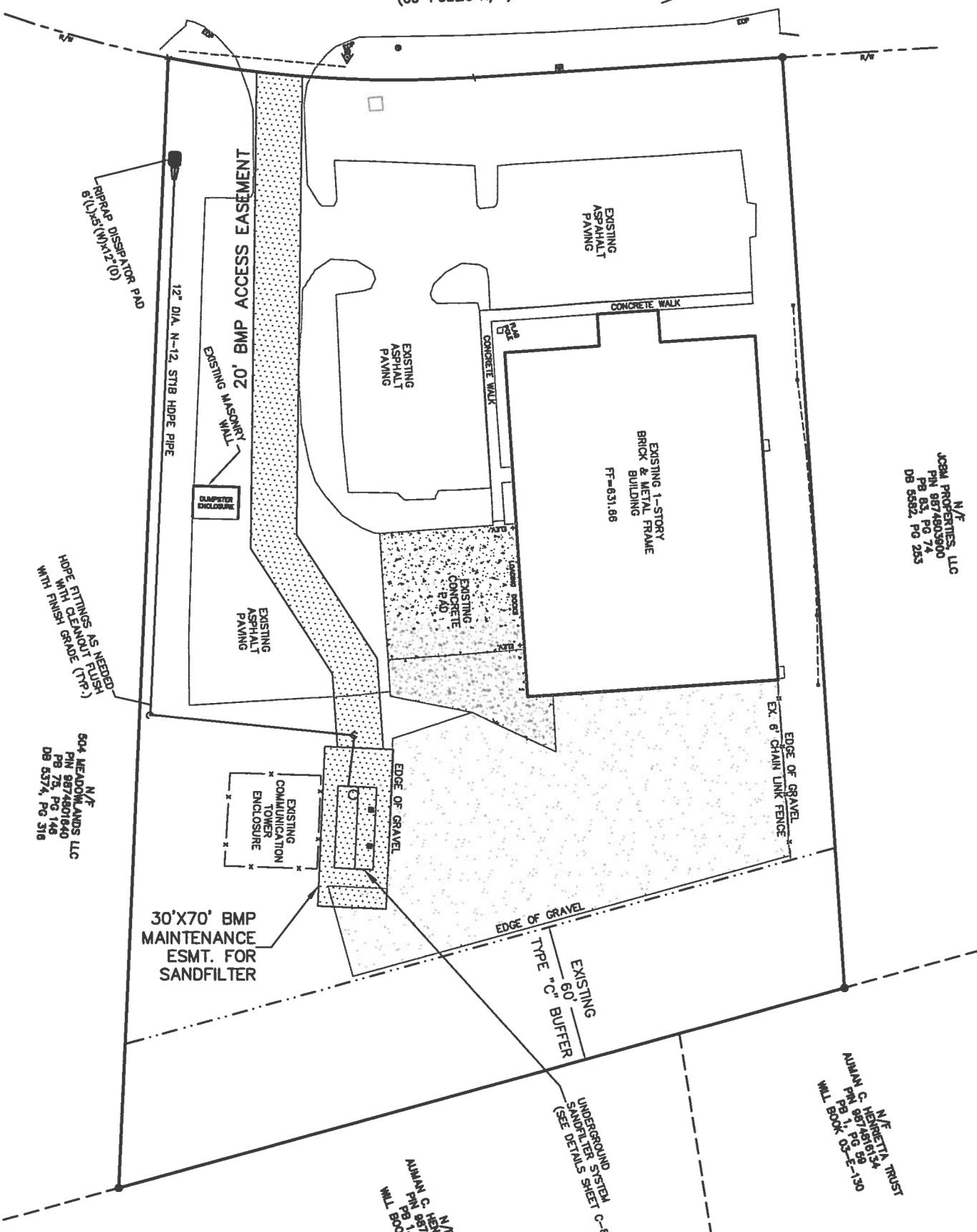
I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that Penny Rich, Chair of the Orange County Board of Commissioners, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_, 20\_\_\_\_.

MEADOWLANDS DRIVE  
(60' PUBLIC R/W)



N/E  
JOHN PROPERTIES, LLC  
PIN 9874803600  
PB 83, PG 74  
DB 8582, PG 253

HDPE FITTINGS IS NEEDED WITH FINISH GRADE (TYP.) WITH FINISH GRADE

N/E  
504 MEADOWLANDS, LLC  
PIN 9874801840  
PB 75, PG 146  
DB 8374, PG 316

N/E  
ALUMNA C. HENRIETTA TRUST  
PIN 9874803600  
PB 84, PG 56  
DB 8582, PG 253  
M.T. BOOK-K-C-3-E-1-130

N/E  
ALUMNA C. HENRIETTA TRUST  
PIN 9874803600  
PB 84, PG 56  
DB 8582, PG 253  
M.T. BOOK-K-C-3-E-1-130

**EXHIBIT "A"**  
"THIS MAP IS NOT A CERTIFIED SURVEY AND HAS NOT BEEN REVIEWED BY A LOCAL GOVERNMENT AGENCY FOR COMPLIANCE WITH ANY APPLICABLE LAND DEVELOPMENT REGULATIONS."

**STORMWATER BMP EASEMENT**

**PHILIP POST & ASSOCIATES**  
ENGINEERS PLANNERS SURVEYORS  
401 Providence Rd. #200  
Chapel Hill, NC 27514  
919.929.1173  
919.493.2600  
Firm License C-0347

**EXHIBIT "A"**

DATE 8/27/2014  
SCALE 1"=60'  
PROJECT NO. 471302  
DRAWING NO. C752SP01

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-j**

**SUBJECT:** Orange County Sportsplex Field House Stormwater Control Measure Access and Maintenance Easement and Agreement with Town of Hillsborough (103 Meadowlands Drive, Hillsborough)

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**DEPARTMENT:** Asset Management Services,  
County Attorney, Environment,  
Agriculture, Parks & Recreation

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**ATTACHMENT(S):**  
Stormwater Control Measure Access and  
Maintenance Easement and  
Agreement with Exhibit A –  
Stormwater Control Measure  
Operations and Maintenance Manual  
Exhibit B – StormFilter Inspection and  
Maintenance Procedures from  
Contech Engineered Solutions  
Exhibit C – Stormwater BMP Easement

**INFORMATION CONTACT:**  
Angel Barnes, Capital Projects Manager,  
919.245.2628  
Steven Arndt, Asset Management  
Services Director, 919.245.2658  
Travis Myren, Deputy County Manager,  
919.245.2308

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**PURPOSE:** To:

- 1) Approve a Stormwater Control Measure Access and Maintenance Easement and Agreement with the Town of Hillsborough for the Orange County Sportsplex Field House Stormwater Control Measures; and
- 2) Authorize the Chair to sign the necessary paperwork upon final County Attorney review.

**BACKGROUND:** The Town of Hillsborough is requesting a Stormwater Control Measure Access and Maintenance Easement and Agreement for the Orange County Sportsplex Field House facility located at 103 Meadowlands Drive, Hillsborough. In 2018 the stormwater system was installed to meet the required standards. This agreement is to grant access to the stormwater control measures for required inspections.

**FINANCIAL IMPACT:** There is no financial impact for granting this Stormwater Control Measure Access and Maintenance Easement and Agreement.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impact is associated with this item:

- **RESULTANT IMPACT ON NATURAL RESOURCES AND AIR QUALITY**

Assess and where possible mitigate adverse impacts created to the natural resources of the site and adjoining area. Minimize production of greenhouse gases.

**RECOMMENDATION(S):** The Manager recommends that the Board

- 1) Approve the Stormwater Control Measure Access and Maintenance Easement and Agreement with the Town of Hillsborough for the Orange County Sportsplex Field House Stormwater Control Measures; and
- 2) Authorize the Chair to sign the necessary paperwork upon final County Attorney review.

Prepared by and Return to: Heather Fisher, AICP, Stormwater Coordinator, Town of Hillsborough Planning Department, Stormwater and Environmental Services Division, 101 East Orange Street, P.O. Box 429, Hillsborough, NC 27278

STATE OF NORTH CAROLINA  
COUNTY OF ORANGE

STORMWATER CONTROL MEASURE  
EASEMENT AND MAINTENANCE AGREEMENT

PINs: 9874-71-1038, 9874-71-5479, 9874-71-6466, and  
9874-71-7383

This STORMWATER CONTROL MEASURE EASEMENT AND MAINTENANCE AGREEMENT (“Easement and Agreement”), made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by Orange County, a North Carolina county, whose principal address is 200 South Cameron Street, P.O. Box 8181, Hillsborough, NC 27278 (hereafter “Grantor”), with, to, and for the benefit of the Town of Hillsborough, a municipal corporation of the State of North Carolina, whose address is 101 East Orange Street, P.O. Box 429, Hillsborough, NC 27278 (hereinafter “Grantee” or “Town”).

WITNESSETH:

THAT WHEREAS, Grantor is the owner in fee simple of certain real properties situated in the Town of Hillsborough, Hillsborough Township, Orange County, North Carolina and more particularly described as follows:

PIN 9874-71-1038: All of the 16.35 acres identified as “Lot 1” as shown on the plat and survey by PCA & Associates entitled “Property Surveyed for Orange Co. Community Athletic Corp.” recorded in Plat Book 70, Page 178 of the Orange County Registry; and

PINs 9874-71-5479, 9874-71-6466, and 9874-71-7383:  
All of the 2.63 acres identified as “New Annexation Area All Lots” as shown on the plat and survey by Riley Surveying, P.A. entitled “Contiguous Annexation Map Lots 16-22 and a Portion of 15 C.P. Whitfield Farm Subdivision” recorded in Plat Book 116, Page 55 of the Orange County Registry

(hereafter referred to as “Properties”); and

WHEREAS, the properties are located within the planning jurisdiction of the Town of Hillsborough, and are subject to certain requirements set forth in the UDO (Unified Development Ordinance) of the Town, (hereafter “Hillsborough UDO”), as such may be amended from time to time; and

WHEREAS, one of the conditions for development of the Properties is the granting or dedication of a Stormwater Control Measure easement (“hereafter SCM Easement”), which includes the implementation of certain stormwater practices such as, but not limited to, the construction, operation and maintenance of engineered stormwater control measure(s) as provided by the Hillsborough UDO; the dedication of an access easement for inspection and maintenance of the SCM easement areas and engineered structures; and the assumption by Grantor of certain specified maintenance and repair responsibilities; and

WHEREAS, this Easement and Agreement has been procured in accordance with the requirements of NCGS Section 143-211 et. seq. and Section 6 (Development Standards), Article 6.20 (Stormwater Management) of the Hillsborough UDO.

NOW, THEREFORE, for a valuable consideration, including the benefits Grantor may derive therefrom, the receipt of which is hereby acknowledged, Grantor has dedicated, bargained and conveyed and by these presents does hereby dedicate, bargain, sell, grant and convey unto the Grantee, its successors and assigns, a perpetual, and irrevocable right and easement in, on, over, under, through and across the Properties (1) for an SCM easement of the nature and character and to the extent hereinafter set forth, more particularly shown, described and identified as “20’SCM Access & Maintenance Easement” and “SCM Access & Maintenance Easement (Variable Width)” as shown on the plat and survey entitled “Dedication of SCM Access & Maintenance Easement and Public Pedestrian Sidewalk Easement” by Riley Surveying, P.A. in Plat Book 120, Page 161 of the Orange County Registry, which is incorporated herein by reference and made a part of this document; upon which Grantor shall construct, maintain, repair and reconstruct stormwater control measure(s), including detention pond(s), pipes and water control structures, berms and dikes, and shall establish and maintain vegetative filters and groundcovers; and (2) an access easement more particularly shown and described on the Plat herein referenced, for the purpose of permitting Town inspection and, if necessary, maintenance and repair of the SCM easement areas and engineered structure(s) as more fully set forth herein and in the Hillsborough UDO.

The terms, conditions, and restrictions of the Easement and Agreement are:

1. Grantor represents and warrants that Grantor is financially responsible for construction, maintenance, repair and replacement of all stormwater control measures, appurtenances and vegetation, including the impoundment. Grantor agrees to perform the maintenance as outlined in the Stormwater Control Measure Operation and Maintenance Manual attached hereto as Exhibit A and in consideration of the Certificate of Compliance with stormwater regulations received for Properties.
2. If Grantor fails to comply with these requirements, or any other obligations imposed herein, in the Hillsborough UDO, Stormwater Management Plan Approval, or Stormwater Control Measure Operation and Maintenance Manual, the Town may perform such work as Grantor is responsible for and recover the costs thereof from the Grantor.
3. This Easement and Agreement gives the Grantee the following affirmative rights: Grantee, its officers, employees, and agents may enter the SCM Easement whenever reasonably necessary for the purpose of inspecting same to determine compliance herewith, to maintain same and make repairs or replacements to the engineered stormwater control measure(s) and appurtenances and conditions as may be necessary or convenient thereto in the event the Grantor defaults in its obligations and to recover from the Grantor the cost thereof, and in addition to other rights and remedies available to it, to enforce by proceedings at law or in equity the rights, covenants, duties, and other obligations herein imposed.
4. The Grantee is under no obligation to maintain or repair the above referenced facilities, and in no event shall this Easement and Agreement be construed to impose any such obligation on the Town.
5. The Grantee shall not be liable to any person for the condition or operation of the above referenced facilities.
6. The Grantor and the Grantor’s heirs, administrators, executors, assigns and any other successor in interest shall indemnify and hold harmless the Grantee and its officers, agents and employees for any and all damages, accidents, casualties, occurrences, claims or attorney’s fees which might arise or be asserted, in whole or in part, against the Grantee from the construction, presence, existence, or maintenance of the stormwater control facilities subject to the Agreement. In the event a claim is asserted against the Grantee, its officers, agents or employees, the Grantee shall notify the Grantor and the Grantor shall defend at the Grantor’s expense any suit based on such claim. If any judgment or claims against the Town, its officers, agents or employees shall be allowed, the Grantor shall pay the same all costs and expenses in connection therewith. The Grantee will not indemnify, defend or hold harmless in any fashion the Grantor from any claims arising from any failure, regardless of any language in any attachment or other document that the Grantor may provide.
7. This agreement shall not in any way diminish, limit, or restrict the right of the Town to enforce any of its ordinances as authorized by law.

The Grantor shall in all other respects remain the fee owner of the Property and area subject to this Easement and Agreement and may make all lawful uses of the Property not inconsistent with this Easement and Agreement.

The Grantee does not waive or forfeit the right to take action to ensure compliance with the terms, conditions and purposes of this Easement and Agreement by a prior failure to act.

The Grantor agrees that the terms, conditions and restrictions of this Easement and Agreement will be promptly recorded by Grantor in the Orange County Registry. The designation Grantor and Grantee shall include the parties, their heirs, successors and assigns.

TO HAVE AND TO HOLD the aforesaid rights, privileges, and easement herein granted to the Grantee, its successors and assigns forever and the same Grantor does covenant that Grantor is seized of said premises in fee and has the right to convey the same, that except as set forth below the same is free from encumbrances and that Grantor will warrant and defend the said title to the same against claims of all persons whosoever.

The covenants agreed hereto and the conditions imposed herein shall be binding upon the Grantor and its agents, personal representatives, heirs and assigns, and all other successors in interest to Grantor and shall continue as a servitude running in perpetuity with the above described land.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be signed in its name, the day and year first above written.

Orange County, a North Carolina county

By: \_\_\_\_\_  
Penny Rich  
Chair, Orange County Board of Commissioners

STATE OF NORTH CAROLINA  
COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that Penny Rich, Chair of the Orange County Board of Commissioners, Grantor, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and notarial seal, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_, 20\_\_\_\_.

**EXHIBIT A**

**STORMWATER CONTROL MEASURE  
OPERATION AND MAINTENANCE MANUAL**

**STORMWATER MANGEMENT** SW2018-36  
**PLAN PROJECT NUMBER:**

**NAME OF PROJECT:** Orange County Sportsplex Field House Addition

**DESCRIPTION OF PROJECT**

The Project consists of an expansion of an existing recreation complex including a field house building, artificial turf field, parking areas, utilities, and stormwater management facilities, including one Contech StormFilter device and a bioretention cell. The Project also includes the modification of the existing pond outlet to provide additional water quality treatment. The SCMs are identified on the approved Construction Drawings entitled “Orange County Sportsplex Field House Addition” with a latest revision date of October 15, 2018 for the project as “Storm Trap Filter Vault,” “Biozell #2,” and “Pond.” A copy of the approved plans for the project is on file with the Town of Hillsborough Planning Department.

**OWNER CONTACT INFORMATION**

Owner: Orange County  
Point of Contact Name: Bonnie B. Hammersley  
Point of Contact Title: County Manager  
Mailing Address: 200 South Cameron Street, P.O. Box 8181, Hillsborough, NC 27278  
Phone Number: (919) 245-2300

**OPERATION AND MAINTENANCE CONDITIONS**

The property owner shall keep a separate maintenance record on each of the SCMs. These maintenance records shall be kept in a log in a known set location on the project site. Any deficient SCM elements noted in the inspections shall be corrected, repaired or replaced immediately. These deficiencies can affect the integrity of structures, safety of the public, and the removal efficiency of the SCMs.

**Storm Trap Filter Vault (Contech StormFilter)**

*Location: PIN 9874-71-1038*

Important operation and maintenance procedures:

- The drainage area will be carefully managed to reduce the sediment load to the StormFilter.
- The sedimentation chamber or forebay will be cleaned out whenever sediment depth exceeds six inches.

The StormFilter system will be inspected **quarterly**. Records of operation and maintenance will be kept in a known set location and a copy will be provided with the annual inspection report.

As the primary reference for operation and maintenance procedures, use Contech’s StormFilter Inspection and Maintenance Procedures document attached to this agreement (Exhibit B).

In addition to Contech’s StormFilter Inspection and Maintenance Procedures (Exhibit B), inspection activities shall be performed as follows. Any problems that are found shall be repaired immediately.

SCM element:	Potential problem:	How to remediate the problem:
--------------	--------------------	-------------------------------

<b>Entire SCM</b>	Maintenance need identified based on Contech's StormFilter Inspection and Maintenance Procedures document.	Follow Contech's StormFilter Inspection and Maintenance Procedures document. Cartridges will need to be replaced periodically (see Stormfilter Cartridges below). Periodic sediment removal will also be required.
<b>Adjacent pavement (if applicable)</b>	Trash/debris is present.	Remove the trash/debris.
<b>Flow diversion structure</b>	Sediment is present on the pavement surface.	Sweep or vacuum the sediment as soon as possible.
<b>StormFilter Cartridges</b>	Cartridge replacement need identified based on Contech's StormFilter Inspection and Maintenance Procedures document.	Follow Contech's StormFilter Inspection and Maintenance Procedures document. Cartridges will need to be replaced periodically.
	The structure is clogged.	Unclog the conveyance and dispose of any sediment offsite.
	The structure is damaged.	Make any necessary repairs or replace if damage is too large for repair.
	Mosquitoes are breeding in the chamber/pipe and causing a nuisance.	Check that all structures are sealed properly and that all covers are tight fitting. Repair broken seals, gaps, and openings that are greater than 1/16 inch. Use gaskets where appropriate and feasible. Consult with a registered Professional Engineer to determine methods for reducing mosquito breeding surface area within the system.
<b>Outlet device</b>	Clogging has occurred.	Clean out the outlet device. Dispose of the sediment offsite.
	The outlet device is damaged.	Repair or replace the outlet device.
<b>Receiving water</b>	Erosion or other signs of damage have occurred at the outlet.	Contact the Town of Hillsborough Stormwater and Environmental Services Division: PO Box 429, Hillsborough, NC 27278; 919-296-9622

All other operation and maintenance activities should be in accordance with Contech's **StormFilter Inspection and Maintenance Procedures** document (Exhibit B). Any problems that are found shall be repaired immediately. The responsible party shall have received and understand Contech's **StormFilter Inspection and Maintenance Procedures** document.

**Biocell (Bioretention Cell)**  
***Location: PIN 9874-71-7383***

Important operation and maintenance procedures:

- Immediately after the bio-retention cell is established, the plants will be watered twice weekly if needed until the plants become established (commonly 6 weeks).
- Snow, mulch or any other material will NEVER be piled on the surface of the bio-retention cell. Heavy equipment will NEVER be driven over the bio-retention cell.
- Wheeled or tracked equipment will NEVER be driven over the bioretention planting surface.
- Special care will be taken to prevent sediment from entering the bioretention cell.
- If standing water is present 2 days after rainfall, conduct an infiltration test of the soil media.

After the bioretention cell is established, inspect it **quarterly**. Inspection activities shall be performed as follows and maintenance activities shall commence **immediately** to remediate any problems observed per the table below.

<b>SCM element:</b>	<b>Potential problem:</b>	<b>How to remediate the problem:</b>
<b>The entire SCM</b>	Trash/debris is present.	Remove the trash/debris.
<b>The perimeter of the SCM</b>	Areas of bare soil and/or erosive gullies have formed.	Regrade the soil to remove the gully, and plant a ground cover and water until it is established. Provide lime and a one-time fertilizer application.
	Vegetation is too short or too long.	Maintain vegetation at a height of approximately six inches.
<b>The inlet device</b>	The pipe is clogged.	Unclog the pipe. Dispose of the sediment off-site.
	The pipe is cracked or otherwise damaged.	Replace the pipe.
	Erosion is occurring in the swale.	Regrade the swale to smooth it over and provide erosion control devices such as reinforced turf matting or riprap to avoid future problems.
	Stone verge is clogged or covered in sediment (if applicable).	Remove sediment and replace with clean stone.
<b>The pretreatment area</b>	Flow is bypassing pretreatment area and/or gullies have formed.	Regrade if necessary to route all flow to the pretreatment area. Restabilize the area after grading.
	Sediment has accumulated to a depth greater than three inches.	Search for the source of the sediment and remedy the problem if possible. Remove the sediment and restabilize the pretreatment area.
	Erosion has occurred.	Provide additional erosion protection such as reinforced turf matting or riprap if needed to prevent future erosion problems.
	Weeds are present.	Remove the weeds, preferably by hand.

<b>SCM element:</b>	<b>Potential problem:</b>	<b>How to remediate the problem:</b>
<b>The bioretention cell: vegetation</b>	Best professional practices show that pruning is needed to maintain optimal plant health.	Prune according to best professional practices and to maintain lines-of-sight and allow sunlight to reach the mulch surface.
	Plants are dead, diseased or dying.	Determine the source of the problem: soils, hydrology, disease, etc. Remedy the problem and replace plants. Provide a one-time fertilizer application to establish the ground cover if a soil test indicates it is necessary.
	Tree stakes/wires are present six months after planting.	Remove tree stake/wires (which can kill the tree if not removed).
<b>The bioretention cell: soils and mulch</b>	Mulch is breaking down or has floated away.	Spot mulch if there are only random void areas. Replace whole mulch layer if necessary. Remove the remaining mulch and replace with triple shredded hard wood mulch at a maximum depth of three inches.
	Soils and/or mulch are clogged with sediment.	Determine the extent of the clogging - remove and replace either just the top layers or the entire media as needed. Dispose of the spoil in an appropriate off-site location. Use triple shredded hard wood mulch at a maximum depth of three inches. Search for the source of the sediment and remedy the problem if possible.
	An annual soil test shows that pH has dropped or heavy metals have accumulated in the soil media.	Dolomitic lime shall be applied as recommended per the soil test and toxic soils shall be removed, disposed of properly and replaced with new planting media.
<b>The underdrain system (if applicable)</b>	Clogging has occurred.	Wash out the underdrain system.
<b>The drop inlet</b>	Clogging has occurred.	Clean out the drop inlet. Dispose of the sediment off-site.
	The drop inlet is damaged	Repair or replace the drop inlet.
<b>The receiving water</b>	Erosion or other signs of damage have occurred at the outlet.	Contact the Town of Hillsborough Stormwater and Environmental Services Division at 919-296-9622

**Pond (Wet Detention Basin)**  
***Location: PIN 9874-71-1038***

**This system does not incorporate vegetated filters at the outlets.**

**This system does not incorporate pre-treatment and does not have a forebay.**

Important operation and maintenance procedures:

- No portion of the wet detention pond should be fertilized except for a one-time fertilization, if necessary, to establish vegetation after maintenance work.
- Stable groundcover shall be maintained in the drainage area to reduce the sediment load to the wet detention basin.
- If the basin must be drained for an emergency or to perform maintenance, the flushing of sediment through the emergency drain shall be minimized to the maximum extent practical.
- Once a year, a dam safety expert shall inspect the embankment.

After the wet detention pond is established, it shall be inspected **once a month and within 24 hours after every storm event greater than 1.0 inches**. Records of operation and maintenance shall be kept in a known set location on the project site and shall be made available upon request.

Inspection activities shall be performed as follows. Any problems that are found shall be repaired immediately.

<b>SCM Element:</b>	<b>Potential Problem:</b>	<b>How Property Owner Will Remediate the Problem:</b>
<b>The Entire SCM</b>	Trash/Debris is present.	Remove the trash/debris
<b>The Perimeter of the Wet Detention Basin</b>	Areas of bare soil and/or erosive gullies have formed.	Re-grade the soil if necessary to remove the gully, and then plant a ground cover and water until it is established. Provide lime and a one-time fertilizer application.
	Vegetation is too short or too long.	Maintain vegetation at a height of approximately 6 inches.
<b>The Inlet Device: Pipe or Swale</b>	The pipe is clogged.	Unclog the pipe. Dispose of the sediment off-site.
	The pipe is cracked or otherwise damaged.	Replace the pipe.
	Erosion is occurring in the swale.	Re-grade the swale if necessary to smooth it over and provide erosion control devices such as reinforced turf matting or riprap to avoid future problems with erosion.
<b>The Main Treatment Area</b>	Algal growth covers over 50% of the area.	Consult a professional to remove and control the algal growth.
	Cattails, phragmites or other invasive plants cover 50% of the basin surface.	Have a licensed aquatic pesticide applicator treat the weeds by wiping aquatic glyphosate on the leaves rather than spraying.
	Sinkholes have formed.	Consult with a professional engineer to identify the source of the problem and complete the necessary repairs.
<b>The Outlet Device</b>	Clogging has occurred.	Clean out the outlet device. Dispose of the sediment off-site.
	The outlet device is damaged.	Repair or replace the outlet device.

<b>SCM Element:</b>	<b>Potential Problem:</b>	<b>How Property Owner Will Remediate the Problem:</b>
<b>The Embankment</b>	Shrubs have started to grow on the embankment.	Remove shrubs immediately.
	Evidence of muskrat or beaver activity is present.	Consult a professional to remove muskrats and beavers.
	A tree has started to grow on the embankment.	Consult a dam safety specialist to remove the tree.
	An annual inspection by an appropriate professional shows that the embankment needs repair (if applicable).	Make all needed repairs.
<b>The Receiving Water</b>	Erosion or other signs of damage have occurred at the outlet.	Contact the Town of Hillsborough Stormwater and Environmental Services Division: PO Box 429, Hillsborough, NC 27278; 919-296-9622

## StormFilter Inspection and Maintenance Procedures



## Maintenance Guidelines

The primary purpose of the Stormwater Management StormFilter® is to filter and prevent pollutants from entering our waterways. Like any effective filtration system, periodically these pollutants must be removed to restore the StormFilter to its full efficiency and effectiveness.

Maintenance requirements and frequency are dependent on the pollutant load characteristics of each site. Maintenance activities may be required in the event of a chemical spill or due to excessive sediment loading from site erosion or extreme storms. It is a good practice to inspect the system after major storm events.

## Maintenance Procedures

Although there are many effective maintenance options, we believe the following procedure to be efficient, using common equipment and existing maintenance protocols. The following two-step procedure is recommended::

### 1. Inspection

- Inspection of the vault interior to determine the need for maintenance.

### 2. Maintenance

- Cartridge replacement
- Sediment removal

## Inspection and Maintenance Timing

At least one scheduled inspection should take place per year with maintenance following as warranted.

First, an inspection should be done before the winter season. During the inspection the need for maintenance should be determined and, if disposal during maintenance will be required, samples of the accumulated sediments and media should be obtained.

Second, if warranted, a maintenance (replacement of the filter cartridges and removal of accumulated sediments) should be performed during periods of dry weather.



In addition to these two activities, it is important to check the condition of the StormFilter unit after major storms for potential damage caused by high flows and for high sediment accumulation that may be caused by localized erosion in the drainage area. It may be necessary to adjust the inspection/maintenance schedule depending on the actual operating conditions encountered by the system. In general, inspection activities can be conducted at any time, and maintenance should occur, if warranted, during dryer months in late summer to early fall.

## Maintenance Frequency

The primary factor for determining frequency of maintenance for the StormFilter is sediment loading.

A properly functioning system will remove solids from water by trapping particulates in the porous structure of the filter media inside the cartridges. The flow through the system will naturally decrease as more and more particulates are trapped. Eventually the flow through the cartridges will be low enough to require replacement. It may be possible to extend the usable span of the cartridges by removing sediment from upstream trapping devices on a routine as-needed basis, in order to prevent material from being re-suspended and discharged to the StormFilter treatment system.

The average maintenance lifecycle is approximately 1-5 years. Site conditions greatly influence maintenance requirements. StormFilter units located in areas with erosion or active construction may need to be inspected and maintained more often than those with fully stabilized surface conditions.

Regulatory requirements or a chemical spill can shift maintenance timing as well. The maintenance frequency may be adjusted as additional monitoring information becomes available during the inspection program. Areas that develop known problems should be inspected more frequently than areas that demonstrate no problems, particularly after major storms. Ultimately, inspection and maintenance activities should be scheduled based on the historic records and characteristics of an individual StormFilter system or site. It is recommended that the site owner develop a database to properly manage StormFilter inspection and maintenance programs..



## Inspection Procedures

The primary goal of an inspection is to assess the condition of the cartridges relative to the level of visual sediment loading as it relates to decreased treatment capacity. It may be desirable to conduct this inspection during a storm to observe the relative flow through the filter cartridges. If the submerged cartridges are severely plugged, then typically large amounts of sediments will be present and very little flow will be discharged from the drainage pipes. If this is the case, then maintenance is warranted and the cartridges need to be replaced.

**Warning:** In the case of a spill, the worker should abort inspection activities until the proper guidance is obtained. Notify the local hazard control agency and Contech Engineered Solutions immediately.

To conduct an inspection:

**Important:** Inspection should be performed by a person who is familiar with the operation and configuration of the StormFilter treatment unit.

1. If applicable, set up safety equipment to protect and notify surrounding vehicle and pedestrian traffic.
2. Visually inspect the external condition of the unit and take notes concerning defects/problems.
3. Open the access portals to the vault and allow the system vent.
4. Without entering the vault, visually inspect the inside of the unit, and note accumulations of liquids and solids.
5. Be sure to record the level of sediment build-up on the floor of the vault, in the forebay, and on top of the cartridges. If flow is occurring, note the flow of water per drainage pipe. Record all observations. Digital pictures are valuable for historical documentation.
6. Close and fasten the access portals.
7. Remove safety equipment.
8. If appropriate, make notes about the local drainage area relative to ongoing construction, erosion problems, or high loading of other materials to the system.
9. Discuss conditions that suggest maintenance and make decision as to whether or not maintenance is needed.

## Maintenance Decision Tree

The need for maintenance is typically based on results of the inspection. The following Maintenance Decision Tree should be used as a general guide. (Other factors, such as Regulatory Requirements, may need to be considered)

1. Sediment loading on the vault floor.
  - a. If  $>4$ " of accumulated sediment, maintenance is required.
2. Sediment loading on top of the cartridge.
  - a. If  $>1/4$ " of accumulation, maintenance is required.
3. Submerged cartridges.
  - a. If  $>4$ " of static water above cartridge bottom for more than 24 hours after end of rain event, maintenance is required. (Catch basins have standing water in the cartridge bay.)
4. Plugged media.
  - a. If pore space between media granules is absent, maintenance is required.
5. Bypass condition.
  - a. If inspection is conducted during an average rain fall event and StormFilter remains in bypass condition (water over the internal outlet baffle wall or submerged cartridges), maintenance is required.
6. Hazardous material release.
  - a. If hazardous material release (automotive fluids or other) is reported, maintenance is required.
7. Pronounced scum line.
  - a. If pronounced scum line (say  $\geq 1/4$ " thick) is present above top cap, maintenance is required.



## Maintenance

Depending on the configuration of the particular system, maintenance personnel will be required to enter the vault to perform the maintenance.

**Important:** If vault entry is required, OSHA rules for confined space entry must be followed.

Filter cartridge replacement should occur during dry weather. It may be necessary to plug the filter inlet pipe if base flows is occurring.

Replacement cartridges can be delivered to the site or customers facility. Information concerning how to obtain the replacement cartridges is available from Contech Engineered Solutions.

**Warning:** In the case of a spill, the maintenance personnel should abort maintenance activities until the proper guidance is obtained. Notify the local hazard control agency and Contech Engineered Solutions immediately.

To conduct cartridge replacement and sediment removal maintenance:

1. If applicable, set up safety equipment to protect maintenance personnel and pedestrians from site hazards.
2. Visually inspect the external condition of the unit and take notes concerning defects/problems.
3. Open the doors (access portals) to the vault and allow the system to vent.
4. Without entering the vault, give the inside of the unit, including components, a general condition inspection.
5. Make notes about the external and internal condition of the vault. Give particular attention to recording the level of sediment build-up on the floor of the vault, in the forebay, and on top of the internal components.
6. Using appropriate equipment offload the replacement cartridges (up to 150 lbs. each) and set aside.
7. Remove used cartridges from the vault using one of the following methods:

### Method 1:

- A. This activity will require that maintenance personnel enter the vault to remove the cartridges from the under drain manifold and place them under the vault opening for lifting (removal). Disconnect each filter cartridge from the underdrain connector by rotating counterclockwise 1/4 of a turn. Roll the loose cartridge, on edge, to a convenient spot beneath the vault access.

Using appropriate hoisting equipment, attach a cable from the boom, crane, or tripod to the loose cartridge. Contact Contech Engineered Solutions for suggested attachment devices.

- B. Remove the used cartridges (up to 250 lbs. each) from the vault.



**Important:** Care must be used to avoid damaging the cartridges during removal and installation. The cost of repairing components damaged during maintenance will be the responsibility of the owner.

- C. Set the used cartridge aside or load onto the hauling truck.
- D. Continue steps a through c until all cartridges have been removed.

### Method 2:

- A. This activity will require that maintenance personnel enter the vault to remove the cartridges from the under drain manifold and place them under the vault opening for lifting (removal). Disconnect each filter cartridge from the underdrain connector by rotating counterclockwise 1/4 of a turn. Roll the loose cartridge, on edge, to a convenient spot beneath the vault access.
- B. Unscrew the cartridge cap.
- C. Remove the cartridge hood and float.
- D. At location under structure access, tip the cartridge on its side.
- E. Empty the cartridge onto the vault floor. Reassemble the empty cartridge.
- F. Set the empty, used cartridge aside or load onto the hauling truck.
- G. Continue steps a through e until all cartridges have been removed.

8. Remove accumulated sediment from the floor of the vault and from the forebay. This can most effectively be accomplished by use of a vacuum truck.
9. Once the sediments are removed, assess the condition of the vault and the condition of the connectors.
10. Using the vacuum truck boom, crane, or tripod, lower and install the new cartridges. Once again, take care not to damage connections.
11. Close and fasten the door.
12. Remove safety equipment.
13. Finally, dispose of the accumulated materials in accordance with applicable regulations. Make arrangements to return the used **empty** cartridges to Contech Engineered Solutions.

## Related Maintenance Activities - Performed on an as-needed basis

StormFilter units are often just one of many structures in a more comprehensive stormwater drainage and treatment system.

In order for maintenance of the StormFilter to be successful, it is imperative that all other components be properly maintained. The maintenance/repair of upstream facilities should be carried out prior to StormFilter maintenance activities.

In addition to considering upstream facilities, it is also important to correct any problems identified in the drainage area. Drainage area concerns may include: erosion problems, heavy oil loading, and discharges of inappropriate materials.

## Material Disposal

The accumulated sediment found in stormwater treatment and conveyance systems must be handled and disposed of in accordance with regulatory protocols. It is possible for sediments to contain measurable concentrations of heavy metals and organic chemicals (such as pesticides and petroleum products). Areas with the greatest potential for high pollutant loading include industrial areas and heavily traveled roads.

Sediments and water must be disposed of in accordance with all applicable waste disposal regulations. When scheduling maintenance, consideration must be made for the disposal of solid and liquid wastes. This typically requires coordination with a local landfill for solid waste disposal. For liquid waste disposal a number of options are available including a municipal vacuum truck decant facility, local waste water treatment plant or on-site treatment and discharge.



# Inspection Report

Date: \_\_\_\_\_ Personnel: \_\_\_\_\_

Location: \_\_\_\_\_ System Size: \_\_\_\_\_

System Type:    Vault     Cast-In-Place     Linear Catch Basin     Manhole     Other

Sediment Thickness in Forebay: \_\_\_\_\_ Date: \_\_\_\_\_

Sediment Depth on Vault Floor: \_\_\_\_\_

Structural Damage: \_\_\_\_\_

Estimated Flow from Drainage Pipes (if available): \_\_\_\_\_

Cartridges Submerged:    Yes     No     Depth of Standing Water: \_\_\_\_\_

StormFilter Maintenance Activities (check off if done and give description)

Trash and Debris Removal: \_\_\_\_\_

Minor Structural Repairs: \_\_\_\_\_

Drainage Area Report \_\_\_\_\_

Excessive Oil Loading:    Yes     No     Source: \_\_\_\_\_

Sediment Accumulation on Pavement:    Yes     No     Source: \_\_\_\_\_

Erosion of Landscaped Areas:    Yes     No     Source: \_\_\_\_\_

Items Needing Further Work: \_\_\_\_\_

Owners should contact the local public works department and inquire about how the department disposes of their street waste residuals.

Other Comments:

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Review the condition reports from the previous inspection visits.

## StormFilter Maintenance Report

Date: \_\_\_\_\_ Personnel: \_\_\_\_\_

Location: \_\_\_\_\_ System Size: \_\_\_\_\_

System Type:    Vault     Cast-In-Place     Linear Catch Basin     Manhole     Other

List Safety Procedures and Equipment Used: \_\_\_\_\_

### System Observations

Months in Service: \_\_\_\_\_

Oil in Forebay (if present):            Yes     No

Sediment Depth in Forebay (if present): \_\_\_\_\_

Sediment Depth on Vault Floor: \_\_\_\_\_

Structural Damage: \_\_\_\_\_

### Drainage Area Report

Excessive Oil Loading:            Yes     No     Source: \_\_\_\_\_

Sediment Accumulation on Pavement:    Yes     No     Source: \_\_\_\_\_

Erosion of Landscaped Areas:            Yes     No     Source: \_\_\_\_\_

### StormFilter Cartridge Replacement Maintenance Activities

Remove Trash and Debris:            Yes     No     Details: \_\_\_\_\_

Replace Cartridges:            Yes     No     Details: \_\_\_\_\_

Sediment Removed:            Yes     No     Details: \_\_\_\_\_

Quantity of Sediment Removed (estimate?): \_\_\_\_\_

Minor Structural Repairs:            Yes     No     Details: \_\_\_\_\_

Residuals (debris, sediment) Disposal Methods: \_\_\_\_\_

Notes:

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#### Support

- Drawings and specifications are available at [www.conteches.com](http://www.conteches.com).
- Site-specific design support is available from our engineers.

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**ORANGE COUNTY  
BOARD OF COMMISSIONERS  
ACTION AGENDA ITEM ABSTRACT  
Meeting Date: January 21, 2020**

**Action Agenda  
Item No. 8-k**

**SUBJECT:** Revised Interlocal Agreement with Towns of Chapel Hill and Carrboro Related to the Historic Rogers Road Area Private Sewer Service Lateral Connection Installations for Qualified Low-to-Moderate-Income (LMI) Homeowners – Cost Share

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**DEPARTMENT:** Planning & Inspections

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**ATTACHMENTS:**

1. Executed Interlocal Agreement
2. Revised Interlocal Agreement for Approval Consideration
3. Revised Lot Map (November 25, 2019)

**INFORMATION CONTACTS:**

Craig Benedict, Planning Director,  
919-245-2592  
Christopher Sandt, Staff Engineer,  
919-245-2583

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**PURPOSE:** To approve a revised Interlocal Agreement between Orange County, the Town of Chapel Hill, and the Town of Carrboro to jointly fund the costs of private sewer service lateral connection installations for qualified Low-to-Moderate-Income (LMI) homeowners in the Historic Rogers Road sewer service area. The revision primarily relates to modifying the method of hiring licensed plumbers to install the onsite private sewer lateral connections.

**BACKGROUND:** The newly constructed Historic Rogers Road Area gravity sewer system is a public system owned by Orange County and operated by the Orange Water and Sewer Authority (OWASA). The general contractor for the sewer expansion project has installed approximately 108 sewer service stub-outs/clean-outs to lots within the Historic Rogers Road sewer service area. The design and construction of the Historic Rogers Road Area gravity sewer system was initiated based on the recommendations contained within the Historic Rogers Road Neighborhood Task Force Final Report dated September 17, 2013. The 67-page Report is available on-line at <https://www.townofchapelhill.org/home/showdocument?id=25341>. The costs associated with the design and construction of the gravity sewer system were shared between Orange County, the Town of Chapel Hill, and the Town of Carrboro as specified in an Interlocal Agreement entered into on December 13, 2016.

Orange County, in partnership with the Towns of Chapel Hill and Carrboro, will be providing joint funding to cover the costs of private sewer service lateral connection installations, septic tank abandonments and payments of OWASA sewer system development fees for qualified LMI homeowners of existing dwellings located on Heritage Lots within the Historic Rogers Road sewer service area. The costs associated with private sewer service lateral connection installations for qualified LMI homeowners were shared between Orange County, the Town of Chapel Hill, and the Town of Carrboro as specified in a separate Interlocal Agreement entered into on July 1, 2019 (Attachment 1).

The Interlocal Agreement executed on July 1, 2019 (Attachment 1) specifies that Orange County "...shall issue an informal request for qualifications (RFQ) so as to pre-qualify a minimum of five (5) licensed plumbers for the installation of private sewer service lateral connections for LMI Heritage Lot Households." Orange County advertised an informal RFQ on August 8, 2019 and received zero submissions from qualified licensed plumbers. Subsequent feedback from local licensed plumbers suggested that, due to current high workloads/backlogs, qualified vendors were unable and/or unwilling to commit the time and resources needed to prepare and submit a detailed Statement of Qualifications (SOQ) to Orange County in response to Orange County's RFQ. In addition, qualified vendors were not interested in pursuing the RFQ due to the inability to guarantee the award of a monetary contract for performing the work and not knowing in advance the site-specifics of each potential installation job.

The proposed revised Interlocal Agreement (Attachment 2) will nullify and replace the existing Interlocal Agreement executed on July 1, 2019. The overall cost share percentages within the proposed revised Interlocal Agreement will remain unchanged from the existing Interlocal Agreement (i.e. 14% Carrboro, 43% Chapel Hill, 43% Orange County). The proposed revised Interlocal Agreement is identical to the existing Interlocal Agreement executed on July 1, 2019, with the exception of the following items:

- 1) Rather than pre-qualifying a group of licensed plumbers to competitively bid the private sewer service lateral connection installation work, Orange County will competitively bid each individual private sewer service lateral connection (or each group/cluster of private sewer service lateral connections) upon qualification of the respective individual LMI applicants. The lowest responsive and responsible bidder for each individual competitive bid will be formally awarded the associated work for each individual competitive bid.
- 2) The number of Heritage Lots and Heritage Lots With Pre-Existing Dwellings have increased by three (3) properties, based on lot configuration and engineering feasibility corrections. The number of identified Heritage Lots has been revised from 81 to 84. The number of Heritage Lots With Pre-Existing Dwellings has been revised from 62 to 65. The revised number of Heritage Lots and Heritage Lots With Pre-Existing Dwellings are displayed on the updated map dated November 25, 2019 (Attachment 3).
- 3) The overall Orange County budget for this initiative has been revised from \$243,000 to \$220,000, so as to match actual/available Orange County budget allocations. The overall estimated number of private sewer service lateral connections has been updated to match Orange County's actual/available budget. Orange County is currently budgeted for a total of 10 connections within the Town of Carrboro's jurisdictional area and a total of 15 connections within the Town of Chapel Hill's jurisdictional area. The anticipated cost per connection has been reduced from \$9,000 per connection to \$8,800 per connection, based on a recently bid project within the Historic Rogers Road area. The overall cost share percentages will remain the same: 14% Carrboro, 43% Chapel Hill, 43% Orange County.

The proposed revised Interlocal Agreement (Attachment 2) is the product of a joint collaborative review effort by the Rogers Road Staff Working Group. The Group generally meets on a weekly basis and consists of designated representatives from Orange County, the Towns of Chapel Hill and Carrboro, and OWASA. The proposed revised Interlocal Agreement has also

been reviewed and approved by the respective Attorneys of the three local governments. The Carrboro Board of Aldermen is scheduled to consider the proposed revised Interlocal Agreement on January 21, 2020, and the Chapel Hill Town Council is scheduled to consider the proposed revised Interlocal Agreement on January 22, 2020.

**SOCIAL JUSTICE IMPACT:** The following Orange County Social Justice Goal is applicable to this item:

- **GOAL: ESTABLISH SUSTAINABLE AND EQUITABLE LAND-USE AND ENVIRONMENTAL POLICIES**

The fair treatment and meaningful involvement of people of all races, cultures, incomes and educational levels with respect to the development and enforcement of environmental laws, regulations, policies, and decisions. Fair treatment means that no group of people should bear a disproportionate share of the negative environmental consequences resulting from industrial, governmental and commercial operations or policies.

**ENVIRONMENTAL IMPACT:** The following Orange County Environmental Responsibility Goal impacts are applicable to this item:

- **ENERGY EFFICIENCY AND WASTE REDUCTION**

Initiate policies and programs that: 1) conserve energy; 2) reduce resource consumption; 3) increase the use of recycled and renewable resources; and 4) minimize waste stream impacts on the environment.

- **RESULTANT IMPACT ON NATURAL RESOURCES AND AIR QUALITY**

Access and where possible mitigate adverse impacts created to the natural resources of the site and adjoining area. Minimize production of greenhouse gasses.

This revised Interlocal Agreement to jointly fund the costs of private sewer service lateral connection installations for qualified Low-to-Moderate-Income (LMI) homeowners in the Historic Rogers Road sewer service area will encourage homeowners to move forward with connecting to the new sewer service, thereby reducing the use of both failing and functioning septic systems which have impacts on the groundwater and other community natural resources.

**FINANCIAL IMPACT:** There is adequate existing Planning & Inspections staff and Housing & Community Development staff to complete the responsibilities enumerated in the proposed revised Interlocal Agreement (Attachment 2). The installation of private sewer service lateral connections will occur over the next three years (2020, 2021, 2022), commencing upon the adoption of the proposed revised Interlocal Agreement and upon the solicitation of competitive bids from qualified licensed plumbers to complete the private sewer service lateral connection installation work. Orange County has budgeted \$220,000 in the current (FY2019-20) Capital Investment Plan (CIP) to fund this program, with the expectation of reimbursement by the Towns, as detailed in the proposed revised Interlocal Agreement. If Planning & Inspections staff determines that the costs of private sewer service lateral connection installations for LMI-qualified Heritage Lot homeowners may exceed the allocated budget, staff will present a CIP amendment to the BOCC for consideration.

**RECOMMENDATIONS:** The Manager recommends the Board:

- 1) Review and approve the proposed revised Interlocal Agreement contained in Attachment 2 and authorize the County Manager and Finance Director to sign; and
- 2) Direct staff to move forward with implementation by completing the responsibilities listed in Article 4 of the proposed revised Interlocal Agreement contained in Attachment 2.

**NORTH CAROLINA  
ORANGE COUNTY**

**INTERLOCAL AGREEMENT BETWEEN AND AMONG ORANGE COUNTY AND THE TOWNS OF CARRBORO AND CHAPEL HILL REGARDING THE REIMBURSEMENT OF COSTS FOR INSTALLATION OF PRIVATE SEWER SERVICE LATERAL CONNECTIONS FOR LOW-TO-MODERATE INCOME HOMEOWNERS OF HERITAGE LOTS WITH EXISTING DWELLINGS IN THE ROGERS ROAD SEWER PROJECT AREA**

**THIS AGREEMENT**, made and entered into this 1<sup>st</sup> day of July, 2019 between and among the Towns of Carrboro and Chapel Hill, both North Carolina municipal corporations (hereinafter jointly referred to as the "Towns"), and Orange County, a political subdivision of the State of North Carolina (hereinafter referred to as the "County"), for reimbursement to the County by the Towns for the County's expenditures for the installation of private sewer service lateral connections for low-to-moderate income homeowners of Heritage Lots with existing dwellings in the Rogers Road Sewer Project Area (hereinafter referred to as "LMI Heritage Lot Households"). County and Towns may be referred to collectively as the "Parties".

**WITNESSETH**

**WHEREAS**, the County and Towns are public bodies, politic and/or corporate, under the laws of the State of North Carolina and are vested with the power and authority by Article 20 of North Carolina General Statute Chapter 160A to enter into this Interlocal Agreement (hereinafter referred to as the "Agreement"); and

**WHEREAS**, the Historic Rogers Road Neighborhood Task Force Report (dated September 13, 2013) identified 86 parcels in the Rogers Road Sewer Project Area as Heritage Lots, as defined and shown in exhibits therein; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that the total number of Heritage Lots in the Rogers Road Sewer Project Area has been reduced from 86 Heritage Lots to 81 Heritage Lots, due to lot configuration corrections that were completed subsequent to the release of the Historic Rogers Road Neighborhood Task Force Report; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that 62 of the 81 Heritage Lots in the Rogers Road Sewer Project Area had existing dwellings located on the respective Heritage Lot parcels concurrent with the release date of the Historic Rogers Road Neighborhood Task Force Report (based on the evaluation of March 2013 aerial imagery), and have identified the 62 Heritage Lots with existing dwellings; and

**WHEREAS**, the 62 Heritage Lots in the Rogers Road Sewer Project Area with existing dwelling units may have household income levels at or below moderate incomes as defined by US Housing and Urban Development (HUD); and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle to jointly fund the installation of private sewer service lateral connections for the 62 Heritage Lots with existing dwellings and with household income levels at or below moderate incomes (LMI Heritage Lot Households) to the public sewer system under construction; and

**WHEREAS**, as defined in the following schedule, the timeline for joint funding coverage will begin after the execution of this Agreement by all Parties and upon the County's receipt of a valid dated application from the LMI Heritage Lot Household: Year 1 and Year 2 (100% cost coverage); Year 3 (50% cost coverage); Year 4 and beyond (0% cost coverage); and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that the County will solicit pre-qualifications from a minimum of five (5) licensed local plumbing contractors for the installation of private sewer service lateral connections for LMI Heritage Lot Households; and

**WHEREAS**, the County has pre-allocated \$243,000 for the installation of private sewer service lateral connections for LMI Heritage Lot Households wishing to connect, to be reimbursed by the Towns in accordance with this Agreement; and

**WHEREAS**, the County's expenditures for the installation of private sewer service lateral connections for LMI Heritage Lot Households will include the cost of installation by the pre-qualified plumber of the private sewer service lateral and associated appurtenances (i.e. from the existing sewer service stub-out at the property line to the household to be served), the cost of disconnecting and abandoning the existing septic system per County standards, the Orange Water and Sewer Authority (OWASA) sewer system development fee, and all other applicable fees; and

**WHEREAS**, the total number of LMI Heritage Lot Households wishing to connect within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3) and the exact cost for each LMI Heritage Lot Household wishing to connect are unknown at this time due to the variable sizes of the dwellings to be served, the variable distances between the dwellings and the public sewer service stub-outs, and other specific characteristics of each lot; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle on an educated estimate of eleven (11) LMI Heritage Lot Households wishing to connect within Town of Carrboro jurisdictional areas within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3) and on an educated estimate of sixteen (16) LMI Heritage Lot Households wishing to connect within Town of Chapel Hill

jurisdictional areas within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3); and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that each LMI Heritage Lot Household wishing to connect within Year 1 and Year 2 following the execution of this Agreement will have an estimated 100% coverage joint funding cost of approximately \$9,000 per LMI Heritage Lot Household; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that each LMI Heritage Lot Household wishing to connect within Year 3 following the execution of this Agreement will have an estimated 50% coverage joint funding cost of approximately \$4,500 per LMI Heritage Lot Household; and

**WHEREAS**, the County and Towns desire to formally establish the terms of the Towns' reimbursements to the County for the installation of private sewer service lateral connections for LMI Heritage Lot Households connections.

**NOW, THEREFORE**, in consideration of the foregoing and based on mutual promises and obligations set forth herein, the receipt and sufficiency of which is hereby acknowledged, the County and Towns agree as follows:

#### **1. TERM AND TERMINATION**

- a. This Agreement shall commence upon execution by all Parties and shall continue until all reimbursements are paid in full with such payment in full occurring no later than June 30, 2023.
- b. The Town of Carrboro shall provide payment to the County up to 14% of the current total project estimate, or \$34,020, whichever is less, plus any financing costs (up to 3 percent annually) incurred by the County for the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction unless mutually agreed by both the Town of Carrboro and the County. These payments are for the installation of up to 11 LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction. The Town of Carrboro shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Carrboro's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction.
- c. The Town of Chapel Hill shall provide payment to the County of up to 43% of the current total project estimate, or \$104,490, whichever is less, plus any financing costs (up to 3 percent annually) incurred by the County for the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction unless mutually agreed by both the Town of Chapel Hill and the County. These payments are for the installation of up to

16 LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction. The Town of Chapel Hill shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Chapel Hill's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction.

- d. If overall participation by LMI Heritage Lot Households exceeds the \$243,000 pre-allocated by the County, the County will request additional funds and this Agreement will be amended so as to adjust Sections 1-4 accordingly, subject to funding availability and approval by governing boards of the Parties.
- e. This Agreement may be renewed or amended upon written agreement of the Parties.

## 2. TOTAL COSTS

Item	Carrboro Cost	Chapel Hill Cost	County Cost	Total Cost
<u>Carrboro Lots</u>  (11 LMI Heritage Lot Household connections within Carrboro jurisdiction)	\$34,020	\$0	\$64,980	\$99,000
<u>Chapel Hill Lots</u>  (16 LMI Heritage Lot Household connections within Chapel Hill jurisdiction)	\$0	\$104,490	\$39,510	\$144,000
<b>TOTALS</b>	<b>\$34,020 (14%)</b>	<b>\$104,490 (43%)</b>	<b>\$104,490 (43%)</b>	<b>\$243,000 (100%)</b>

## 3. RESPONSIBILITIES OF TOWNS

- a. As provided in Section 1b above, the Town of Carrboro is responsible for up to 14% of the current total project estimate, or \$34,020, whichever is less. The Town of Carrboro shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Carrboro's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction.

- b. As provided in Section 1c above, the Town of Chapel Hill is responsible for up to 43% of the current total project estimate, or \$104,490, whichever is less. The Town of Chapel Hill shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Chapel Hill's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction.
- c. The Town of Chapel Hill's funding contribution shall be used for the benefit of low and moderate income residents, as defined by HUD, residing within the Town of Chapel Hill's Extraterritorial Jurisdiction (ETJ).
- d. The Towns shall pay their full agreed upon obligation as set out in this Section 3 within thirty (30) days of receipt of the County's invoice.
- e. The Towns shall have no further obligation for the cost of maintenance or repair of the private sewer laterals installed with the assistance of their funding, it being agreed by the Parties that the private sewer laterals and all associated work pursuant to this agreement shall upon completion belong to and be the responsibility of the private resident/homeowners.

#### **4. RESPONSIBILITIES OF COUNTY**

- a. The County shall issue an informal request for qualifications (RFQ) so as to pre-qualify a minimum of five (5) licensed plumbers for the installation of private sewer service lateral connections for LMI Heritage Lot Households. The County shall work directly with the pre-qualified plumbers to gather a minimum of three (3) site-specific estimates for each LMI Heritage Lot Household and will formally award the private sewer service lateral connection installation work to the lowest responsible bidder.
- b. Contracts for the installation of the private sewer lateral connections and associated work shall clearly state that neither the County nor the Towns shall have any financial responsibility or liability beyond providing the financial assistance and arranging for payment to the contracted plumbers (other than any permitting or inspections responsibilities they may have in their governmental capacities). Said contracts shall provide that the contracting plumbers shall indemnify and hold harmless the Parties for any and all claims arising out of the contracting plumbers' work for the LMI Heritage Lot Households.
- c. The County is responsible for up to 43% of the current total project estimate as shown in Section 2 above, or \$104,490, whichever is less.
- d. The County shall invoice the Towns for the specified reimbursement amounts and/or percentages as shown in Section 3. This invoice will be in the form of

a single invoice upon the conclusion of the services contemplated in Section 1 and Section 2 within the respective jurisdiction of each Town and said invoice shall be accompanied by a written statement indicating those services have concluded.

**5. THIRD PARTY RIGHTS**

Nothing in this Agreement is intended to create, grant, or convey rights in or to any third party. Nothing herein is enforceable by any third party and the rights of the parties hereto to terminate or amend this Agreement are not subject to the consent of any third party.

**6. ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement of the Parties hereto and is effective the date first above recorded.

[Signature Page to Follow]

Including pre-audit certificates for all Parties.

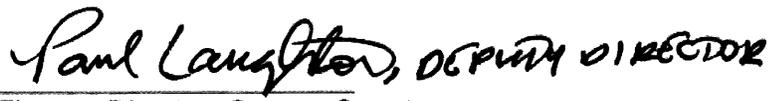
In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

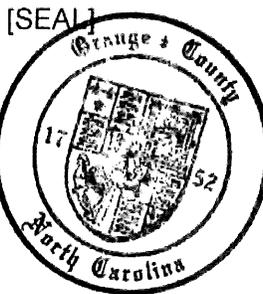
This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

  
\_\_\_\_\_  
Manager, Orange County

ATTEST

By:   
\_\_\_\_\_  
Clerk

  
\_\_\_\_\_  
Finance Director, Orange County



In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

*Active*  
WALTER HOBAN  
Manager, Town of Carrboro

ATTEST

By: *Anthony Donald*  
Clerk

*[Signature]*  
Finance Director, Town of Carrboro

[SEAL]



In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Maurice Jones  
Manager, Town of Chapel Hill

Amy Oland 5/20/14  
Finance Officer, Town of Chapel Hill

ATTEST

[SEAL]

By: [Signature]  
Clerk



APPROVED AS TO FORM AND AUTHORIZATION

By: Ralph D. Karpinos  
Town Attorney, Chapel Hill

**NORTH CAROLINA  
ORANGE COUNTY**

**REVISED INTERLOCAL AGREEMENT BETWEEN AND AMONG ORANGE COUNTY  
AND THE TOWNS OF CARRBORO AND CHAPEL HILL REGARDING THE  
REIMBURSEMENT OF COSTS FOR INSTALLATION OF PRIVATE SEWER  
SERVICE LATERAL CONNECTIONS FOR LOW-TO-MODERATE INCOME  
HOMEOWNERS OF HERITAGE LOTS WITH EXISTING DWELLINGS IN THE  
ROGERS ROAD SEWER PROJECT AREA**

**THIS REVISED AGREEMENT**, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020 between and among the Towns of Carrboro and Chapel Hill, both North Carolina municipal corporations (hereinafter jointly referred to as the “Towns”), and Orange County, a political subdivision of the State of North Carolina (hereinafter referred to as the “County”), for reimbursement to the County by the Towns for the County’s expenditures for the installation of private sewer service lateral connections for low-to-moderate income homeowners of Heritage Lots with existing dwellings in the Rogers Road Sewer Project Area (hereinafter referred to as “LMI Heritage Lot Households”). County and Towns may be referred to collectively as the “Parties”. This Agreement supersedes and replaces the Interlocal Agreement between the Parties entered into as of July 1, 2019.

**WITNESSETH**

**WHEREAS**, the Parties entered into an Interlocal Agreement on July 1, 2019, hereinafter referred to as the “Original Agreement”; and

**WHEREAS**, the Parties have determined that it is necessary to enter into a new and revised agreement to replace and supersede the Original Agreement; and

**WHEREAS**, the County and Towns are public bodies, politic and/or corporate, under the laws of the State of North Carolina and are vested with the power and authority by Article 20 of North Carolina General Statute Chapter 160A to enter into this Interlocal Agreement (hereinafter referred to as the “Agreement”); and

**WHEREAS**, the Historic Rogers Road Neighborhood Task Force Report (dated September 13, 2013) identified 86 parcels in the Rogers Road Sewer Project Area as Heritage Lots, as defined and shown in exhibits therein; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that the total number of Heritage Lots in the Rogers Road Sewer Project Area has been reduced from 86 Heritage Lots to 84 Heritage Lots, due to lot configuration and engineering feasibility corrections that were completed subsequent to the release of the Historic Rogers Road Neighborhood Task Force Report; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that 65 of the 84 Heritage Lots in the Rogers Road Sewer Project Area had existing dwellings located on the respective Heritage Lot parcels concurrent with the release date of the Historic Rogers Road Neighborhood Task Force Report (based on the evaluation of March 2013 aerial imagery), and have identified the 65 Heritage Lots with existing dwellings; and

**WHEREAS**, the 65 Heritage Lots in the Rogers Road Sewer Project Area with existing dwelling units may have household income levels at or below 80% of the area median income as defined by U.S. Department of Housing and Urban Development (HUD); and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle to jointly fund the installation of private sewer service lateral connections for the 65 Heritage Lots with existing dwellings and with household income levels at or below 80% of the area median income (LMI Heritage Lot Households) to the public sewer system under construction; and

**WHEREAS**, as defined in the following schedule, the timeline for joint funding coverage will begin after the execution of this Agreement by all Parties and upon the County's receipt of a valid dated application from the LMI Heritage Lot Household: Year 1 and Year 2 (100% cost coverage); Year 3 (50% cost coverage); Year 4 and beyond (0% cost coverage); and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that the County will solicit competitive bids from licensed local plumbing contractors, and will select the lowest responsive and responsible bidder for the installation of private sewer service lateral connections for LMI Heritage Lot Households; and

**WHEREAS**, the County has pre-allocated \$220,000 for the installation of private sewer service lateral connections for LMI Heritage Lot Households wishing to connect, to be reimbursed by the Towns, in part, in accordance with this Agreement; and

**WHEREAS**, the County's expenditures for the installation of private sewer service lateral connections for LMI Heritage Lot Households will include the cost of installation by the lowest responsive and responsible bidder of the private sewer service lateral and associated appurtenances (i.e. from the existing sewer service stub-out at the property line to the household to be served), the cost of disconnecting and abandoning the existing septic system per County standards, the Orange Water and Sewer Authority (OWASA) sewer system development fee, and all other applicable fees; and

**WHEREAS**, the total number of LMI Heritage Lot Households wishing to connect within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3) and the exact cost for each LMI Heritage Lot Household wishing to connect are unknown at this time due to the variable sizes of the dwellings to be served, the variable distances

between the dwellings and the public sewer service stub-outs, and other specific characteristics of each lot; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle on an educated estimate of ten (10) LMI Heritage Lot Households wishing to connect within Town of Carrboro jurisdictional areas within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3) and on an educated estimate of fifteen (15) LMI Heritage Lot Households wishing to connect within Town of Chapel Hill jurisdictional areas within the specified three-year period for joint funding (i.e. Year 1, Year 2, Year 3); and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that each LMI Heritage Lot Household wishing to connect within Year 1 and Year 2 following the execution of this Agreement will have an estimated 100% coverage joint funding cost of approximately \$8,800 per LMI Heritage Lot Household; and

**WHEREAS**, representatives of the County and Towns have previously agreed in principle that each LMI Heritage Lot Household wishing to connect within Year 3 following the execution of this Agreement will have an estimated 50% coverage joint funding cost of approximately \$4,400 per LMI Heritage Lot Household; and

**WHEREAS**, the County and Towns desire to formally establish the terms of the Towns' reimbursements to the County for the installation of private sewer service lateral connections for LMI Heritage Lot Households connections.

**NOW, THEREFORE**, in consideration of the foregoing and based on mutual promises and obligations set forth herein, the receipt and sufficiency of which is hereby acknowledged, the County and Towns agree as follows:

#### **1. TERM AND TERMINATION**

- a. This Agreement shall commence upon execution by all Parties and shall continue until all reimbursements are paid in full with such payment in full occurring no later than June 30, 2023.
- b. The Original Agreement is hereby superseded and replaced by this Agreement.
- c. The Town of Carrboro shall provide payment to the County up to 14% of the current total project estimate, or \$30,800, whichever is less, plus any financing costs (up to 3 percent annually) incurred by the County for the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction unless mutually agreed by both the Town of Carrboro and the County. These payments are for the installation of up to ten (10) LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction. The Town of Carrboro shall, within thirty (30) days of

receipt of a County generated invoice, reimburse the County for the Town of Carrboro's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction.

- d. The Town of Chapel Hill shall provide payment to the County of up to 43% of the current total project estimate, or \$94,600, whichever is less, plus any financing costs (up to 3 percent annually) incurred by the County for the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction unless mutually agreed by both the Town of Chapel Hill and the County. These payments are for the installation of up to fifteen (15) LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction. The Town of Chapel Hill shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Chapel Hill's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction.
- e. If overall participation by LMI Heritage Lot Households exceeds the \$220,000 pre-allocated by the County, the County will request additional funds and this Agreement will be amended so as to adjust Sections 1-4 accordingly, subject to funding availability and approval by governing boards of the Parties.
- f. This Agreement may be renewed or amended upon written agreement of the Parties.

## 2. TOTAL COSTS

Item	Carrboro Cost	Chapel Hill Cost	County Cost	Total Cost
<u>Carrboro Lots</u>  (10 LMI Heritage Lot Household connections within Carrboro jurisdiction)	\$30,800	\$0	\$57,200	\$88,000
<u>Chapel Hill Lots</u>  (15 LMI Heritage Lot Household connections within Chapel Hill jurisdiction)	\$0	\$94,600	\$37,400	\$132,000
<b>TOTALS</b>	<b>\$30,800</b> <b>(14% of total)</b>	<b>\$94,600</b> <b>(43% of total)</b>	<b>\$94,600</b> <b>(43% of total)</b>	<b>\$220,000</b> <b>(100%)</b>

## 3. RESPONSIBILITIES OF TOWNS

- a. As provided in Section 1b above, the Town of Carrboro is responsible for up to 14% of the current total project estimate, or \$30,800, whichever is less. The Town of Carrboro shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Carrboro's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Carrboro's jurisdiction.
- b. As provided in Section 1c above, the Town of Chapel Hill is responsible for up to 43% of the current total project estimate, or \$94,600, whichever is less. The Town of Chapel Hill shall, within thirty (30) days of receipt of a County generated invoice, reimburse the County for the Town of Chapel Hill's respective share of the total principal and interest associated with the installation of LMI Heritage Lot Household sewer connections within the Town of Chapel Hill's jurisdiction.
- c. The Town of Chapel Hill's funding contribution shall be used for the benefit of low and moderate income residents, as defined by HUD, residing within the Town of Chapel Hill's Extraterritorial Jurisdiction (ETJ).

- d. The Towns shall pay their full agreed upon obligation as set out in this Section 3 within thirty (30) days of receipt of the County's invoice.
- e. The Towns shall have no further obligation for the cost of maintenance or repair of the private sewer laterals installed with the assistance of their funding, it being agreed by the Parties that the private sewer laterals and all associated work pursuant to this agreement shall upon completion belong to and be the responsibility of the private resident/homeowners.

#### **4. RESPONSIBILITIES OF COUNTY**

- a. The County shall issue an informal request for proposals (RFP) so as to solicit competitive bids from licensed local plumbing contractors for the installation of private sewer service lateral connections for LMI Heritage Lot Households. The County will formally award the private sewer service lateral connection installation work for LMI Heritage Lot Households to the lowest responsive and responsible bidder.
- b. Contracts for the installation of the private sewer lateral connections and associated work shall clearly state that neither the County nor the Towns shall have any financial responsibility or liability beyond providing the financial assistance and arranging for payment to the contracted plumbers (other than any permitting or inspections responsibilities they may have in their governmental capacities). Said contracts shall provide that the contracting plumbers shall indemnify and hold harmless the Parties for any and all claims arising out of the contracting plumbers' work for the LMI Heritage Lot Households.
- c. The County is responsible for up to 43% of the current total project estimate as shown in Section 2 above, or \$94,600 whichever is less.
- d. The County shall invoice the Towns for the specified reimbursement amounts and/or percentages as shown in Section 3. This invoice will be in the form of a single invoice upon the conclusion of the services contemplated in Section 1 and Section 2 within the respective jurisdiction of each Town and said invoice shall be accompanied by a written statement indicating those services have concluded.

#### **5. THIRD PARTY RIGHTS**

Nothing in this Agreement is intended to create, grant, or convey rights in or to any third party. Nothing herein is enforceable by any third party and the rights of the parties hereto to terminate or amend this Agreement are not subject to the consent of any third party.

**6. ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement of the Parties hereto and is effective the date first above recorded.

[Signature Page to Follow]

Including pre-audit certificates for all Parties.

In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Manager, Orange County

ATTEST

\_\_\_\_\_  
Finance Director, Orange County

[SEAL]

By: \_\_\_\_\_  
Clerk

In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Manager, Town of Carrboro

ATTEST

\_\_\_\_\_  
Finance Director, Town of Carrboro

[SEAL]

By: \_\_\_\_\_  
Clerk

In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seals as of the day and year first above written.

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Manager, Town of Chapel Hill

ATTEST

By: \_\_\_\_\_

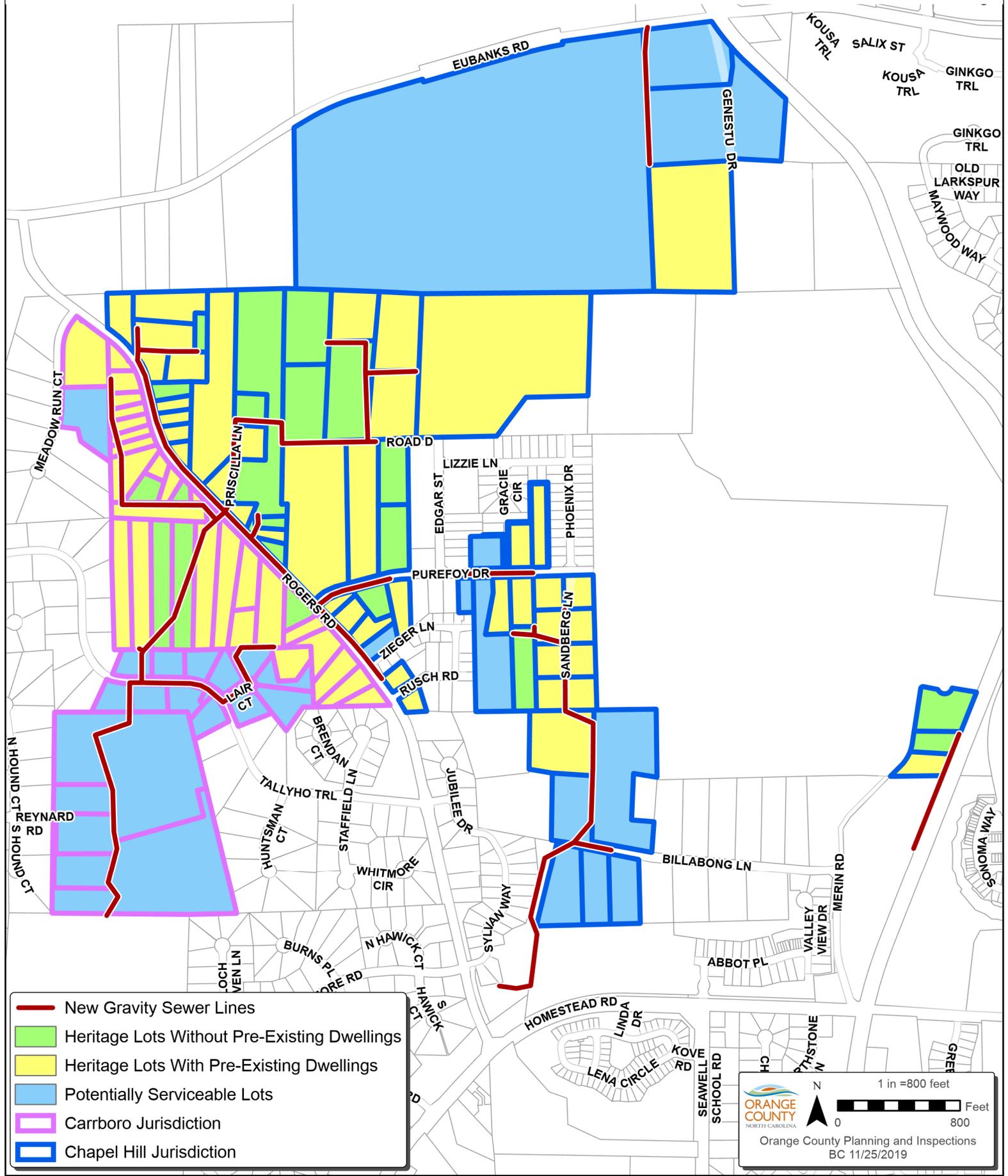
Clerk

\_\_\_\_\_  
Finance Director, Town of Chapel Hill

[SEAL]

# Historic Rogers Road Sewer Expansion

## Which Lots Can be Served by the New Public Gravity Sewer Lines?



- New Gravity Sewer Lines
- Heritage Lots Without Pre-Existing Dwellings
- Heritage Lots With Pre-Existing Dwellings
- Potentially Serviceable Lots
- Carrboro Jurisdiction
- Chapel Hill Jurisdiction

1 in = 800 feet

0 800 Feet

**ORANGE COUNTY**  
NORTH CAROLINA

Orange County Planning and Inspections  
 BC 11/25/2019

ORD-2020-003

**ORANGE COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date:** January 21, 2020

**Action Agenda  
Item No. 8-l**

**SUBJECT:** Lease of 308 W. Franklin Street and Suite 101 at the Europa Center, and  
Approval of Budget Amendment #4-C

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**DEPARTMENT:** Asset Management Services

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**ATTACHMENT(S):**

- 1) Lease of 308 W. Franklin Street
- 2) Lease of Suite 101- Europa Center

**INFORMATION CONTACT:**

Steven Arndt, AMS Director,  
919-245-2628  
Alan Dorman, AMS Assistant Director,  
919-245-2627

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**PURPOSE:** To authorize the Manager to sign the lease for 308 W. Franklin Street and the lease for Suite 101, Europa Center, upon final review by the County Attorney, and approve Budget Amendment #4-C.

**BACKGROUND:** On November 19, 2019, it was announced that Orange County would provide two of its facilities, 501 and 503 West Franklin to Well Dot, Inc., a healthcare technology company, at terms to be determined in the coming months. Well Dot will renovate the facilities for the purpose of establishing a new operations and corporate center in Chapel Hill that will create about 400 high-paying jobs over five years. It is, therefore, necessary to find new locations for the County departments and County supported agencies housed at these facilities.

501 and 503 West Franklin are occupied by the Chapel Hill/Orange County Visitors Bureau, Guardian ad Litem, and the Skills Development Center. Two other organizations lease space from the County at 501 West Franklin – Seal the Seasons and ISLA (Immersion for Spanish Language Acquisition), both of which are in the process of finding new spaces to lease.

After an exhaustive search, the County has identified two separate locations that will fit the needs of the affected departments. If the Board approves the leases for these spaces, the County will begin the process of selecting an architectural firm to design the renovations, bid the work, and manage the construction process. The leases of Suite 101 at the Europa Center and 308 West Franklin Street will begin March 1<sup>st</sup> and April 1<sup>st</sup>, 2020 respectively, with an expected move-in date of June 2020 after the renovations have been completed.

The Chapel Hill/Orange County Visitors Bureau reviewed potential sites on I-40 and in Carrboro and Chapel Hill and has identified 308 West Franklin Street as an ideal location. The 4,000 square foot facility is visually welcoming with 17 parking spaces, handicapped parking and ease

of access for all abilities as well as architectural elements that create a warm welcome for all. The lease will cost \$137,005 (excludes a two month rent reduction provided by landlord) during the first 12-month period and has a 3% escalation each year after. The landlord has agreed to provide a reduction in rent equal to the first two months' rent, \$20,828, to be used for renovations. The total cost of renovations is \$242,416 and will include significant updates to the interior and exterior of the facility.

The Department of Social Services (DSS) has identified a new location within the Europa Center (100 Europa Drive) in Chapel Hill to house the Skills Development Center. Suite 101 within the Europa Center is a 10,650 square foot space that provides ample parking and a modern look that will provide a good space for working with local businesses. The lease is a 3-year term, with options for two additional one-year terms. The rent for the first 12 months will be \$222,915, with a 3% escalation for each year thereafter. As the space is currently designed for offices, some renovations will be necessary to prepare the space for classrooms. The budget for the renovations is \$254,953.

Guardian ad Litem, which is part of the North Carolina Administrative Office of the Courts, may be re-located to the Europa Center or to another space. This decision will be based on input from the staff of Guardian ad Litem and DSS once the selected architectural firm has provided different options for design of the space.

**FINANCIAL IMPACT:** The FY 2019-20 lease cost of \$20,944 and renovations of \$242,416 for 308 West Franklin Street will be funded through the Visitors Bureau Fund, outside of the General Fund. This Budget Amendment #4-C provides for a fund balance appropriation of \$184,036 from the Visitors Bureau Fund to cover the lease cost and a portion of the renovations for FY 2019-20 at 308 West Franklin Street. The remaining portion of \$79,324 needed for renovations will be debt financed and will be included in the upcoming Spring 2020 financing package. The Visitors Bureau will budget for the associated debt service beginning in FY 2020-21. The reason for the debt financing amount is to adhere to the Visitors Bureau's fund balance policy of 15% policy of FY2019 expenditures, which equates to \$311,735.

The FY 2019-20 lease cost of \$74,305 and renovations of \$254,953 for the Europa Center will be funded through the General Fund. This Budget Amendment #4-C also provides for a fund balance appropriation of \$74,305 from the General Fund for the lease cost for FY 2019-20 at the Europa Center. The renovations cost of \$254,953 for the Europa Center will be debt financed, and will be included in the upcoming Spring 2020 financing package. It is anticipated that the lease and renovations costs associated directly with the Department of Social Services functions, currently estimated at 20% of the space, will receive 50% revenue reimbursement.

Funds of \$150,642 will be budgeted in the Visitors Bureau Fund for the lease cost in FY 2020-21, and funds of \$225,144 will be budgeted in the General Fund for the lease cost in FY 2020-21, with the lease funds associated directly with Social Services functions receiving 50% revenue reimbursement.

**SOCIAL JUSTICE IMPACT:** There is no Orange County Social Justice Goal impact associated with this item.

**ENVIRONMENTAL IMPACT:** There is no Orange County Environmental Responsibility Goal impact associated with this item.

**RECOMMENDATION(S):** The Manager recommends that the Board authorize the Manager to sign the lease for 308 W. Franklin Street and the lease for Suite 101, Europa Center, upon final review by the County Attorney, and approve Budget Amendment #4-C.

**(Amended Draft)**  
**LEASE AGREEMENT**

Between Charles J. Coates and Geraldine Dawson (Landlord)  
and  
Orange County, North Carolina (Tenant)

**THIS LEASE AND ITS CONTENTS ARE CONFIDENTIAL**

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## LEASE PROVISIONS

1. **LANDLORD:** Charles J. Coates and Geraldine Dawson
2. **TENANT:** Orange County, North Carolina
3. **USE:** Chapel Hill Orange County Visitors Bureau
4. **AREA OF PREMISES:** 308 W. Franklin St., Chapel Hill, North Carolina 27516, a lot of approximately 12,100 sq. ft., a building of approximately 4,008 sq. ft., parking, and entrances.
5. **NOTICE ADDRESS:** Charles J. Coates, 5001 Cole Mill Road, Durham, NC 27705
6. **LEASE TERM:** 120 months
7. **RENTABLE SQ. FT.:** 4008
8. **DELIVERY:** \_\_\_\_\_, 2020
9. **LEASE EXECUTION DATE:** \_\_\_\_\_, 2020
10. **LEASE COMMENCEMENT:** \_\_\_\_\_, 2020
11. **LEASE EXPIRES:** \_\_\_\_\_, 20\_\_
12. **RENT COMMENCEMENT:** \_\_\_\_\_, 2020
13. **MONTHLY BASE RENT:** Year one, \_\_\_\_\_, 2020 – \_\_\_\_\_, 2021: \$10,414; Year two, \_\_\_\_\_, 2021 – \_\_\_\_\_, 2022: \$10,726, Year three, \$11,140, Year four, \$11,380, Year Five, \$11,721, Year Six: \$12,073, Year Seven: \$12,435, Year eight: \$12,808, Year nine: \$13,192, Year ten: \$13,588. Yearly rent escalation of 3% / year
14. **ANNUAL BASE RENT:**

Year one, _____, 2020 – _____, 2021:	\$104,140
Year two, _____, 2021 – _____, 2022:	\$128,712
Year three, _____	\$132,576
Year four, _____	\$136,560
Year Five, _____	\$140,652
Year Six: _____	\$144,876
Year Seven: _____	\$149,220
Year eight: _____	\$153,696
Year nine: _____	\$158,304
Year ten: _____	\$163,056
15. **RENT ESCALATION:** Three percent (3%) increases at each Lease Anniversary date from Lease Execution Date \_\_\_\_\_, 2020.

Initials

- 16. **IMPROVEMENTS BY TENANT AND RENT CONCESSION:** Per aforementioned lease commencement date and rent commencement date, Landlord provides Tenant two (2) month's rent equal to \$20,828 for building upfit. Rent Commencement date is two (2) months later than Lease Commencement date. Tenant agrees to complete the following building improvements to be completed by Tenant at Tenant's expense:
  - A. Exterior repainting of wood trim
  - B. Interior drywall repairs and repainting
  - C. Interior floor refinishing or replacement
  - D. \_\_\_TBD by tenant\_\_\_\_\_
  - E. \_\_\_\_\_
  
- 17. **REAL ESTATE / PROPERTY TAXES:** As part of the Lease Agreement, tenant shall pay the entire Orange County Property Tax and Fee Bill for the Demised Premises directly to Orange County, for each and every year of the Lease. Landlord will provide Tenant a copy of the Orange County Property Tax and Fee Bill yearly, as soon as it is received by Landlord (typically in August). Tenant shall provide confirmation of receipt of said Bill and confirmation that said Bill has been paid before the Past Due Date (currently January 6<sup>th</sup> yearly).
  
- 18. **BUILDING MAINTENANCE, UTILITIES, AND INSURANCE:** Tenant will be responsible for maintenance, utilities, and insurance of the leased Demised Premised per Lease Agreement
  
- 19. **SECURITY DEPOSIT:** Tenant shall provide the Landlord a security deposit equal to one (1) month's rent \$10,414 within five days of lease execution.
  
- 20. **PAYMENTS:** All payments from Tenant to Landlord shall be wire transferred into Landlord's account:
 

FRB ABA 053000196                      wire 026009593                      Bank of America

**For credit to:** Account: xxxxx744

**In favor of:** Account # xxxxxxxx744 for:

Charles J. Coates

5001 Cole Mill Road

Durham, NC 27705
  
- 21. **ALL RENTS ARE DUE ON THE 1<sup>st</sup> DAY OF EACH MONTH:** Any payment not received by the 10<sup>th</sup> of the month will incur an automatic late fee of six (6%) percent of the monthly rental rate, to be paid immediately following late rent payment.

Initials

## LEASE AGREEMENT

### PARTIES

1. THIS LEASE AGREEMENT made and entered into on \_\_\_\_\_, 2020 by and between Charles J. Coates and Geraldine Dawson, 5001 Cole Mill Road, NC 27705 (hereinafter referred to as Landlord) and Orange County, North Carolina (hereinafter referred to as "Tenant")

### PREMISES

2. Landlord leases to Tenant, and Tenant leases from Landlord under the terms and conditions set forth in this Lease Agreement, certain premises consisting of a lot of approximately 12,100 square feet including a building of approximately 4008 square feet with adjoining parking lot and entrances (hereinafter referred to as "Demised Premises") in Chapel Hill, State of North Carolina, as described legally as Tract 704410, Map 7.85.M.23, Chapel Hill, Orange County, NC, located at 308 W. Franklin St., Chapel Hill, NC 27516.

### REPAIRS AND POSSESSION

3. Landlord warrants that it is the Owner of the tract of land described in Premises
- (a.) Tenant herein agrees to hold Landlord harmless for any outstanding bills or invoices that might occur pursuant to Tenant's repair, upfit or improvement of said Demised Premises. Further, Tenant shall not allow any outstanding bills incurred for labor employed by Tenant and/or materials used for said upfit of Demised Premises to remain unpaid. Tenant will hold Landlord harmless for any loss, cost, damage and/or expense of every kind, including any resulting attorney's fees, directly or indirectly incurred as a result or on the account of any materialman's lien or claim of lien that might be placed on the Demised Premises as a result of Tenant's improvements, repairs or upfit. Rent shall commence as of \_\_\_\_\_, 2020 (hereinafter called "Rental Commencement Date") regardless of whether Tenant has opened for business.
- (b.) Tenant shall pay all of the utility charges for the Demised Premises after delivery of possession thereof by Landlord. Tenant agrees to submit to Landlord plans and specifications covering all improvements or upfit which Tenant proposes to do in the Demised Premises. Such plans and specifications shall be prepared in such detail as Landlord may require, and Tenant agrees not to commence work upon any of the aforesaid Tenant's work until Landlord has approved such plans and specifications in writing. Landlord agrees to act with reasonable promptness with respect to such plans and specifications.
- (c) By occupying the Demised Premises after the delivery of possession, to perform improvement or upfit work or for any other purpose, Tenant shall be deemed to have accepted the same and to have acknowledged that the Demised Premises are in the condition required by this Lease Agreement.
- (d) If Tenant desires to change the wiring for telegraphic, telephonic, telecommunication, burglar alarm or signal service within the Demised Premises, Tenant agrees to submit to Landlord plans and specifications describing where and how connections for said wiring for such services shall be introduced and run. Such plans and specifications shall be prepared in such detail as Landlord may require, and Tenant agrees not to commence work upon any of the aforesaid Tenant's work until Landlord has approved such plans and specifications in writing. Without such approval, no boring, cutting or installation of wires or cables is permitted. Landlord agrees to act with reasonable promptness with respect to such plans and specifications.
- (e) The Tenant shall be responsible for the locking of doors in and to the Demised Premises. Any damage resulting from neglect of this clause shall be paid by Tenant.

### USE AND OPERATION

Initials

6  
(308 W. Franklin St.)

\_\_\_\_\_  
Landlord                  Tenant

4. (a) Tenant shall use and occupy the Demised Premises solely for the purpose as the Chapel Hill Orange County Visitors Bureau
- (b) Tenant agrees that the Demised Premises shall not be used, assigned or subleased for any illegal use.
- (c) Tenant shall not do or permit to be done in the Leased Demised Premises or Site, or bring or keep anything into the Leased Demised Premises or Site, which shall in any way increase the rate of fire insurance on the Building, or on the property kept in the Building.
- (d) Tenant shall not, keep, use, store, or dispose of, substances designated as or containing components designated as hazardous, dangerous, toxic or harmful and/or subject to regulation under any federal, state or local law, regulation or ordinance, on or around the Leased Demised Premises.

### **TERM**

5. The initial term of this Lease Agreement shall commence on \_\_\_\_\_, 2020 and expire on \_\_\_\_\_, 20\_\_

### **RENTAL**

6. (a) During the term of this Lease, Tenant covenants and agrees to pay to Landlord the monthly rental amounts shown in Lease Provisions. (In consideration of the Tenant completing the noted repairs / improvements to the property, the Tenant will pay no rent for the first two (2) months). Said monthly installments are to be paid in advance on the first day of each and every calendar month. Any payment not received by the 10<sup>th</sup> of the month will incur an automatic late fee of six (6) percent.
- (i) The term "lease year" as used in this lease, refers to the period from the Lease Commencement Date to the same next succeeding date, both dates inclusive, to each successive twelve (12) month period thereafter throughout the Lease Term.
- (b) Time and Place of Payment: Tenant will make all payments, including rent, taxes, and damage deposit by wire transfer to: ABA 053000196, wire 026009593, Bank of America, For credit to: Account: xxxxxxxx744, Bank of America, Incoming Wire Account, In favor of: Account xxxxxxxx744 in favor of Charles J. Coates, 5001 Cole Mill Road, NC 27705, or to such other person or corporation and at such other place as shall be designated by Landlord in writing at least ten (10) days prior to the next ensuing payment date.

### **SECURITY DEPOSIT**

7. Tenant shall provide the Landlord a security deposit equal to one (1) month's rent upon lease execution. Landlord shall acknowledge receipt from tenant of this sum of \$10,414, which sum Landlord shall retain as security for the performance by tenant of each of its obligations under this lease. It is mutually agreed Tenant shall receive no interest related to said security deposit. If Tenant fails, at any time, to perform its obligations, landlord may, at its option, apply said deposit, or so much thereof as is required, to cure tenant's default; but if at any time prior to the termination of this lease Landlord depletes the deposit, in whole or in part, Tenant shall immediately restore the amount so used by Landlord. Unless Landlord uses the deposit to cure a default of Tenant, or to restore the leased Demised Premises to the condition that Tenant is required to leave them at the conclusion of the term, Landlord shall within thirty (30) days of the termination of the Lease refund so much of the deposit as it continues to hold to Tenant.

### **UTILITIES**

8. During the term of this Lease Agreement, the Tenant shall pay for all electricity, gas, heat, air conditioning, water, sewer, janitor service, garbage disposal and other utilities or services required by it in the use of the Demised Premises. Landlord shall have no liability for failure to provide such electricity, gas, heat, air conditioning, water, sewer or other utilities or services.

### **TAXES**

9. (a) As part of the Lease Agreement, tenant shall pay the entire Orange County Property Tax and Fee Bill for the Demised Premises directly to Orange County, for each and every year of the Lease.

Initials

Landlord will provide Tenant a copy of the Orange County Property Tax and Fee Bill yearly, as soon as it is received by Landlord (typically in August). Tenant shall provide written confirmation of receipt of said Bill and written confirmation that said Bill has been paid before the Past Due Date (currently January 6<sup>th</sup> yearly).

(b) Additionally, Tenant shall pay when due all taxes and assessments of any kind or nature which may hereafter be imposed upon the Demised Premises; and the Tenant shall pay when due all taxes and assessments of any kind or nature imposed or assessed upon fixtures, equipment, merchandise or other property installed in or brought onto the Demised Premises by or for Tenant. In the event that any tax or assessment other than Orange County Property Tax and Fee is ever levied against the Premises, the payment of said additional tax assessments shall be the sole responsibility of the tenant. The Tenant shall pay the same within thirty (30) days following its receipt of the Landlord's statement of the amount due as additional tax or assessment (and before any fine, penalty, interest or costs may be added thereto for the non-payment thereof). Tenant shall pay any tax that may be levied, assessed or imposed upon the rent reserved hereunder by any governmental authority acting under any present or future law.

### **REPAIRS AND MAINTENANCE:**

10. (a) Landlord will keep the roof and the structural portions of the Demised Premises, excepting any work done by Tenant and any glass of doors and windows, in proper repair, provided that in each case Tenant shall have given Landlord prior written notice of the necessity of such repairs; and provided further that if any such repair is required by reason of Tenant's negligence or the negligence of any of its agents, employees or customers, or other persons using the Demised Premises with Tenant's consent, express or implied, Landlord may make such repair and add the cost thereof to the first installment of rent which shall thereafter become due. Tenant is responsible for breakage and/or damage to storefront glass and storefront doors. Except as otherwise provided in this Article, Tenant will keep the Demised Premises, which includes, but is not limited to, all electrical, plumbing, kitchen and other mechanical installations, all furniture, all doors, and all plate glass including door and window glass in good order, accomplishing any and all repairs, alterations, replacements and modifications at its own expense and using materials and labor of kind and quality equal to the original work, and will surrender Demised Premises at the expiration or earlier termination of this Lease Agreement in as good condition as existing on Lease Commencement day, excepting only deterioration caused by ordinary wear and tear.

(b) If Tenant refuses or neglects to repair property as required hereunder and to the reasonable satisfaction of Landlord as soon as reasonably possible after written demand, Landlord may, but is not required to, make such repairs without liability to Tenant for any loss or damage that may occur to Tenant's merchandise, fixtures or other property or to Tenant's business by reason thereof, and upon completion thereof Tenant shall pay Landlord's costs for making such repairs as additional rent. If Tenant does not pay such costs of repairs, Landlord shall also have, in addition to any other remedies, the remedies of termination of the Lease upon written notice to the Tenant and of repossession of the Demised Premises.

(c) Tenant shall maintain the exterior of the Demised Premises including exterior of the building, exterior storage areas, rear wash-down area, landscaped areas and parking areas in a clean, functioning, and presentable condition. Any replacement of landscape or repairs to structures or items on the premises are to be at Tenants expense.

### **TENANT'S RIGHTS TO MAKE ALTERATIONS**

11. Tenant will not make any alterations, improvements or additions to the Demised Premises of a structural nature without first obtaining the written consent of Landlord. All alterations, improvements and additions made by Tenant shall remain upon the Demised Premises at the expiration or earlier termination of this Lease Agreement and shall become the property of Landlord, unless Landlord shall, prior to the termination of this Lease Agreement, have given written notice to Tenant to remove same,

Initials

in which event Tenant shall remove such alterations, improvements and additions and restore the premise to the same good order and condition in which they were at the commencement of this Lease. Should Tenant fail so to do, Landlord may do so, collecting the cost and expense thereof from Tenant as additional rent.

### **AFFIRMATIVE COVENANTS OF TENANT**

12. Tenant covenants and agrees:

- (a) To comply with any and all requirements of any of the constituted public authorities, and with the terms of any State or Federal statute or public authorities, and with the terms of any State or Federal statute or local ordinance or regulation applicable to Tenant or its use of the Demised Premises and save Landlord harmless from penalties, fines, costs, expenses or damages resulting from failure to do so.
- (b) To give to Landlord prompt written notice of any accident, fire or damage occurring in or to the Demised Premises and the common area.
- (c) To keep the Demised Premises sufficiently heated to prevent freezing of water in pipes and fixtures.
- (e) To conduct its business in the Demised Premises in all respects in a diligent and dignified manner and keep the Demised Premises in first class condition in accordance with high standards
- (f) To do all things necessary to prevent the filing of any mechanics' or other liens against the Demised Premises or any part thereof by reason of work, labor, services or materials supplied or claimed to have been supplied to Tenant, or anyone holding the Demised Premises or any part thereof, through or under Tenant. If any such lien shall at any time be filed against Tenant's interest in the Demised Premises, Tenant shall either cause the same to be discharged of record within twenty (20) days after the date of filing of the same, or, if Tenant, in Tenant's discretion and in good faith, determines that such lien should be contested, shall furnish such security as may be necessary or required to prevent any foreclosure proceedings against Tenant's interest in the Demised Premises during the pendency of such contest. If Tenant shall fail to discharge such lien within such period or fail to furnish such security, then, in addition to any other right or remedy of Landlord resulting from Tenant's said default, Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by giving security or in such other manner as is, or may be, prescribed by law. Nothing contained herein shall imply any consent or agreement on the part of Landlord to subject Landlord's estate to liability under any mechanics' or other lien of law.
- (h) To repay to Landlord as additional rental, on demand, all sums disbursed or deposited by Landlord pursuant to the foregoing provisions of this Article, including Landlord's costs, expenses and reasonable attorneys' fees incurred by Landlord in connection therewith, together with interest thereon at the maximum rate allowed by law.

### **NEGATIVE COVENANTS OF TENANT**

13. Tenant will not do any of the following without prior consent in writing of Landlord:

- (a) Do or suffer to be done, any act, matter or thing objectionable to insurance companies whereby the fire insurance or any other insurance now in force or hereafter to be placed on the Demised Premises or any part thereof, or on the building of which the Demised Premises may be a part, shall become void or suspended, or whereby the same shall be rated as a more hazardous risk than at the date when Tenant receives possession hereunder. In case of a breach of this covenant, in addition to all other remedies of Landlord hereunder, Tenant agrees to pay to Landlord as additional rent, any and all increase or increases of premiums on insurance, including rent insurance carried by Landlord on any part of the Demised Premises, caused in any way by the occupancy of Tenant. In determining whether increased premiums are the result of Tenant's use of premises, a schedule issued by the organization making the insurance rate on the Demised Premises, showing the various

Initials

components of such rate, shall be conclusive evidence of the several items and charges which make up the insurance rate on the premises.

- (b) Commit or suffer to be committed by any person any waste upon the Demised Premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any person within five hundred (500) feet of the boundaries of the Demised Premises.

### **SIGNS**

14. (a) Tenant shall not decorate, paint or in any manner alter the exterior of the Demised Premises, or any part thereof, except in accordance with its duties pursuant to Article 12 hereof, and shall not install or affix any sign, device, fixture or attachment on or to the exterior of the Demised Premises, or within the boundaries of the Demised Premises, without first obtaining Landlord's written consent. If Tenant shall do any of the foregoing acts in contravention of this provision, Landlord shall have the right to remove any such decoration, paint, alteration, sign, device, fixture or attachment and restore the Demised Premises to the condition thereof prior to such act, and the cost of such removal and restoration shall be paid by Tenant as additional rental on the first day of the month next following such removal or restoration.
- (b) Tenant, at its expense, shall furnish and install at an appropriate location on the exterior of said premises an identification sign of such design, content, form, size and material as it may select for the purpose of designating the business conducted therefrom as that of Tenant's, such sign to be approved by Landlord or Landlord's architect in writing. Sign must be approved by Town of Chapel per their sign ordinance.

### **RIGHTS OF LANDLORD**

15. Landlord reserves in addition to, and not in substitution for other rights reserved herein, the following rights with respect to the Demised Premises:
- (a) At all reasonable times, by itself or its duly authorized agents, to go upon and inspect the Demised Premises and every part thereof, and at its option to make repairs, alterations and additions to the Demised Premises or the building of which the Demised Premises are a part.  
If tenant shall not be personally present to open and permit an entry by Landlord into the Demised Premises, at any time, and for any reason an entry thereof shall be necessary in the sole discretion of Landlord, Landlord or Landlord's agents may enter the same without rendering Landlord or such agents liable therefore.
- (b) To display a "For Sale" sign at any time, and also, after notice from either party of intention to terminate this Lease Agreement or at any time within one (1) year prior to the expiration of this Lease Agreement, to display a "For Rent" sign, or both "For Rent" and "For Sale" signs, and all of said signs shall be placed upon said part of the Demised Premises as Landlord shall require, except on display windows or door or doors leading into the Demised Premises. Prospective purchasers or tenants authorized by Landlord may inspect the Demised Premises at reasonable hours.

The exercise of any right reserved to Landlord in this Article, or otherwise, shall never be deemed an eviction or disturbance of Tenant's use and possession of the Demised Premises and shall never render Landlord liable in any manner to Tenant or to any other person.

### **CASUALTY INSURANCE AND DAMAGE TO PREMISES**

16. (a) Tenant will maintain All Risk fire insurance to include loss of rents of the Demised Premises, with Landlord specifically listed as co-insured. If the Demised Premises shall be damaged by fire or other casualty of the kind insured against in All Risk policies of fire insurance but are not thereby rendered untenable in whole or in part, Tenant shall promptly, at its own expense and to the extent required by its original obligation to build, cause such damage to be repaired, and the rent shall not be abated. If by reason of such occurrence, the Demised Premises shall be rendered untenable only in part, Tenant

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shall promptly at its own expense cause the damage to be repaired to the extent required by its original obligations to build, and the minimum rent meanwhile shall be abated proportionately as to the portion of the Demised Premises rendered untenable. If the Demised Premises shall be rendered wholly untenable by reason of such occurrence, the Tenant shall promptly at its own expense cause such damage to be repaired to the extent provided, however, that there shall be no extension of the term of this Lease Agreement by reason of such abatement; and provided further, however, that if after the beginning of the last two (2) years of the term of this Lease Agreement, the Demised Premises shall be destroyed or damaged to the extent of fifty percent (50%) or more of their replacement value above foundation walls or rendered wholly untenable, Landlord may terminate this Lease Agreement by notice to Tenant, said notice to be given within thirty (30) days of the event rendering the Demised Premises damaged or wholly untenable, provided that such termination shall not affect any rights theretofore accrued to Landlord hereunder because of prior defaults of Tenant. Except as herein provided, there shall be no obligation to repair or rebuild in case of fire or other casualty.

(b) Tenant will maintain, at its expense, All Risk and Loss of Rents insurance on the Tenant's inventory, trade fixtures, furniture, furnishing, special equipment, floor and wall coverings, plate glass windows and doors, and all other items of personal property of Tenant located on or within the Demised Premises and improvements and betterments made by Tenant to the Demised Premises, such coverage to be in an amount equal to the replacement cost thereof.

(c) Tenant shall not occupy Demised Premises until aforementioned All Risk and Loss of Rents Insurance policy is in full effect. Tenant to provide to Landlord a copy of the paid insurance policy as soon as it is received by Tenant.

If Landlord is required to repair the Demised Premises as herein provided, Tenant shall repair or replace its inventory, trade fixtures, furniture, furnishings, floor and wall coverings, plate glass windows and doors, special equipment and other items of construction and personal property of Tenant necessary for the operation of business in accordance with the terms and conditions of this Lease Agreement.

(d) Tenant agrees that it will not keep, use, sell or offer for sale in or upon the Demised Premises any article which may be prohibited by the All Risk form of fire insurance policy. Tenant agrees to pay any increase in premiums for All Risk Fire and Loss of Rents and liability insurance with all its endorsements that may be charged during the term of this lease on the amount of such insurance which may be carried by Landlord on said Demised Premises or the building of which they are a part, resulting from the type of business conducted by Tenant in the Demised Premises, whether or not Landlord has consented to the same, and increases in insurance rates and/or valuation. In determining whether increased premiums are the result of Tenant's use of the Demised Premises, a schedule, issued by the organization making the insurance rate on the Demised Premises, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make up the fire insurance rate on the Demised Premises.

In the event Tenant's occupancy causes any increase in premium for the fire and/or casualty rates on the leased Demised Premises, or any part thereof above the rate for the least hazardous type of occupancy legally permitted in the leased Demised Premises, the Tenant shall pay the additional premium on the fire and/or casualty and liability insurance policies by reason thereof. The Tenant shall also pay in such event, any additional premium on the rent loss through fire. Bills for such additional premiums shall be rendered by Landlord to Tenant at such times as Landlord may elect, and shall be due from, and payable by Tenant when rendered, and the amount thereof shall be deemed to be, and be paid as additional rent.

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(e) Landlord shall not be liable for any damage done or occasioned by or from the electrical system, the heating or cooling system, the plumbing and sewer systems; nor for damage occasioned by water, snow or ice being upon or coming through the roof, walls, windows, doors, or otherwise, in, upon or about the Demised Premises, and furthermore, Landlord shall not be liable for any damage occasioned by reason of the construction on the Demised Premises or for the failure to keep the Demised Premises in repair, unless Landlord is obligated to make such repairs under the terms of the Lease Agreement, and unless notice of the need for such repairs has been given to Landlord, a reasonable time has elapsed and Landlord has failed to make such repairs. In any event, Landlord shall not be liable for any damage to Tenant's inventory, trade fixtures, furniture, furnishings, floor and wall coverings, plate glass windows and doors, special equipment and all other kinds of personal property of Tenant from fire or other hazards, regardless of the cause thereof, and Tenant hereby releases Landlord from all liability for such damage.

### **INDEMNIFICATION AND PUBLIC LIABILITY INSURANCE**

17. (a) To the extent authorized by North Carolina law Tenant will indemnify Landlord and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury or damage to property occurring in or about, or arising out of, the Demised Premises and adjacent sidewalks and loading areas, or occasioned wholly or in part by any act or omission of Tenant, its agents, subtenants, licensees, concessionaires, contractors, customers or employees. In case Landlord shall be made a party to any litigation, commenced by or against Tenant, its agents, subtenants, licensees, concessionaires, contractors, customers or employees then Tenant, to the extent authorized by North Carolina law, shall protect and hold Landlord harmless and shall pay all costs, expenses and reasonable attorney's fees and paralegal fees incurred or paid by the Landlord in connection with such litigation and all costs, expenses and reasonable attorney's fees and paralegal fees incurred or paid by Landlord in enforcing the covenants, conditions and agreements of this Lease Agreement whether incurred as a result of litigation or otherwise.

(b) Tenant shall, at all times during the term hereof, keep in force at its own expense and naming as insured both Landlord and Tenant public liability insurance with minimum limits of ONE MILLION DOLLARS (\$1,000,000.00) per claim, and TWO MILLION DOLLARS (\$2,000,000.00) aggregate claim for bodily injuries and property damage, with Landlord specifically listed as co-insured.

Landlord and Tenant agree that if the Demised Premises or its contents are damaged or destroyed by fire or other insured casualty, the rights, if any, of either party against the other with respect to such damage or destruction are waived. All policies hereunder shall provide for waiver of subrogation and shall contain an endorsement providing that the insurer will not cancel or materially change the coverage of said policy or policies without first giving thirty (30) days prior written notice thereof to Landlord.

Tenant shall not occupy Demised Premises until aforementioned liability insurance policy is in full effect.

### **FIXTURES**

18. All fixtures installed by Tenant in the Demised Premises shall remain the property of Tenant and shall be removable at the expiration or earlier termination of this Lease Agreement or any renewal or extension thereof; provided Tenant shall not at such time be in default under this Lease Agreement; provided further, that in the event of such removal, having repaired the damage caused by such removal Tenant shall promptly restore the Demised Premises to their original order and condition. Any such fixtures not removed at or prior to such termination shall be and become the property of Landlord. Lighting fixtures and heating, ventilating, and air conditioning equipment, whether or not installed by Tenant, shall not be removable at the expiration or earlier termination of this Lease Agreement, or at the expiration of any renewal or extension thereof, and shall become the property of Landlord.

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**ASSIGNING, MORTGAGING AND SUBLETTING**

19. Tenant agrees not to assign, mortgage, pledge or encumber this Lease Agreement in whole or in part, or sublet the whole or any part of the Demised Premises without first obtaining the written consent of Landlord. Tenant agrees that in the event of any such assignment or subletting made with the written consent of Landlord as aforesaid, Tenant will nevertheless remain primarily liable for the performance of all the terms, conditions and covenants of this Lease Agreement.

Upon written consent, the assignment of the subletting of the Demised Premises of this Lease Agreement, it will be upon condition that:

- (a) Any such assignee or sublessee shall agree with Landlord in writing, prior to any such assignment or subletting, to be bound by and to perform all covenants, conditions and agreements of this Lease Agreement applicable to Tenant.
- (b) Tenant shall remain primarily liable for the observance and performance of all of the covenants, conditions and agreements of this Lease Agreement.
- (c) Landlord may exercise against any subtenant or assignee all the rights and remedies herein provided upon default, but Tenant shall remain liable, jointly and severally, with any assignee or subtenant for the performance of all of the covenants, conditions and agreements of this Lease Agreement, including, but not being limited to, the payment to Landlord of all payments due or to become due to Landlord under this Lease Agreement.

**SUBORDINATION**

20. (a) Tenant agrees to subordinate this Lease Agreement to any and all mortgages or deeds of trust now or hereafter placed on the property of which the Demised Premises are a part, provided in each such case the holder of any such mortgage or deed of trust shall agree in writing that this Lease Agreement shall not be divested or in any way affected by foreclosure or other default proceedings under said mortgage, deed of trust, or obligation secured thereby, so long as Tenant shall not be in default under the terms of this Lease Agreement; and Tenant further agrees that this Lease Agreement shall remain in full force and effect notwithstanding any such default proceedings under said mortgage, deed of trust or obligation secured thereby.

(b) If Tenant is notified of Landlord's assignment of this Lease as security for a mortgage loan and of the name and address of the holder of such mortgage or deed of trust, Tenant shall not terminate or cancel this Lease for any default on the part of Landlord without first:

- (1) Giving notice of its intention to do so to the holder of such mortgage or deed of trust, the notice to describe in reasonable detail the nature and extent of the default; and,
- (2) Affording the holder of such mortgage or deed of trust a reasonable opportunity to perform on behalf of Landlord its obligation under this Lease.

(c) Recognizing that both parties may find it necessary to establish to third parties, such as accountants, banks, mortgagees or the like, the then current status of performance hereunder, either party, on the written request of one to the other made from time to time, will promptly furnish a written statement on the status of any matter pertaining to this Lease, including a copy of Tenant's latest financial statement.

(d) Without limiting the generality of the foregoing, Tenant specifically agrees, promptly upon the commencement of the term hereof, to notify the Landlord in writing of the date of the commencement of the terms and to acknowledge satisfaction of the requirements with respect to all matters by Landlord, save and except for such matters as Tenant may wish to set forth specifically in said statement. At any time within ten (10) days after such request is made, Tenant shall execute, acknowledge and deliver to Landlord a certificate evidencing:

- (1) Whether this Lease is in full force and effect;
- (2) Whether this Lease has been amended in any way;
- (3) Whether there are any existing defaults, defenses or off-sets hereunder to the knowledge of Tenant and specifying the nature of such details, if any; and,

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- (4) The date to which rent has been paid.

### **REMEDIES CUMULATIVE**

21. No remedy herein or other conferred upon or reserved to Landlord or Tenant shall be considered exclusive of any other remedy, but the same shall be distinct, separate and cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute; and every power and remedy given by this Lease to Landlord or Tenant may be exercised from time to time as often as occasion may arise, or as may be deemed expedient. No delay or omission of Landlord or Tenant to exercise any right or power arising from any default on the part of the other shall impair any such right or power, or shall be construed to be a waiver of any such default or any acquiescence therein.

### **SURRENDER AND HOLDING OVER**

22. Tenant, upon expiration or termination of this Lease Agreement, either by lapse of time or otherwise, agrees peaceably to surrender to Landlord the Demised Premises in broom-clean condition and in good repair as required by Article 11 hereof. In the event Tenant shall fail to surrender the Demised Premises upon demand, Landlord, in addition to all other remedies available to it hereunder, shall have the right to receive, as liquidated damages for all the time Tenant shall so retain possession of the Demised Premises, or any part thereof, an amount equal to twice the rental rate specified in Article 6 (or Article 8 if after a renewal term) of this Lease Agreement, as applied to such period. If Tenant remains in possession of the Demised Premises with Landlord's consent but without a new lease reduced to writing and duly executed, Tenant shall be deemed to be occupying the Demised Premises as a tenant from month-to-month only, but otherwise subject to all the covenants, conditions and agreements of this Lease Agreement.

### **CONDEMNATION**

- 23.(a) If more than twenty percent (20%) of the floor area of the Demised Premises is taken for any public or quasi-public use under any governmental law, ordinance or regulation or by right of eminent domain or by private purchase in lieu thereof, then either party hereto shall have the right to terminate this Lease Agreement effective on the date physical possession is taken by the condemning authority.
- (b) If any portion of the Demised Premises is taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and this Lease Agreement shall not be terminated, the entire rental specified in Article 6 (or Article 7 if during the renewal term) shall be reduced during the unexpired portion of this Lease Agreement (or extension thereof) in proportion to the area taken, effective on the date physical possession is taken by the condemning authority.
- (c) If any part of the parking areas, driveways, and walkways taken for any public or quasi-public use under any governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, this lease shall not terminate, nor shall the rent payable hereunder be reduced, nor shall Tenant be entitled to any part of the award made for such taken; except that either Landlord or Tenant may terminate this lease if the number of square feet of parking areas, driveways and walkways after such taking plus any additional parking area provided by Landlord in reasonable proximity to the Demised Premises shall be less than seventy percent (70%) of the number of square feet in the parking areas, driveways and walkways before such taking.
- (d) Any election to terminate this lease following condemnation shall be evidenced only by written notice of termination delivered to the other party within thirty (30) days after the date on which physical possession is taken by the condemning authority.

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- (e) If this lease is not terminated following a partial condemnation, Landlord shall make all necessary repairs or alterations within the scope of Landlord’s original obligation to build necessary to make the Demised Premises architecturally whole.
- (f) All compensation awarded for any taking (or the proceeds of private sale in lieu thereof) whether for the whole or a part of the Demised Premises, shall be the property of Landlord, whether such award is compensation for damages to Landlord’s or Tenant’s interest in any such award to Landlord; provided, however, Landlord shall have no interest in any award made to Tenant for loss of business or for the taking of Tenant’s fixtures and other property within the Demised Premises if a separate award for such items is made to Tenant.

**NOTICES**

24. Wherever in this Lease Agreement it shall be required or permitted that notice or demand be given or served by either party to this Lease Agreement to or on the other, such notice or demand shall be deemed to have been duly given or served when sent in writing by registered or certified mail, postage prepaid, to the respective addresses as hereinafter set forth. Such addresses may be changed from time to time by either party by serving notice as above provided:

TO LANDLORD: Charles J. Coates  
 5001 Cole Mill Road  
 Durham, NC 27705

TO TENANT: Orange County, North Carolina  
 \_\_\_\_\_  
 \_\_\_\_\_

**SUCCESSORS**

25. All rights, obligations and liabilities herein given to, or imposed upon the respective parties hereto shall extend to and bind the several and respective heirs, executors, administrators, successors, subleasees, licensees, concessionaires and assigns of said parties subject to the provisions of Article 21 providing for subordination, and except as expressly provided in this Article; and if there shall be more than one Tenant they shall all be bound jointly and severally by the terms, covenants, conditions and agreements herein and the word “Tenant” shall be deemed and taken to mean each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one tenant any notice required or permitted by the terms of this Lease Agreement may be given by or to any one thereof. No right, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Landlord in writing as aforesaid. The use of the neuter singular pronoun to refer to Landlord or Tenant may be individual, a partnership, a corporation or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provision of this Lease Agreement apply in the plural sense where there is more than one Landlord or tenant and to either corporations, associates, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

The term “Landlord” as used in this Lease Agreement so far as covenants, conditions and agreements on the part of the said Landlord are concerned shall be limited to mean Charles J. Coates and Geraldine Dawson Coates, their successors and assigns. In the event of any transfer or transfers of the title to the Demised Premises, the said Landlord (and in case of any subsequent transfers or conveyance, the then grantor) shall be automatically freed and relieved from and after the date of such transfer or conveyance of all liability as respects the performance of any covenants, conditions and agreements on the part of said Landlord contained in this Lease Agreement, thereafter to be performed; provided that any amount then due and payable to Tenant by Landlord, or the then grantor, under any provisions of this Lease Agreement, shall be paid to Tenant. It is intended hereby that the covenants, conditions and agreements contained in this Lease Agreement on the part of the Landlord shall, subject as aforesaid, be binding on

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Landlord, its successors and assigns, only during and in respect of their respective successive period of ownership. Further, Landlord's liability under the Lease Agreement shall be limited to and include only the interests of Landlord in the real estate comprising the Demised Premises.

#### **SCOPE AND INTERPRETATION OF THE AGREEMENT**

26. This Lease Agreement shall be considered to be the only agreement between the parties hereto pertaining to the Demised Premises. All negotiations and oral agreements acceptable to both parties are included herein. The laws of the State of North Carolina shall govern the validity, interpretation, performance and enforcement of this Lease Agreement.

#### **FORCE MAJEURE**

27. In the event Landlord or Tenant shall be delayed, hindered or prevented from the performance of any act required hereunder, by reason of war, civil commotion, acts of God, governmental restrictions, scarcity of labor or materials, strikes, labor walkouts, or any other reasons beyond its control, the performance of such act shall be excused for the period of delay, and the period of the performance of any such act shall be extended for the period necessary to complete performance after the end of the period of such delay.

#### **ESTOPPEL CERTIFICATES:**

28. Tenant shall execute and deliver to Landlord, upon its occupancy of the Demised Premises, a certificate/statement provided by Landlord, certifying that this Lease is unmodified and in full force and effect, and other factual data relating to the Lease or the Demised Premises which Landlord may reasonably request ("Estoppel"). Furthermore, Tenant may be required, from time to time during the term of the Lease, to execute and deliver to Landlord an Estoppel for purposes of refinancing, syndication, sale of property, etc. In such event, Tenant shall have ten (10) days from its receipt thereof from Landlord to execute and deliver such fully executed Estoppel to Landlord. Tenant's failure to execute said certificate shall constitute a default hereunder.

#### **DEFAULT OF TENANT AND REMEDIES**

29. (a) If Tenant shall hold over possession of the leasehold Demised Premises after the term has expired or if Tenant shall fail to pay in full any rental or other sum of money due hereunder, as due on the first day of the month, and shall continue in default in that payment of holding over for a period of ten (10) days, then on or after the 15<sup>th</sup> day of that month the Landlord may at its option notify Tenant by letter of Tenant's continuing default and that unless the overdue payment is received or the Tenant ceases to hold over, that Landlord will begin eviction proceedings. The Landlord may also, at its option, declare the lease terminated and demand that the Tenant vacate the Demised Premises. Thereafter, on or after the thirtieth (30<sup>th</sup>) day of that month, the Landlord may, at its option, sue Tenant for summary ejectment and for all past due rent and other sums due.

(b) If Tenant shall default in the performance of any other of the terms, conditions or covenants contained in this Lease to be observed or performed by it and does not remedy such default within thirty (30) days after written notice thereof or does not within such thirty (30) days commence such act or acts as shall be necessary to remedy the default and shall not complete such act or acts promptly, or if Tenant shall become bankrupt or insolvent, or file any debtor proceedings, or file in any Court pursuant to any statute, either of the United States or of any State, a petition in bankruptcy or insolvency or for reorganization, or file or have filed against it a Petition for the appointment of receiver or trustee for all or substantially all of the assets of Tenant or such appointment shall not be vacated or set aside within thirty (30) days from such appointment, or if Tenant makes an assignment for the benefit of creditors, or petitions for or agrees to an arrangement, or suffers the lease to be taken under any writ of execution and such writ is not discharged or set aside within thirty (30) days, then in

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any such event Landlord shall have the right at its option to terminate and cancel this Lease Agreement or to peaceably re-enter.

If Landlord should elect to re-enter as herein provided, or should it take possession pursuant to legal proceedings, it may either terminate this Agreement make such alterations and repairs as are necessary in order to relet the Demised Premises, and relet the Demised Premises for such term and at such rents and upon such other terms and conditions as Landlord may deem advisable. In the event of such reletting, all rentals received by Landlord shall be applied, first, to the payment of any indebtedness other than rental due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including the expense of alterations and repairs; third, to the payment of rental due and unpaid hereunder, and the residue, if any, shall be held by Landlord and applied in the payment of future rental due and unpaid hereunder. If such reletting shall yield rentals insufficient for any month to pay the rental due by the Tenant hereunder for that month, Tenant shall be liable to Landlord for the deficiency and same shall be paid monthly.

No such re-entry or taking possession of the Demised Premises by Landlord shall be construed as an election to terminate this lease unless the written notice of such intention be given by Landlord to Tenant at the time of such re-entry; but notwithstanding any such re-entry and reletting without termination, Landlord may at any time thereafter elect to terminate this lease for such previous breach. In the event of any termination of this Lease by Landlord, whether before or after re-entry, Landlord may recover from Tenant damages incurred by reason of such breach, including the cost of recovering the Demised Premises and the difference in value between the rental which would be payable by Tenant hereunder for the remainder of the term and such reasonable rental value of the Demised Premises for the remainder of the term.

- (c) If Tenant shall vacate, fail to operate in or abandon the Demised Premises or any substantial part thereof, and if such unauthorized absence, failure to operate or abandonment shall continue for a period of twenty-one (21) days, then in addition to the remedies set forth in (b) above, Landlord shall have a lien on all furniture, household furnishings, trade fixtures, equipment and other personal property to which the Tenant has legal title and which remains on the Demised Premises, which lien may be enforced pursuant to N.C.G.S. § 44A-2(e) by public sale, and which lien shall be for the amount of any rents which were due the Landlord at the time Tenant vacated the Demised Premises and for the time, up to sixty (60) days, from vacating the Demised Premises to the date of sale, and for any sums necessary to repair damages to the Demised Premises caused by Tenant, normal wear and tear excepted, and for reasonable costs and expenses of sale.

### **IDENTITY OF INTEREST**

30. The execution of this Lease or the performance of any act pursuant to the provisions thereof shall not be deemed or construed to have the effect of creating between Landlord and Tenant the relationship of principal or agent, or of a partnership or joint venture.

### **INVALIDITY OF PARTICULAR PROVISIONS**

31. If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances, other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

### **BROKER**

32. There is no broker involved in the negotiation or transaction of this Lease.

### **CAPTIONS**

33. Any headings preceding the text of the several Articles and Subparagraphs hereof are inserted solely for convenience and reference and shall not constitute a part of this Lease Agreement, nor shall they affect its meanings, construction or effect.

**TIME**

34. Time is of the essence in this Agreement. Whenever a period of time is herein prescribed for action to be taken by Landlord or Tenant, or whenever a date for completion of such action is specified herein, Landlord or Tenant shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, (or such date shall be extended for a period equal to, as the case may be), any delays due to war, civil commotion, acts of God, strikes or other labor disputes, governmental restrictions or regulations or interference, fire or other casualties, or any other causes of any kind whatsoever which are beyond the reasonable control of Landlord or Tenant, as the case may be.

**MEMORANDUM OF LEASE**

35. Tenant and Landlord shall execute and record a Memorandum of Short Form of Lease, but said Memorandum of Short Form of Lease shall not be deemed to modify, change or affect any provision of this Lease in any manner whatsoever.

**ENTIRE AGREEMENT**

36. This Lease Agreement, with the Exhibits attached hereto, contains all of the agreements and conditions made between the parties hereto and may not be modified orally, or in any manner other than by agreement, in writing, signed by the parties hereto or their respective successors in interest.

**LEASE INURES TO THE BENEFIT OF THE ASSIGNEES**

37. This Lease and all the covenants, provisions and conditions contained herein shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assignees, respectively of the parties hereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

**LANDLORD:**

ATTEST:

\_\_\_\_\_ By: \_\_\_\_\_  
Charles J. Coates

\_\_\_\_\_ By: \_\_\_\_\_  
Geraldine Dawson

**TENANT:**

ATTEST:

\_\_\_\_\_ By: \_\_\_\_\_  
Orange County

\_\_\_\_\_  
Title

ATTEST:

\_\_\_\_\_ By: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Title

Initials

STATE OF NORTH CAROLINA

COUNTY OF ORANGE

## **GUARANTY OF LEASE**

THIS GUARANTY OF LEASE, made and entered into October 10, 2007 by and between Charles J. Coates and Geraldine Dawson Coates as Landlord, and Orange County, North Carolina, as Tenant, for premises located at 308 W. Franklin St., Chapel Hill, NC 27516;

In consideration of Landlord's entering into the foregoing Lease (herein called the "Lease") with Tenant, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the undersigned (herein called "Guarantors"), Guarantors guarantee the full and punctual payment of rent and other charges, rates and sums to be paid by Tenant (or any permitted successor, assignee or subtenant of Tenant, herein collectively called "Tenant") under the Lease and the performance by Tenant of all of the terms and conditions thereof, and agrees as follows:

1. Guarantors hereby unconditionally and irrevocably guarantee to Landlord: (i) the due and punctual payment in full (and not merely the collectability) of the Rent due and payable under the Lease; (ii) the due and punctual payment in full (and not merely the collectability) of all other sums and charges which may at any time be due and payable in accordance with, or under the terms of the Lease, whether to Landlord or third parties; (iii) the due and punctual payment in full (and not merely the collectability) of all damages which may arise or be payable as a consequence of nonperformance or nonobservance of any term, covenant or condition contained in the Lease on the part of the Tenant thereunder to be performed or observed (whether provided for in the Lease or otherwise allowable by law); and (iv) the due and punctual performance of all of the other terms, covenants and conditions contained in the Lease on the part of the Tenant to be performed. If Tenant shall fail to duly and punctually pay such Rent or any other sums, charges or damages due to Landlord or third parties under the Lease, Guarantors shall forthwith pay the same, together with interest on the Rent and other sums which are payable directly to Landlord at the rate of eighteen percent (18%) per annum simple interest (or the then maximum rate of interest permitted by law, whichever is less), and together with interest and/or penalties on such sums, charges and damages which are due to third parties under the Lease, from the due date thereof under the Lease to the date of payment. Interest shall accrue and become payable only upon and after the expiration of any grace period.

2. Guarantors expressly agree that Landlord may, in its sole and absolute discretion, without notice to or the further assent of Guarantors and without in any way releasing, affecting or impairing the obligations and liabilities of Guarantors hereunder (except that the obligations and liabilities of Guarantors hereunder shall be reduced or released to the same extent as Tenant's obligations are expressly reduced or released action of Landlord under subdivisions (i), (ii), and (iii) hereof), (I) waive compliance with or any default under, or grant any other indulgences with respect to, the Lease; (ii) modify, amend or change any provisions of the Lease; (iii) grant extensions or renewals of the Lease and/or effect to the substitution, exchange, release or other disposition for all or any part of the Leased Premises; (iv) make advances for the purposes of performing any term or covenant contained in the Lease, with respect to which the Tenant shall be in default; (v) assign or otherwise transfer its interest in the Leased Premises, or this Guaranty or any interest therein or herein; (vi) consent to an assignment of the Tenant's interest under the Lease by Tenant; and (vii) deal in all respects with the Tenant as if this guaranty be unconditional, irrespective of the genuineness, validity, regularity or

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(308 W. Franklin St.)

\_\_\_\_\_  
Landlord                      Tenant

enforceability of the Lease or any other security given therefor or in connection therewith, including, but not limited to, any assignment of leases and rents, or any other circumstance which might otherwise constitute a legal or equitable discharge of a surety or guarantors.

3. The liabilities of Guarantors under this Guaranty shall be separate and cumulative, and primary, direct and immediate and not conditional or contingent upon pursuit by Landlord of any remedies it may have against the Tenant or any other party with respect to the lease, whether pursuant to the terms thereof or by law. Without limiting the generality of the foregoing, Landlord shall not be required to make any demand on the Tenant and/or any other party or otherwise pursue or exhaust its remedies against the Tenant or any other party before, simultaneously with or after enforcing its rights and remedies hereunder against Guarantors. Any one or more successive and/or concurrent actions may be brought hereon against Guarantors either in the same action, if any, brought against the Tenant and/or any other party, or in separate actions, as often as the guarantors under this Guaranty shall continue after any assignment or transfer by the Tenant of its interest under the Lease.

4. Guarantors hereby expressly waive: (i) presentment and demand for payment and protest and nonpayment; (ii) notice and protest; (iii) notice of default hereunder or under the Lease and of all indulgences (subject to the provisions of paragraph 1 hereof); (iv) demand for observance or performance of, or enforcement of, any terms or provisions of this Guaranty or the Lease; (v) all of the notices and demands otherwise required by law which Guarantors may lawfully waive (subject to the provisions of paragraph 1 hereof). Guarantors, to the extent that it may lawfully do so, also waive trial by jury in any action brought on or with respect to this Guaranty and agrees that in the event this Guaranty shall be enforced by suit or otherwise, or if Landlord shall exercise any of its remedies under the Lease, Guarantors will reimburse Landlord, upon demand, for all reasonable expenses incurred in connection therewith, including, without limitation, reasonable attorneys' fees.

5. If Guarantors at any time before or after the date hereof have advanced or shall advance any sums to the Tenant, or if the Tenant shall be or shall become indebted to the Guarantors, such sums and indebtedness shall be subordinate in all respects to the amounts then or thereafter due and owing to Landlord under the Lease. Nothing herein contained shall be construed to give the Guarantors any right of subordination in and to the Landlord's rights under or interest in the Lease until all amounts owed to Landlord thereunder have been paid in full.

6. Any notice, demand, request or other communication given hereunder or in connection herewith (hereinafter "Notices") shall be deemed sufficient if in writing and sent by first class mail, postage prepaid, addressed to the party to receive such Notice:

If to Landlord at: Charles J. Coates  
5001 Cole Mill Road,  
Durham, NC 27705

If to Guarantors at: \_\_\_\_\_ and \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone \_\_\_\_\_ Phone \_\_\_\_\_

Either party may from time to time change the address to which Notices are to be directed by Notice given in like fashion. Notices shall be deemed given when received.

7. All rights and remedies afforded to Landlord by reason of this Guaranty and the Lease, or by law, are separate and cumulative and joint and several and the exercise of one shall not in any way limit or prejudice the exercise of any of other such rights or remedies. No delay or omission by Landlord in exercising such right

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or remedy shall operate as a waiver thereof. No waiver of any rights and remedies hereunder, and no modification or amendment hereof, shall be deemed made by Landlord unless in writing and duly signed by Landlord. Any such written waiver shall apply only to the particular instance specified therein and shall not impair the further exercise of such right or remedy or of any other right or remedy of Landlord, and no single or partial exercise of any right or remedy hereunder shall preclude any other or further exercise thereof or of any right or remedy.

8. This Guaranty shall inure to the benefit of, and be enforceable by, Landlord and its successors and assigns as owners of the Landlord's interest in the Lease or in the Lease Premises and shall be binding upon and enforceable against, Guarantors and their respective heirs, legal representatives and assigns.

9. If Guarantors are other than an individual, the officers, agents or others executing this Guaranty on behalf of the Guarantors personally warrant and represent to Landlord that they have been authorized to execute this Guaranty by and on behalf of the Guarantors.

10. This Guaranty shall be governed by the internal laws of the State of North Carolina.

IN WITNESS WHEREOF, Guarantors have executed this Guaranty, under seal, the day and year first above written.

\_\_\_\_\_  
(SEAL)  
\_\_\_\_\_  
(print name of Guarantor)

\_\_\_\_\_  
(SEAL)  
\_\_\_\_\_  
(print name of Guarantor)

**LEASE PROVISIONS INFORMATION SHEET**

**TYPE OF LEASE:**     New      Renewal      Expansion      Option      Change/Adj.

**BUSINESS NAME:**            Orange County

**TENANT:**                        Orange County, a NC political subdivision

**ADDRESS:** \_\_\_\_\_  
(O) \_\_\_\_\_ F) \_\_\_\_\_  
(C) \_\_\_\_\_ (H) \_\_\_\_\_  
(e-mail) \_\_\_\_\_

**PROPERTY ADDRESS:**    Europa Center – Suite 101  
100 Europa Dr., Chapel Hill, NC 27517

**LANDLORD:**                EUROPA CENTER, LLC

**NOTICE ADDRESS:**        Avison Young - NC, LLC  
100 Europa Dr – Suite 190, Chapel Hill, NC 27517

**RENT PAYMENTS:**        Europa Center, LLC, c/o Avison Young - NC, LLC  
P.O. Box 900002, Raleigh, NC 27675-9000

**LEASE TERM:**                Three (3) Years            **RENT PSF:** \$21.00

**RENTABLE SQ. FTG:**        10,615                        **LEASE SIGNED:** January\_\_\_\_, 2020

**LEASE COMMENCES:**    March 1, 2020                **MOVE-IN DATE:** March 1, 2020

**RENT COMMENCES:**        March 1, 2020                **LEASE EXPIRES:** February 28, 2023

**MONTHLY BASE RENT:**    \$18,576.25                    **ANNUAL BASE RENT:** \$222,915.00

**RENT ADJUSTMENTS:** An annual fixed increase of Three percent (3 %) to the Base Rent on the lease anniversary date. - See RENT SUMMARY for schedule.

**OPERATING EXPENSE ADJUSTMENT:** Base year is established as 2020.

**PRORATION:** Calculation of Rents is based on the annual rent amount divided by a 365 day year.

**OPTION TO RENEW:** Provided the Tenant is not in default of any terms of this lease, at the end of the Initial Term, this Lease may be extended for Two (2) terms of One (1) year each, commencing at the expiration of the initial term with Ninety (90) days prior written notice.

**ALL RENTS ARE DUE ON THE 1<sup>st</sup> DAY OF EACH MONTH:** Any payment not received by the 5th of the month will incur an automatic late fee of Five (5 %) percent.

**SECURITY DEPOSIT:** An amount equal to one (1) month rent of \$N/A will be held as a Refundable Security Deposit.

**PAID BY LANDLORD:** Property Taxes, Insurance, Exterior and Common Area Maintenance, All Utilities including Common Area (Electrical, Water & Sewer), Security, Management, HVAC Maintenance, Janitorial, Trash Removal and Extermination.

**PAID BY TENANT:** Fire & Extended Coverage Insurance for tenant contents, Commercial General Liability Insurance for Tenant, all telephone, cable, internet, etc. installation costs and monthly service charges, and pro-rata share of Operating Expense increases over base year.

Revised 3/12

\_\_\_\_\_  
Landlord  
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\_\_\_\_\_  
Tenant  
Initials

**RENT SUMMARY**

**Orange County, a NC political subdivision (Tenant)**

10,615 (Sq. Ft)

Term	# of Months	Start Date	End Date	SF	PSF Rate	\$/Month	Total \$
1	12.00	03/01/20	02/28/21	10,615	\$21.00	\$18,576.25	\$222,915.00
2	12.00	03/01/21	02/28/22	10,615	\$21.63	\$19,133.54	\$229,602.45
3	12.00	03/01/22	02/28/23	10,615	\$22.28	\$19,707.54	\$236,490.52
Total	36.00						\$689,007.97

Option Term*	# of Months	Start Date	End Date	SF	PSF Rate	\$/Month	Total \$
1	12.00	03/01/23	02/29/24	10,615	\$22.95	\$20,298.77	\$243,585.24
1	12.00	03/01/24	02/28/25	10,615	\$23.64	\$20,907.73	\$250,892.80

\* if exercised

**PLEASE MAKE RENT PAYMENTS TO:** Europa Center, LLC, c/o Avison Young - NC, LLC  
P.O. Box 900002, Raleigh, NC 27675-9000

\_\_\_\_\_  
Landlord  
Initials

\_\_\_\_\_  
Tenant  
Initials

**EUROPA CENTER LEASE**  
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**THE TERMS OF THIS LEASE ARE CONFIDENTIAL**

\_\_\_\_\_  
Landlord  
Initials

\_\_\_\_\_  
Tenant  
Initials

## EUROPA CENTER OFFICE LEASE

This lease (the "Lease") is made as of January \_\_\_\_, 2020 by and between Europa Center, LLC (collectively, "Landlord") and Orange County, a North Carolina political subdivision ("Tenant"). Both parties acknowledge that Avison Young - NC, LLC, a North Carolina Limited Liability Company, is the authorized agent of Landlord, with full power and authority to execute this Lease on behalf of Landlord and to bind the Landlord to its terms. In consideration of the reciprocal obligations stated herein, Landlord and Tenant agree as follows:

1. **DEFINITIONS.** When used in this Lease, the terms listed below shall have the meanings stated in this Section 1.

(a) "Building": the five-story office building in which the Rented Space is located.

(b) "Commencement Date": the actual date on which the term of this Lease commences, as provided in Section 3 below.

(c) "Common Areas": Any existing or future equipment, improvements, areas or spaces intended for the joint use of Landlord, Tenant and other tenants, occupants or users of the Europa Center. Common Areas include but are not limited to sidewalks, driveways, stairways, halls, lobbies, elevators, passages and parking facilities.

(d) "CPI" shall mean the Consumer Price Index - U.S. City Averages for Urban Wage Earners and Clerical Workers - All Items (base year 1982-84=100), published by the United States Bureau of Labor Statistics.

(e) "Europa Center": that tract of land located in Chapel Hill Township, Orange County, North Carolina, described in Exhibit A attached hereto and incorporated herein, and all improvements situated thereon.

(f) "Lease Year": each twelve (12) month period of the Term beginning with March 1<sup>st</sup> and ending on February 28th. The first Lease Year shall begin on March 1, 2020 and shall end February 28, 2021.

(g) "Leased Premises": the Rented Space, together with the nonexclusive right to use the Common Areas as provided in Sections 23 and 24 of this Lease.

(h) "Rentable Square Feet": the useable square feet of any area multiplied by a core factor of 1.15.

(i) "Rented Space": that office space area shown as the cross-hatched area on Exhibit B attached hereto and incorporated herein, which is designated Suite 101 of the Europa Center and which consists of approximately 10,615 Rentable Square Feet.

(j) "Term": the term of this Lease as specified in subsection (a) of Section 3 below.

2. **DEMISE.** Subject to the terms and conditions stated in this Lease, Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the Leased Premises from Landlord.

3. **TERM AND OPTION TO RENEW.**

(a) Term. The term of this Lease shall commence on the earlier of: (1) the date that Tenant takes possession of any part of the Rented Space, or (2) March 1, 2020. The term shall terminate at 11:59 P.M. on February 28, 2023, if not sooner terminated by Landlord pursuant to the terms of this Lease.

(b) Option to Renew. Provided the Tenant is not in default of any terms of this Lease, at the end of the Initial Term, this Lease may be extended for Two (2) terms of One (1) year each, commencing at the expiration of the initial (or then current) term with Ninety (90) days prior written notice. See Rent Summary for scheduled rent increases for each Option to Renew.

(c) No Reinstatement. No receipt of money by Landlord from Tenant or any other party after the termination of this Lease shall reinstate, continue or extend the Term or affect any notice of termination served on Tenant by Landlord.

4. **RENT.**

(a) Initial Annual Base Rent. For the First Lease Year, Tenant shall pay to Landlord annual base rent in the amount of \$222,915.00, payable in equal monthly installments of \$18,576.25 each, commencing March 1, 2020, and according to the following schedule:

\_\_\_\_\_  
Landlord  
Initials

\_\_\_\_\_  
Tenant  
Initials

Term	# of Months	Start Date	End Date	SF	PSF Rate	\$/Month	Total \$
1	12.00	03/01/20	02/28/21	10,615	\$21.00	\$18,576.25	\$222,915.00
2	12.00	03/01/21	02/28/22	10,615	\$21.63	\$19,133.54	\$229,602.45
3	12.00	03/01/22	02/28/23	10,615	\$22.28	\$19,707.54	\$236,490.52
Total	36.00						\$689,007.97

Option Term*	# of Months	Start Date	End Date	SF	PSF Rate	\$/Month	Total \$
1	12.00	03/01/23	02/29/24	10,615	\$22.95	\$20,298.77	\$243,585.24
1	12.00	03/01/24	02/28/25	10,615	\$23.64	\$20,907.73	\$250,892.80

\* if exercised

For each succeeding Lease Year of the Term, Tenant shall pay to Landlord annual base rent as determined pursuant to subsection (b) below, payable in equal monthly installments commencing on the first day of each Lease Year. All monthly base rent payments shall be due on the first day of each month in advance, without notice or demand. All rent payments shall be made to Landlord at: **Europa Center, LLC, c/o Avison Young - NC, LLC, P.O. Box 900002, Raleigh, NC 27675-9000**, or at such other place as Landlord may designate from time to time in writing.

(b) Adjustments to Annual Base Rent. At the end of each Lease Year of the Term, the annual base rent to be paid to Landlord by Tenant for the upcoming Lease Year will be subject to an increase in annual base rent of three percent (3.00%) per Lease Year.

(c) Base Rent for Partial Month. Base rent due for any partial month at the beginning of the Term shall be \$51.89 per day, payable in advance on the Commencement Date. Base rent due for any partial month at the end of the Term shall be determined on a per diem basis, using the then applicable annual base rent. Calculation of Rents is based on the annual rent amount divided by a 365 day year.

(d) Operating Expense Adjustment. The Annual Base Rent shall remain in effect without adjustment throughout the Base Year. For the remainder of the term of this Lease the Annual Base Rent shall be subject to periodic adjustment in accordance with the following provisions:

(i) "Base Year" shall mean the calendar year of the date of this Lease which is 2020.

(ii) "Annual Base Rent" shall mean the Initial Annual Base Rent as specified and defined above in Paragraph 4(a) of this Lease, including any and all adjustments as further stipulated in Paragraph 4(b) of this Lease for each subsequent Lease Year.

(iii) "Comparison Year" shall mean calendar year 2021. Each succeeding comparison year shall be a calendar year having an anniversary date of January 1.

(iv) "Operating Expenses" shall mean all direct costs of repair, operation, maintenance and management incurred by Landlord with respect to the buildings, grounds and premises, and properly chargeable against income as determined by standard accounting practices; these shall include the following costs by way of illustration, but not limitation: utility charges; hazard and liability insurance premiums; ad valorem real and personal property taxes; costs incurred in the management of the building; costs incurred in securing the building; costs incurred in painting, lighting and upkeep of the building and premises; supplies; materials, equipment and tools; further operating expenses, including, but not limited to maintenance costs for maintenance, upkeep, repair and replacement of the following: HVAC; all lighting fixtures; elevators; janitorial service; inspections, licenses & permits; snow removal; upkeep and landscaping of all grounds; upkeep, repair and maintenance of parking lot and parking garage; trash removal; labor; uniforms; and building and premises security, and any other expenses necessary for the maintenance, repair and upkeep of any and all common areas of the Buildings, parking lots and garage, pond, fountain and grounds. Operating expenses shall not include the following: depreciation and amortization on the Buildings or equipment therein; interest expenses and all other costs related to Landlord's financing, if any; advertising; real estate broker's commissions; repairs or other work occasioned by fire, windstorm or other casualty of an insurable nature or by the exercise of eminent domain or any expenditures for which Landlord is entitled to be reimbursed from any source including without limitation, insurance and condemnation proceeds; costs and expenses associated with leasing to other tenants, including tenant improvement allowances, attorney's fees, and architectural fees, if any; costs directly attributable to the design and construction of improvements, or renovating or decorating, painting or redecorating space for other tenants; expenses in connection with services or other benefits of a type which are not provided to Tenant but which are provided to another tenant or occupant, if any; the cost of clean-up or remediation of hazardous or toxic wastes which are not caused by Tenant; costs, fines or penalties incurred due to violation by Landlord or any other tenant of the terms and conditions of any lease, laws or regulations, if any; amounts for services paid to entities of Landlord which exceed the amount that would have been paid to unaffiliated entities; all costs, items and services for which any tenant or third party reimburses Landlord; or any improvements of a capitalized asset.

\_\_\_\_\_  
Landlord  
Initials

\_\_\_\_\_  
Tenant  
Initials

(v) Landlord shall provide Tenant with a statement showing actual Operating Expenses within 90 days after the end of each comparison year. Balance due, if any, shall be paid in full by Tenant within 30 days of receipt. If in the twelve-month period preceding the computation of each Operating Expense Adjustment, the occupancy of the net Rentable Square Feet of the Building averages less than ninety-five percent (95%), then it is agreed that the Landlord's Operating Expenses will be adjusted for such year so that such Operating Expenses shall be computed as though the net Rentable Square Feet of the Building has been ninety-five percent (95%) occupied for such calendar year.

(e) Abated Rent. For the first N/A month period following the Commencement Date, Tenant shall have no obligation to pay any Rent or other charges due under this Lease, except for its utility services (telephone and internet).

(f) Additional Rent. All other charges, costs and sums required to be paid by Tenant to Landlord under this Lease shall be deemed to be additional rent, and shall be collectable by Landlord as such.

(g) Independent Covenant. The obligation to pay any and all rent hereunder is a separate and independent covenant of Tenant, and no breach or alleged breach by Landlord of the terms hereof shall give Tenant any right to withhold or escrow any rental payments when due.

5. **LATE PAYMENT.** Tenant recognizes and acknowledges that if rent payments are not received when due, Landlord will suffer damages and additional expense. Tenant therefore agrees that a late fee equal to five (5%) percent of the rent which is late may be assessed by Landlord as additional rent if the Landlord has not received any monthly installment of annual rent or other rent or additional rent due pursuant to this Lease within five (5) days of its due date. If any check given in payment of rent is not honored when due, Landlord may assess the late fee and may also require that subsequent rent payments be made by certified or cashier's check. Landlord's rights under this Section 5 are in addition to and may be exercised cumulatively with Landlord's rights and remedies under Section 14 below.

~~6. **SECURITY DEPOSIT.** Landlord acknowledges receipt from Tenant of the sum equal to One (1) month rent of \$ N/A which sum Landlord shall retain as security for the performance by Tenant of each of its obligations under this Lease. The security deposit will be placed in a non interest bearing trust account. If Tenant fails at any time to perform its obligations, Landlord may at its option apply the deposit, or so much thereof as is required, to cure Tenant's default. If at any time prior to the termination of this Lease Landlord depletes the deposit in whole or in part, Tenant shall immediately restore the amount so used by Landlord. Unless Landlord uses the deposit to cure a default of Tenant, or to restore the Leased Premises to the condition that Tenant is required to leave them at the conclusion of the Term, Landlord shall within thirty (30) days of the termination of the Lease refund so much of the deposit as it continues to hold to Tenant, less any interest earned.~~

7. **USE OF LEASED PREMISES AND COMPLIANCE WITH LAW.** The Leased Premises shall be used only for general office purposes, and for no other purposes without the Landlord's prior written consent. Tenant shall not use the Leased Premises for any unlawful purpose or in any manner that might constitute a nuisance. Tenant shall comply with all land use covenants and Rules and Regulations (see Exhibit C) pertaining to the Leased Premises, and all ordinances and regulations of governmental authorities applicable to the Leased Premises.

8. **SIGNS.** Landlord shall furnish, install and maintain a sign at the entry to Tenant's office, and a Building directory at a convenient location in the Building, listing the name of the Tenant and the suite number of Tenant's entrance office. No other signage shall be installed by Tenant anywhere at the Europa Center without Landlord's written consent, which may be withheld in Landlord's sole discretion. Any other sign requested by the Tenant and approved by Landlord which is of greater cost than the sign ordinarily furnished by the Landlord shall be paid for by the Tenant, and shall be installed by the Landlord at Tenant's expense

9. **CARE AND MAINTENANCE.** Subject to the provisions of Section 29, Tenant shall, at the Tenant's own expense, keep the Rented Space in good condition and shall pay for the repair of any damages caused by the Tenant, its agents, employees, invitees or contractors. Tenant shall make at its sole cost and expense, replacements or restorations, in quality equivalent to or better than the original work, as may be required to maintain the Rented Space in good repair and condition, ordinary wear excepted. With respect to repairs requested by Tenant to be performed by Landlord, the Tenant shall pay the Landlord for any expense incurred by the Landlord, including overtime, in the event repairs, alterations, decorating or other work in the Rented Space are not made during ordinary business hours.

10. **ALTERATIONS BY TENANT.**

(a) Requirements. Tenant shall not do any painting or decorating, or erect any partitions, make any alterations in or additions to the Rented Space or do any nailing, boring or screwing into the ceilings, walls or floors (collectively and individually, "Alterations") without the Landlord's prior written general and specific consent in each and every instance, with the exception of picture hanging and limited installation of shelving.

Landlord may withhold its consent, in its sole discretion. Unless otherwise agreed by Landlord and Tenant in writing, the work on all such Alterations shall be performed either by or under the direction of Landlord, but at the cost of Tenant. If the Landlord gives its preliminary consent to any such Alterations, the Tenant shall furnish to the Landlord for approval before commencement of the work or delivery of any materials to the Europa Center all of the following:

- (i) all plans and specifications;
- (ii) names and addresses of all contractors;
- (iii) copies of all contracts;
- (iv) all necessary permits;
- (v) an indemnification of Landlord by all contractors in form and amount satisfactory to Landlord; and
- (iv) certificates of insurance from all contractors performing labor or furnishing materials, insuring against any and all claims, costs, damages, liabilities and expenses which may arise in connection with such Alterations.

Within ten (10) business days of receiving all of the items specified in (i) through (v) above, in full and complete form, Landlord shall specifically approve or disapprove in writing each of the items. Tenant shall modify, supplement or substitute such items as Landlord disapproves, pursuant to Landlord's written instructions, and resubmit such items to Landlord for its approval. Landlord shall respond in writing to each resubmission within ten (10) business days. Tenant shall not commence any work or have any supplies or materials delivered to the Europa Center until it has received Landlord's specific written approval of all such items.

(b) No Interference or Disruption. The Alterations and all related construction activities shall not interfere with the normal operations of the Europa Center. The Landlord reserves the right to determine whether the Alterations or any portion of them must be made after normal business hours.

(c) Liability. Regardless of who performs any Alterations and notwithstanding Landlord's consent thereto, Tenant shall hold the Landlord, its agents and employees forever harmless from any and all liabilities of every kind and description which may arise out of or be connected in any way with the Alterations. Any mechanic's lien filed against the Rented Space or the Europa Center for work or materials claimed to have been furnished to the Tenant shall be discharged of record by the Tenant within ten (10) days after filing, at the Tenant's expense. Upon completing any Alterations, the Tenant shall furnish the Landlord with contractors' affidavits, full and final waivers of lien and receipted bills covering all labor and materials expended and used. All Alterations shall comply with all insurance requirements and with all ordinances and regulations of any applicable public authority. All Alterations shall be performed in a good and workmanlike manner, using first class materials.

(d) Ownership. All Alterations, made by either party, including without limitation all paneling, decorations, partitions, railings, mezzanine floors, carpets, galleries, heating or air conditioning equipment, plumbing, electrical machinery and equipment, shall become the property of Landlord and shall remain upon and be surrendered with the Rented Space as a part of the Rented Space at the end of the Term; provided that if requested by Landlord on termination of this Lease, Tenant shall restore the Rented Space to the same condition as at the Commencement Date. Furniture and movable trade fixtures which are installed by Tenant at its expense, except for those referred to above, shall remain Tenant's property and may be removed at any time prior to the termination of the Term provided Tenant is not then in Default and further provided Tenant promptly repairs any damage caused by such removal. Any such trade fixtures which Tenant has the right to remove under the above provisions, or personal property belonging to Tenant or to any invitee, assignee or subtenant, shall be deemed abandoned by Tenant if not removed prior to termination of the Term, and shall become the property of the Landlord without any payment or offset for the property, if Landlord so elects. If the Landlord does not so elect, the Landlord may remove any fixtures or property from the Leased Premises and store them at the Tenant's sole risk and expense or dispose of them in any manner, including the sale, scrapping or destruction thereof, and to the extent permitted by law Tenant waives all claims against Landlord therefor. The Tenant shall repair and restore, and save the Landlord forever harmless from, any and all damage to the Leased Premises caused by such removal, whether by the Tenant or by the Landlord.

11. ACCEPTANCE OF LEASED PREMISES. Occupation by Tenant shall constitute acceptance of the Leased Premises AS IS, except for latent defects and deficiencies specified in writing by Tenant to Landlord within ten (10) days after Tenant's occupancy. Landlord makes no representation or warranty, oral or written, as to the condition of the Leased Premises nor as to the use or fitness of the Leased Premises for any particular purpose except for general office use. Landlord shall not be responsible for obtaining any governmental approvals or permits necessary to enable Tenant to occupy or use the Leased Premises (other than the certificates of occupancy or other approvals related to work done by Landlord to upfit the Rented Space). Obtaining such other approvals and certificates shall be the sole responsibility of the Tenant. The Landlord shall not be responsible for obtaining any certificate of occupancy or other approvals required in connection with construction work done by the Tenant or contractors engaged by the Tenant.

12. DELAY IN COMMENCEMENT. Landlord shall not be liable to Tenant or any third party for failure to deliver possession of the Rented Space to Tenant on or before the Commencement Date, if such failure is due to any of the following:

- (i) labor disputes and/or material shortages;
- (ii) force majeure or acts of God, including but not limited to abnormal weather conditions;
- (iii) the hold over or retention of possession of any other tenant, tenants, or occupants; or
- (iv) any other circumstances beyond Landlord's reasonable control.

Under such circumstances, the Base Rent shall be abated until the Rented Space is available for occupancy by Tenant, and no such failure to give possession on the Commencement Date shall affect the validity of this Lease or the obligation of the Tenant under this Lease. At the option of Landlord, to be exercised within thirty (30) days of the Commencement Date, the Lease may be amended so that the Term is extended by the period of time possession by Tenant is delayed. The Rented Space shall not be deemed to be unready for Tenant's occupancy or incomplete if:

- (i) only minor or insubstantial details of construction, decoration or mechanical adjustment remain to be done in the Rented Space or any part of the Rented Space;
- (ii) the delay in the availability of the Rented Space for occupancy shall be due to special work, changes, alterations or additions required or made by Tenant in the layout or finish of the Rented Space or any part thereof;
- (iii) the delay is caused in whole or in part by the delay of Tenant in submitting plans, supplying information, approving plans, specifications or estimates, giving authorizations or otherwise; or
- (iv) the delay is caused in whole or in part by delay and/or default on the part of Tenant and/or its subtenant or subtenants.

In the event of any dispute as to whether the Rented Space are ready for Tenant's occupancy, the decision of the Landlord's architect shall be final and binding on the parties.

### 13. ASSIGNMENT OR SUBLEASE.

(a) Assignment. Tenant may not assign this Lease. If Tenant is not a publicly owned corporation whose outstanding voting stock is listed on a national securities exchange, then any transfer of any interest in Tenant that results in a change of the controlling ownership of Tenant shall be deemed an assignment of this Lease and a default by Tenant hereunder; provided that nothing herein shall be deemed to prohibit (i) a public offering of the stock of Tenant pursuant to the Securities Act of 1933 and/or Securities Exchange Act of 1934, as amended; or (ii) a transfer of ownership between the current owners of Tenant and their spouses, children, or grandchildren by inter vivos or testamentary transfer. Any involuntary transfer of any interest in Tenant or Tenant's interest in this Lease shall be deemed an assignment of this Lease and a default hereunder.

(b) Subletting. Tenant may not sublet the Leased Premises or any part thereof without the prior written consent of Landlord, which shall not be unreasonably withheld. In any event, Tenant shall not advertise or publicize the Leased Premises for subletting whether through a broker, agent, representative or otherwise at a rental rate less than that for which space in the Europa Center is being offered for rent by Landlord. If Tenant seeks to sublet all or any part of the Leased Premises, then the following shall apply:

(1) Prior to any sublease, Tenant shall first notify Landlord in writing of its intent to sublet all or a portion of the Leased Premises, such notice to include a copy of the proposed sublease. At any time within fifteen (15) business days after service of said notice, Landlord shall notify Tenant that:

- (i) it consents to the sublease; or
- (ii) it refuses to consent to the sublease; or
- (iii) with respect to a proposed sublease of the entire Rented Space, that it terminates this Lease effective as of the beginning of the proposed sublease term, which Landlord shall be fully empowered to do, at Landlord's option, if Tenant seeks to sublet the entire Rented Space; or
- (iv) with respect to a proposed sublease of part of the Rented Space, that, effective as of the beginning of the sublease term, it amends the Lease to reduce the Rented Space by the portion of the Rented Space proposed to be sublet and further amends the Lease because of the reduction of the Rented Space so that all calculated items are reduced proportionately to the reduction in Rentable Square Feet of the Rented Space.

(2) If Tenant shall sublet the Leased Premises at a rental or other economic benefit in excess of the then current Base Rent, Fifty percent (50%) of such excess shall be for benefit of Landlord and shall be paid to Landlord in cash promptly when due under any such sublease as additional rent due under this Lease

(3) Tenant agrees to pay to Landlord, on demand, all reasonable costs incurred by Landlord in connection with any request by Tenant for Landlord's consent to any sublease, including but not limited to reasonable attorney's fees and recording fees.

(4) Any sublease shall not release Tenant of its liability under this Lease or permit any subsequent sublease.

### 14. DEFAULT BY TENANT AND LANDLORD'S REMEDIES.

(a) Events of Default. In addition to the other occurrences listed elsewhere in this Lease, the occurrence of any one or more of the following shall constitute a default hereunder:

Lease;

(1) If Tenant fails to pay any rent or other monetary payments as and when provided in this

(2) If Tenant breaches any other agreement or obligation herein set forth and fails to cure such breach within ten (10) days after notice thereof; or if cure of the breach would require more than ten (10) days to effect, if Tenant fails to initiate action necessary to cure such breach within the ten (10) day period and to pursue such action diligently thereafter until the breach is cured;

(3) If there is a levy, execution, attachment or taking of property, assets or the leasehold interest of Tenant by process of law or otherwise or in satisfaction of any judgment, debt or claim; or

(4) If Tenant files, or has filed against it, any petition or action for relief under any debtor's relief law (including bankruptcy, reorganization or similar actions or proceedings) either in state or federal court.

(b) Landlord's Rights and Remedies. In the event of any default, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of default:

(1) Terminate this Lease.

(2) Without terminating this Lease, terminate Tenant's right to possession of the Leased Premises, enter upon and take possession of the Leased Premises and rent the Leased Premises for a reasonable rental for the account of Tenant, and after paying from rents collected the reasonable costs of such entry, reletting and collection and the costs of any necessary repairs made by Landlord which Tenant is obligated to make hereunder, apply the remainder of the rent collected to the amounts due and to become due from Tenant hereunder;

(3) Pursue any other remedy now or hereafter available to Landlord under this Lease or under the laws of the state of North Carolina.

All rights and remedies of Landlord pursuant to this Section shall be cumulative, and may be exercised singly, successively or, if appropriate, concurrently. In the event Landlord terminates this Lease or terminates Tenant's right to possession of the Leased Premises, then Tenant shall surrender possession of the Premises to Landlord, and Landlord shall have the full and free right to enter into and upon the Rented Space with or without process of law, to repossess the Rented Space, to expel or remove the Tenant and any others who may be occupying or be within the Rented Space, to remove any and all property from the Rented Space and to change the locks on the Rented Space, without being deemed in any manner guilty of trespass, eviction or forcible entry or detainer. In any event of default by Tenant, Landlord shall be entitled to recover from Tenant all damage incurred by Landlord by reason of Tenant's default, including but not limited to: any unpaid rent; the cost of recovering possession of the Premises, including reasonable attorney's fees; expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorney's fees, and any real estate commission actually paid; any loss of future rental; and a pro rata portion of any leasing commission paid by Landlord based on the number of days of any period for which a commission was paid that remain after the date of Tenant's default. Any rent unpaid when due, including additional rent not paid upon demand, shall bear interest from the date due at the rate of twelve percent (12.00%) per annum.

(c) Treatment of Tenant's Property. Any and all property which may be removed from the Rented Space by the Landlord pursuant to the authority of the Lease or law, to which the Tenant is or may be entitled, may be handled, removed or stored by the Landlord at the risk, cost and expense of the Tenant, and except strictly as required by law the Landlord shall in no event be responsible for the value, preservation or safekeeping thereof. The Tenant shall pay to the Landlord, upon demand, any and all expenses incurred in such removal and all storage charges for such property so long as the property shall be in the Landlord's possession or under the Landlord's control. Any such property of the Tenant not retaken from storage by the Tenant within thirty (30) days after the end of the term, however terminated, may be disposed of by Landlord in any manner whatsoever, including without limitation, the sale, scrapping and/or destruction of the property without any further obligation to the Tenant, and Tenant shall pay to Landlord promptly on demand the reasonable expenses of such disposal.

(d) Landlord's Lien on Tenant's Interest. Tenant hereby grants to Landlord a first lien upon the interest of Tenant under this Lease to secure the payment of moneys due under this Lease, which lien may be enforced in equity.

(e) Landlord's Lien on Tenants' Property. Tenant hereby grants to Landlord a lien for the payment of rent, additional rent and all other moneys to be paid by Tenant to Landlord hereunder, upon all of the goods, wares, chattels, fixtures, furniture, equipment and other property of Tenant which may be in or upon the Rented Space or the Europa Center. Such lien may be enforced in any lawful manner by of the Landlord.

(f) Landlord's Option to Cure. If Tenant defaults in the performance of any of its obligations under this Lease, including without limitation, its obligations under Section 9 hereof, then Landlord or any mortgagee or ground lessee of Landlord may, at its option, cure such default, and Tenant shall pay to Landlord or such mortgagee or ground lessor, as the case may be, the cost of such cure immediately upon being billed for same.

(g) No Waiver. The failure of Landlord to declare Tenant to be in default at any time or to exercise any of its rights or remedies upon default any by Tenant shall not be deemed to be a waiver by Landlord of any of its rights or remedies hereunder.

15. **HOLDING OVER**. In the event the Tenant remains in possession of the Rented Space after the expiration of the Term without the written consent of Landlord, then the Tenant shall be a tenant at sufferance from month to month only, and the Tenant shall then be obligated to pay two hundred percent (200%) of the then current Base Rent and all other sums then payable hereunder ("Holding Over Rent"), in equal installments on the first day of each calendar month for so long as Landlord is kept out of possession of the Rented Space. Neither such payment nor the acceptance of such payment shall in any way constitute a waiver of the rights of Landlord to dispossess the Tenant and recover possession of the Rented Space and the just and former estate of the Landlord and to bring any action for damages suffered by Landlord on account of Tenant's failure to vacate the Rented Space.

16. **SURRENDER OF RENTED SPACE**. Upon the expiration or other termination of the Term, Tenant shall quit and surrender to Landlord the Rented Space, broom clean, in good order and condition, ordinary wear excepted, and Tenant shall remove all of its property except as otherwise provided in Section 10.

17. **DAMAGE TO RENTED SPACE OR BUILDING**.

(a) Landlord's Insurance. Landlord shall maintain standard fire and extended coverage insurance covering the Building in an amount not less than 80% (or such greater percentage as may be necessary to comply with the provisions of any co-insurance clauses of the policy) of the "replacement cost" thereof as such term is defined in the Replacement Cost Endorsement to be attached thereto, insuring against special causes of loss (including the perils of fire and lighting), such coverages and endorsements to be as defined, provided and limited in the standard bureau forms prescribed by the insurance regulatory authority for the State of North Carolina. Subject to the provisions of Section 19 below, such insurance shall be for the sole benefit of Landlord and under its sole control.

(b) Notice by Tenant. If the Rented Space is damaged or destroyed by any peril covered by the insurance to be provided by Landlord under subparagraph (a) above, Tenant shall give immediate written notice thereof to Landlord.

(c) Extensive Damage. If the Rented Space is so damaged by any peril covered by the insurance to be provided by Landlord under subparagraph (a) above that rebuilding or repairs cannot in Landlord's estimation be completed within one hundred fifty (150) days after the date upon which Landlord is notified by Tenant of such damage, this Lease shall terminate, and the rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage.

(d) Repairable Damage. If the Rented Space is damaged by any peril covered by the insurance to be provided by Landlord under subparagraph (a) above, but only to such extent that rebuilding or repairs can, in Landlord's estimation, be completed within one hundred fifty (150) days after the date upon which Landlord is notified by Tenant of such damage, this Lease shall not terminate, and Landlord shall, at its sole cost and expense, thereupon proceed with reasonable diligence to rebuild and repair the Rented Space to substantially the condition in which it existed prior to such damage, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, fixtures, additions and other improvements which may have been placed in, on or about the Rented Space by Tenant. There shall be no abatement of rent during any such period of rebuilding and repair.

(e) Landlord's Options to Terminate:

(1) Notwithstanding anything herein to the contrary, in the event the holder of any indebtedness secured by a mortgage or deed of trust covering the Building requires that the insurance proceeds be applied to such indebtedness, then Landlord shall have the right to terminate this Lease by delivering written notice of termination to Tenant within fifteen (15) days after such requirement is made by any such holder, whereupon all rights and obligations hereunder thereafter accruing shall cease and terminate.

(2) Notwithstanding any other provision herein, if any portion of the Rented Space is damaged or destroyed during the final Lease Year of the initial term or any extension term of this Lease, then Landlord shall have the option to terminate this Lease upon written notice to Tenant within thirty (30) days of the date of such damage.

(3) Notwithstanding any other provision herein, if any portion of the Building other than the Rented Space is destroyed by fire or other destructive force and Landlord, in its sole discretion, elects to cease operation of the Europa Center as a result of such damage, then Landlord shall have the option to terminate this Lease upon written notice to Tenant within thirty (30) days of the date of such damage.

#### 18. TENANT'S INDEMNITY OF LANDLORD AND TENANT'S INSURANCE.

(a) Tenant's Indemnity of Landlord. Tenant shall indemnify and save the Landlord, Avison Young - NC, LLC, and their respective agents and employees harmless against any and all claims, demands, costs, and expenses, including reasonable attorney's fees for the defense thereof, arising directly or indirectly out of or in connection with Tenant's occupancy at the Europa Center or from any breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or from any act or negligence of Tenant, its agents, servants, employees or invitees, in or about the Europa Center. Furthermore, Tenant covenants to arrange defense of Landlord, Avison Young - NC, LLC, and their respective agents and employees from any such claim, demand or action by counsel reasonably acceptable to Landlord.

~~(b) Tenant's Commercial General Liability Insurance. Tenant shall at all times during the Term, at its sole cost and expense, procure and maintain in force and effect a policy or policies of commercial general liability insurance issued by a company or companies from time to time approved by Landlord, which companies must be authorized to transact business in North Carolina. Such policy or policies shall insure against loss, damage or liability for injury to or death of persons and loss or damage to property occurring from any cause whatsoever in, upon or about the Europa Center. Such policies of public liability insurance shall name Landlord as an additional insured and shall be in amounts and afford coverage against perils as reasonably required from time to time by Landlord. Coverage shall initially be in the single limit amount of one million dollars (\$1,000,000.00). Such policy or policies shall include affirmative coverage of Tenant's indemnity of Landlord pursuant to subsection (a) above.~~

~~(c) Tenant's Property Insurance. Tenant shall obtain and maintain property insurance upon its furniture, equipment, trade fixtures and any other personal property of Tenant or of any third parties which may from time to time be located in, on or around the Europa Center. Such insurance shall be maintained in the amount of the full replacement cost of such property. All such policies shall include a waiver of subrogation of any and all claims against the Landlord and name the Landlord as an additional insured. Tenant shall look solely to its insurance policy for recovery of any loss for any such property, and in no event shall it make any claim against the Landlord for any loss to any such property. The Tenant hereby releases Landlord from any such liability, and Tenant shall indemnify and hold the Landlord harmless from and against any claim of Tenant's insurance carrier or arising out of Tenant's failure to maintain such insurance.~~

~~(d) Tenant's Business Interruption Insurance. Tenant shall at all times during the Term maintain business interruption insurance, insuring Tenant from loss, damage, cost or expense from any disruption to or interruption to its business resulting from damage to or malfunction of the Rented Space or the Building or any components thereof or any of the systems (heating, plumbing, mechanical or otherwise) or utilities serving them. Such insurance shall cover a continuous period of disruption or interruption of not less than one hundred eighty (180) days per occurrence.~~

~~(e) Policies or Certificates of Insurance. At the request of Landlord, the Tenant shall furnish certified copies of policies or certificates of insurance in the form or on ACORD 27 bearing notations evidencing the payment of premiums and evidencing the insurance coverage required to be carried by Tenant hereunder. Each policy and certificate shall contain an endorsement or provision requiring not fewer than thirty (30) days written notice to Landlord prior to the cancellation, diminution in the perils insured against or reduction of the amount of coverage of the particular policy in question.~~

#### 19. TENANT'S WAIVER OF CLAIMS; MUTUAL RELEASES.

(a) Tenant's Waiver of Claims. To the extent permitted by law, the Tenant releases the Landlord and Avison Young - NC, LLC, and their respective agents and servants from, and waives all claims for damage or injury to person or property or disruption to business sustained by the Tenant or any occupant of the Europa Center, the Building or the Rented Space, or any part or any of them, resulting from any accident, mishap or other occurrence in or about the Europa Center, whatever the cause. This shall include but not be limited to, the flooding of basements or other subsurface areas, and damage caused by refrigerators, sprinkling devices, air conditioning and/or electrical equipment, water, snow, frost, steam, excessive heat or cold, falling plaster, broken glass, sewage, gas, odors or noise or the bursting or leaking of pipes or plumbing fixtures, and shall apply equally whether any such damage results from the act or neglect of the Landlord, Avison Young - NC, LLC, other tenants, occupants or servants in the Building or any other person, and whether such damage be caused or result from any thing or circumstance above mentioned or referred to, or any other thing or circumstance whether of a like nature or of a wholly different nature.

(b) Landlord's Release. Notwithstanding anything to the contrary contained in this Lease, Landlord hereby releases Tenant from any and all liability for loss or damage caused by fire or any of the extended

coverage perils coverable by the insurance required to be carried by Landlord in subsection 17(a) above, even if the insured peril shall be brought about by the default, negligence or other action of the Tenant, its agents, employees, invitees or any of them.

(c) Tenant's Release. Notwithstanding anything to the contrary contained in this Lease, Tenant hereby releases Landlord from any and all liability for loss or damage coverable by the insurance required to be carried by Tenant in Section 18 above, even if the insured peril shall be brought about by the default, negligence or other action of the Landlord, its agents, employees, tenants, invitees or any of them.

20. **EMINENT DOMAIN.** If all of the Rented Space, or such part thereof as will make the same unusable for the purposes contemplated by this Lease, be taken under the power of eminent domain (or a conveyance in lieu thereof), then this Lease shall terminate as of the date possession is taken by the condemner, and rent shall be adjusted between Landlord and Tenant as of that date. If only a portion of the Rented Space is taken and Tenant can continue use of the remainder, then the Lease will not terminate, but rent shall abate in a just and proportionate amount to the loss of use occasioned by the taking. Tenant shall have no right or claim to any part of any award made to or received by Landlord for any taking and no right or claim for any alleged value of the unexpired portion of this Lease; provided, however, that Tenant shall not be prevented from making a claim against the condemning party (but not against Landlord) for any moving expenses, loss of profits, or taking of Tenant's personal property (other than its leasehold estate) to which Tenant may be entitled. In the event of a temporary taking of ninety (90) days or less, this Lease shall not terminate, but the term of this Lease shall be extended by the period of the taking and the rent shall abate in proportion to the area taken for the period of such taking.

21. **UTILITIES AND OTHER SERVICES.**

(a) Standard Services. Landlord shall furnish:

(1) Heat and/or air conditioning to maintain the Rented Space at a reasonably comfortable temperature from 6:00 a.m. until 11:59 p.m. on Monday through Friday and 8:00 a.m. until 8:00 p.m. on Saturdays and 12:00 p.m. on Sunday, except on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas Day.

(2) During the times specified in Subsection (a) above, Landlord shall furnish the Rented Space, at no cost to Tenant, with electricity and maintenance of building standard fluorescent lighting, composed of 2' x 4' fixtures. Incandescent fixtures, table lamps, all lighting other than the building standard fluorescent lighting, dimmers and all lighting controls other than controls for the aforesaid building standard fluorescent lighting shall be serviced and maintained by Tenant at Tenant's expense. Landlord shall also furnish the Rented Space, at no additional cost, with electricity for lighting other than the building standard fluorescent lighting and for the operation of general office machines, such as electric typewriters, dictating equipment, adding machines and calculators, and general service non-production type office copy machines. Landlord shall have the right to enter and inspect the Rented Space and all electrical devices therein from time to time with reasonable notice.

(3) Elevator service in the Building.

(4) Janitorial and cleaning services Monday through Friday of each week, except the holidays listed above. Landlord's cleaning service shall include emptying of normal office trash cans and disposing of their contents. Tenant shall dispose of all other refuse, boxes, cans, books, abandoned furniture and all other large, unusual or heavy items at Tenant's sole cost and expense and shall not permit the accumulation thereof in the Rented Space or elsewhere in the Building or at the Europa Center. It is understood that employees of Landlord are prohibited as such from receiving any packages or other articles delivered to the Building for Tenant and that, should any such employee receive any such packages or articles, he or she in doing so shall be the agent of Tenant and not of Landlord. Landlord shall not be liable in any way for any damage or inconvenience caused by the cessation or interruption of such heating, air conditioning, electricity, elevator, or janitor or cleaning service occasioned by fire, accident, strikes, break down, necessary maintenance, alterations, repairs, replacements, conduct of other tenants, requirements of public authority or causes beyond Landlord's control.

(b) Extended Services. In the event that Tenant desires to utilize any of Landlord's services specified in this Section beyond the hours of permitted use, Tenant shall, prior to such use, request permission from the Landlord and obtain, in writing, signed by Landlord and Tenant, an agreement specifying the charge for such use to be paid by Tenant to Landlord and the time of such payment. In the event that Tenant makes any such use without such request and mutual agreement, then, and in such event, Tenant covenants and agrees to pay to Landlord for such use an amount determined by Landlord's selected engineer, upon demand.

(c) Special Equipment of Tenant. For computers and all other equipment requiring heavier than the normal office use of electricity, Tenant shall separately meter (or submeter, if approved by Landlord in writing), at its expense, the electricity serving such equipment and shall pay upon demand all costs to Landlord for such utility consumption; or, in the alternative, Tenant shall, prior to utilizing any such equipment, enter into a written agreement with Landlord specifying the charge for such use to be paid by Tenant to Landlord, the time of such payment and the method of determining increases from time to time as rates change or such use by Tenant is changed. In the event that Tenant makes any such use without such

request and mutual agreement, then, and in such event, Tenant covenants and agrees to pay to Landlord for such in an amount determined by Landlord's selected engineer, upon demand. Landlord may cause an electric check meter to be installed in the Leased Premises or cause a reputable independent electrical engineering or consulting firm to survey and determine the value of the electric service furnished for such excess electric current, the cost of either of which shall be paid by Tenant. Tenant shall be responsible for all repairs, maintenance, replacements and service to all equipment serving Tenant's computers and other special equipment, including without limitation HVAC equipment. Tenant covenants to pay for its electrical consumption referred to in this paragraph in a timely fashion, which covenant shall survive the expiration or earlier termination of this Lease as hereinafter provided.

22. **COVENANT OF TITLE AND QUIET ENJOYMENT.** Landlord covenants that it has full right and power to execute this Lease and to grant the estate demised in this Lease. The Landlord's title is and always shall be paramount to the title of the Tenant, and nothing herein contained shall empower the Tenant to do any act which can, shall or may encumber such title. Landlord also covenants that if Tenant promptly and punctually complies with each of its obligations hereunder, it shall peacefully have and enjoy the possession of the Leased Premises during the term of this Lease, provided that no action of Landlord in repairing or restoring the Rented Space or in working in other space in the Building, shall be deemed a breach of this covenant.

23. **COMMON AREAS.**

(a) Nonexclusive Right of Use. Tenant shall have the right together with other tenants and occupants and invitees to the non-exclusive use of the sidewalks, driveways, stairways, halls, lobbies, elevators and passages in the Building and at the Europa Center for reasonable ingress to and egress from the Rented Space, and for no other purpose, subject to the other provisions of this Lease, including without limitation the Rules and Regulations in Exhibit C.

(b) Controlled Access. The Common Areas and roof are not for the use of the general public, and Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence, in the judgment of Landlord, shall be prejudicial to the safety, character, reputation and interests of the Europa Center and its tenants.

(c) Landlord's Right to Close or Alter. The Landlord reserves the right to use any portion of the Common Areas from time to time and/or to deny access to the same temporarily in order to repair, maintain or restore such facilities or to construct improvements under, over, along, across and upon the same, and to relocate such Common Areas, for the benefit of the Europa Center and its tenants.

24. **USE OF PARKING FACILITIES.** Subject to the other provisions of this Lease, Tenant shall have free non-exclusive use of parking facilities, driveways and islands for Tenant, Tenant's employees, Tenant's business invitees and Tenant's agents, from 6:00 a.m. through 11:00 p.m. each day of the week. Such areas for non-exclusive parking spaces shall serve all tenants, their employees, business invitees and agents; provided, however, that at no time during any day of the original or extended term of this Lease shall the aggregate number of non-exclusive parking spaces actually occupied by Tenant, Tenant's employees, business invitees and agents exceed 35 of the parking spaces on the site (which figure is a maximum number of spaces to be utilized by or for the Tenant at any one time, but Landlord in no respect guarantees that such number of spaces will in fact be available at any one time for the Tenant). Tenant shall upon written notice from Landlord, within five (5) days, furnish Landlord, or its authorized agent, the state motor vehicle license number assigned to each of its motor vehicles to be parked on the site and the motor vehicles of all of its employees employed in the Rented Space. Tenant shall not at any time park any trucks or any delivery vehicles in the parking areas or driveways, except as specifically designated by Landlord from time to time, and shall confine all truck parking, loading and unloading to times and locations specifically designated by Landlord from time to time. Tenant shall require all trucks servicing Tenant to be promptly loaded or unloaded and removed from the site. Landlord hereby reserves the exclusive right with respect to the use of parking facilities, roadways, sidewalks, driveways, islands and walkways for advertising purposes. Tenant covenants and agrees to enforce the provisions of this Lease against Tenant's employees and business invitees. Landlord may from time to time circulate free parking stickers for the purpose of identifying motor vehicles of Tenant and Tenant's employees and/or circulate free validation tickets for the purpose of identifying Tenant's business invitees. Landlord shall have the right, but not the obligation: (a) to police said parking facilities, (b) to provide parking attendants, (c) to cause unauthorized and/or unstickered motor vehicles to be towed away at the sole risk and expense of the owner of such motor vehicles, (d) to designate certain parking spaces to be for the exclusive use of the handicapped, for the exclusive use of certain tenants and/or for the exclusive use of visitors, (e) to use any portion of the parking facilities from time to time and/or to deny access to the same temporarily in order to repair, maintain or restore such facilities or to construct improvements, under, over, along, across and upon the same for the benefit of the site and to grant easements in the Parking facilities to public and quasi-public authorities and, (f) to adopt and modify from time to time rules and regulations for parking and vehicular ingress and egress, for traffic speed and flow and for times and places for move-ins, move-outs and deliveries.

25. ~~INFORMATION CONCERNING TENANT. Tenant shall furnish within fifteen (15) days after request from Landlord such current information concerning the financial condition of Tenant as Landlord may reasonably require. Such financial information shall include (but is not necessarily limited to) a financial statement dated not more than twelve (12) months prior to Landlord's request. Such financial statement shall be prepared in accordance with generally accepted accounting principles and certified by a certified public accountant. A general partner or officer or manager of Tenant shall furnish a certification to Landlord to the effect that there either has or has not been any material adverse change in the financial condition of Tenant since the date of the financial statement submitted, and if such certification states that there has been a material adverse change, furnishing such details concerning same as landlord may request. If Tenant does not execute and return such certificate as required above, Tenant hereby irrevocably appoints Landlord as its attorney in fact to execute such certificate on behalf of Tenant.~~

26. ~~AUTHORITY OF TENANT. Tenant shall furnish to Landlord within fifteen (15) days after request from Landlord such corporate or company resolutions, certificates of incumbency, partnership resolutions, partnership agreements, operating agreements, bylaws or legal opinions or other information as Landlord may reasonably request in order to confirm that the execution and delivery of this Lease has been duly authorized by Tenant and that the person(s) executing this Lease on behalf of Tenant were duly authorized to do so. All such company, corporate or partnership resolutions, certificates or agreements shall be certified as being duly adopted and/or in full force and effect, without amendment, by an appropriate officer, manager or partner of Tenant.~~

27. ~~ESTOPPEL. Within ten (10) days after request therefore by Landlord, Tenant agrees to execute and deliver to Landlord a certificate prepared by Landlord to any proposed mortgagee, ground lessee or purchaser of the Europa Center or to Landlord certifying (if such is the case) that this Lease is in full force and effect, that there are no defenses or offsets thereto, or stating those claimed by Tenant, and such other facts related to this Lease, the Leased Premises or Tenant as Landlord may request. If Tenant does not execute and return such certificate as required above, Tenant hereby irrevocably appoints Landlord as its attorney in fact to execute such certificate on behalf of Tenant.~~

28. ~~RIGHT TO RELOCATE.~~

~~(a) Substitute Premises. Landlord, at its option, may substitute for the Rented Space other space (hereafter called "Substitute Space") within the Building before the Commencement Date or at any time during the Term. As far as is reasonably possible, the Substitute Space shall have comparable Rentable Square Feet and a configuration substantially similar to the Rented Space. Landlord shall pay Tenant's reasonable cost of moving Tenant's furnishings, trade fixtures, inventory, and existing telephone system to the Substitute Space. Except as provided in this Section, Landlord shall not be liable or responsible in any way for damages or injuries suffered by Tenant pursuant to the relocation in accordance with this Section, including, but not limited to, loss of goodwill, business or profits.~~

~~(b) Notice. Landlord shall give Tenant at least sixty (60) days notice of its intention to relocate Tenant to the Substitute Space. This notice will be accompanied by a floor plan of the Substitute Space. After such notice, Tenant shall have seven (7) calendar days within which to accept in writing the proposed Substitute Space. If Tenant does not accept the Substitute Space within such period of time, this Lease shall terminate at the end of sixty (60) days following the service of notice on the Tenant.~~

~~(c) Alteration of Substitute Space. Landlord agrees to construct or alter, at its own expense, the Substitute Space as expeditiously as possible so that it is in substantially the same condition that the Rented Space was in immediately prior to the relocation. Landlord shall have the right to reuse the fixtures, improvements, and alterations used in the Rented Space. Tenant agrees to occupy the Substitute Space as soon as Landlord's work is substantially completed.~~

~~(d) Rent During and After Relocation. Except as provided above, all of Tenant's obligations under this Lease, including the payment of rent, will continue despite Tenant's relocation to the Substitute Space. Upon substantial completion of the Substitute Space, this Lease will apply to the Substitute Space as if it had been the Rented Space originally described in the Lease, Tenant shall use all reasonable efforts to open for business in the Substitute Space as quickly as is reasonably possible under the circumstances.~~

29. ~~LANDLORD'S ACCESS TO RENTED SPACE. The Tenant shall permit the Landlord to erect, use and maintain pipes, ducts, wiring and conduits in and through the Rented Space. The Landlord or Landlord's agent shall have the right to enter upon the Rented Space, to inspect them, to perform janitorial and cleaning services and to make such repairs or alterations to the Rented Space or the Building as the Landlord may deem necessary or desirable, and the Landlord shall be allowed to take all material into and upon the Rented Space that may be required for repairs and alterations without the same constituting an eviction of the Tenant in whole or in part, and the rent reserved shall in no wise abate (except as provided in Section 17) while repairs and alterations are being made, by reason of loss or interruption of business of the Tenant, or otherwise. If the Tenant shall not be personally present to open and permit an entry into the Rented Space at any time when for any reason an entry into the Rented Space shall be necessary or permissible, the Landlord or Landlord's agents may enter the same by a master key, or may forcibly enter the same, without rendering~~

the Landlord or such agents liable therefore (if during such entry Landlord or Landlord's agents shall accord reasonable care to Tenant's property) and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained, however, shall be deemed or construed to impose upon the Landlord any obligations, responsibility or liability whatsoever, for the care, supervision or repair of the Building or any part thereof, other than as provided in this Lease. The Landlord shall also have the right at any time without the same constituting an actual or constructive eviction and without incurring any liability to the Tenant therefor, to change the arrangement and/or locations of entrances and passageways, doors and doorways, and corridors, elevators, toilets, parking areas and other Common Areas. The Landlord shall have the right to show the Rented Space to prospective new tenants during the last 120 days of the Term. The Landlord shall not be liable to the Tenant for any expense, injury, loss or damage resulting from work done in or upon, or the use of, any adjacent or nearby building, land, street or alley.

30. **MANAGING AGENT.** Landlord reserves the right to designate a Managing Agent and to delegate any or all of Landlord's powers, duties, obligations, or rights under this Lease to the Managing Agent. To the extent Landlord's duties or obligations under this Lease are assumed in writing by the Managing Agent, Landlord shall not be responsible for the assumed duties or obligations. Tenant's rights and obligations under this Lease shall not be affected by designation of a Managing Agent by the Landlord.

31. **SUBORDINATION.** This Lease is subject and subordinate to all security liens, mortgages, deeds of trust and related financing instruments which may now or hereafter affect the Europa Center or any part thereof, and to all renewals, modifications, consolidations, replacements, amendments and extensions thereof, unless Landlord or any lender secured by a mortgage, deed of trust or similar security instrument elects to make this Lease superior to same, which it may do at its option. Tenant shall execute within ten (10) days after request any certificate, subordination agreement, priority agreement or other form of instrument in confirmation of such subordinate or superior status that Landlord may request, including an agreement to attorn. Tenant hereby irrevocably appoints Landlord its attorney in fact to execute and deliver any such instrument on behalf of Tenant if Tenant fails or refuses to execute or deliver same as required by this Lease. Tenant shall also execute within ten (10) days after request an agreement with any lender pursuant to which Tenant agrees to give such lender a minimum period of sixty (60) days after Tenant's notice to such lender for the lender to cure Landlord's default prior to Tenant's terminating this Lease due to Landlord's default.

32. **RESERVATION OF RIGHTS.** Landlord hereby reserves to itself and its successors and assigns the following rights (all of which are hereby consented to by Tenant):

- (a) to change the street address and/or name of the Building and/or the arrangement and/or location of entrances, passageways, doors, doorways, corridors, elevators, stairs, toilets or other public parts of the Building;
- (b) to grant to anyone the exclusive right to conduct any particular business or undertaking in the Building; and
- (c) to construct future phases of the Europa Center attached to the Building.

Landlord may exercise any or all of the foregoing rights without being deemed to be guilty of an eviction, actual or constructive, or a disturbance or interruption of the business of Tenant or Tenant's use or occupancy of the Leased Premises.

33. **NOTICES.** Any notices which Landlord or Tenant requires or desires to give to the other relating to this Lease or the Leased Premises must be in writing and shall be deemed sufficiently given and delivered if:

- (a) Hand-delivered to the following addresses:

If to Landlord: Europa Center, LLC  
 c/o Avison Young - NC, LLC  
 100 Europa Drive, Suite 190, Chapel Hill, NC 27517

If to Tenant: Orange County  
 100 Europa Drive, Suite 101, Chapel Hill, NC, 27517

-OR-

- (b) Sent by facsimile or email transmission to the following:

If to Landlord: Europa Center, LLC  
 c/o Avison Young - NC, LLC  
 Facsimile No. (919) 929-7913  
 Sherry.alte-cook@avisonyoung.com

If to Tenant: \_\_\_\_\_

(c) Send payment of monthly rent to the following address:

Europa Center, LLC, c/o Avison Young - NC, LLC  
P.O. Box 900002, Raleigh, NC 27675-9000

Either party may change its designated facsimile number for receipt of notice by written notice to the other party pursuant to this Section 33.

34. **ENTIRE AGREEMENT; MODIFICATION.** This Lease contains the entire agreement of the parties in regard to the Leased Premises. There are no oral agreements existing between them and there shall be no oral changes. Neither Landlord nor any agent of Landlord has made any representations, warranties or promises with respect to the Rented Space, the Building or the Europa Center, or the use of any amenities or facilities, except as expressly set forth in this Lease. Any agreement made after this Lease is signed shall be ineffective to change, waive, modify, discharge, or terminate it in whole or in part unless such agreement is in writing and executed by both Landlord and Tenant.

35. **RIDERS AND EXHIBITS.** All riders and exhibits attached to this Lease and initialed by the Landlord and the Tenant are hereby made a part of this Lease as though inserted in this Lease.

The following Exhibits are attached hereto and incorporated herein:

Exhibit A Site of Europa Center  
Exhibit B Sketch of Rented Space  
Exhibit C Rules and Regulations

36. **SECTION HEADINGS.** The headings of sections are for convenience only and do not limit or alter the contents of the sections.

37. **NUMBER AND GENDER.** The words "Landlord" and "Tenant" wherever used in the Lease shall be construed to mean plural where necessary, and the necessary grammatical changes required to make the provisions hereof apply either to corporations, partnerships or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

38. **GOVERNING LAW.** This Lease shall be governed and construed pursuant to the laws of North Carolina.

39. **SEVERABILITY.** If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease shall not be affected thereby; and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

40. **MODIFICATION BY MORTGAGEE.** Should any mortgagee or ground lessee of Landlord require a modification or modifications of this Lease, which modification or modifications will not bring about any increased cost or expense to Tenant or in any other way substantially change the rights and obligations of Tenant hereunder, then Tenant shall execute a written modification to such effect within ten (10) business days of request by Landlord.

41. **BINDING EFFECT.** Each provision of this Lease shall extend to and shall bind and inure to the benefit of the Landlord and the Tenant and their respective heirs, legal representatives, successors and assigns.

42. **LIMITATION ON RIGHT OF RECOVERY AGAINST LANDLORD.** Tenant acknowledges and agrees that the liability of Landlord under this Lease shall be limited to its interest in the Europa Center and any judgments rendered against Landlord shall be satisfied solely out of the proceeds of the sale of its interest in the Europa Center. No personal judgment shall lie against Landlord upon extinguishment of its rights in the Europa Center and any judgment so rendered shall not give rise to any right of execution or levy against Landlord's assets. The provisions hereof shall inure to Landlord's successors and assigns, including any Mortgagee. The foregoing provisions are not intended to relieve Landlord from the performance of any of Landlord's obligations under this Lease, but only to limit the personal liability of Landlord in case of recovery of a judgment against Landlord; nor shall the foregoing be deemed to limit Tenant's rights to obtain injunctive relief or specific performance or to avail itself of any other right or remedy which may be awarded Tenant by law or under this Lease.

43. **BROKERAGE.** The Tenant and Landlord each represents to the other that it has dealt directly with and only with Pickett-Sprouse Commercial Real Estate and Avison Young - NC, LLC, as brokers in connection with this Lease, and that no other broker procured this Lease or is entitled to any commission in connection with the Lease, and in the event either party has hired another broker such hiring party shall

indemnify, defend and hold forever harmless the other party from and against any claim by such hired broker and from and against any and all costs directly or indirectly arising out of any such hiring.

44. CONFIDENTIALITY. The terms of this Lease are confidential. Neither Landlord nor Tenant shall disclose any term of this Lease, including but not limited to any rental provision, to any third party; provided that Landlord shall have the right to disclose terms to a prospective or existing mortgagee, ground lessee or purchaser, and Tenant shall have the right to disclose terms to Tenant's bank, Tenant's accountants, Tenant's attorneys and other professional bound by an obligation of confidentiality to Tenant. Both parties shall require any such third parties to whom they disclose information regarding this Lease to keep the information confidential.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease, to be effective as of the date first stated above.

LANDLORD:  
Europa Center, LLC herein represented by its duly authorized agent, Avison Young - NC, LLC,  
100 Europa Dr., Suite 190, Chapel Hill, NC 27517

Attest: \_\_\_\_\_  
John P. Graham, Principal

TENANT:  
Orange County, a North Carolina political subdivision

Attest: \_\_\_\_\_ By: \_\_\_\_\_  
Bonnie B. Hammersley, County Manager

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Landlord  
Initials

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Tenant  
Initials

**EXHIBIT A**

**SITE OF THE EUROPA CENTER**

Attached to and Made Part of Lease for

Orange County, a North Carolina political subdivision

Beginning at a point in the western right of way line of Europa Drive where said point intersects with the southern right of way line of U.S. Highway 15-501 Service Road; thence along said western right of way line of Europa Drive in a southeasterly direction four (4) calls as follows: (1) South 13 20=51@ East 70.68 feet to a point; (2) South 05 11=27@ East 121.49 feet to a point; (3) along a curve to the left having a radius of 755.00 feet, a total arc distance of 468.67 feet to a point; (4) South 41 42=17@ East 121.01 feet to a point where the western right of way line of Europa Drive intersects with the northern right of way line of Legion Road; thence along the northern right of way line of Legion Road in a southwesterly direction two (2) calls as follows: (1) along a curve to the left having a radius of 4,492.86 feet, an arc distance of 278.96 feet to a point; (2) along a curve to the left having a radius of 1,236.05 feet, an arc distance of 225.42 feet to a point in the property line of now or formerly GDJ Coggin Partnership; thence along said Coggin line two (2) calls as follows: (1) North 61 10=20@ West 223.32 feet to a point; (2) North 00 59=15@ East 596.46 feet to a point in the property line of now or formerly McDonald=s Corporation; thence along said McDonald=s line two (2) calls as follows: (1) North 51 01=45@ East 209.48 feet to a point; (2) North 01 00=52= East 181.55 feet to a point in the southern right of way line of U.S. Highway 15.501 Service Road; thence along said right of way line three (3) calls as follows: (1) North 50 36=56@ East 4.54 feet to a point; (2) along a curve to the right having a radius of 120.0 feet, an arc distance of 71.30 feet to a point; (3) North 84 52=22@ East 29.97 feet to a Point and Place of Beginning and being all of Europa Center according to survey entitled AAs Built Survey of Europa Center, Chapel Hill, Orange Co., North Carolina@ dated 15 December 1988 and prepared by Murphy Yelle Associates Registered Land Surveyors, Raleigh N.C., and being the same property conveyed to North Carolina Office Company by deed November 12, 1984 recorded in Book 491, Page 173, Orange County Registry.

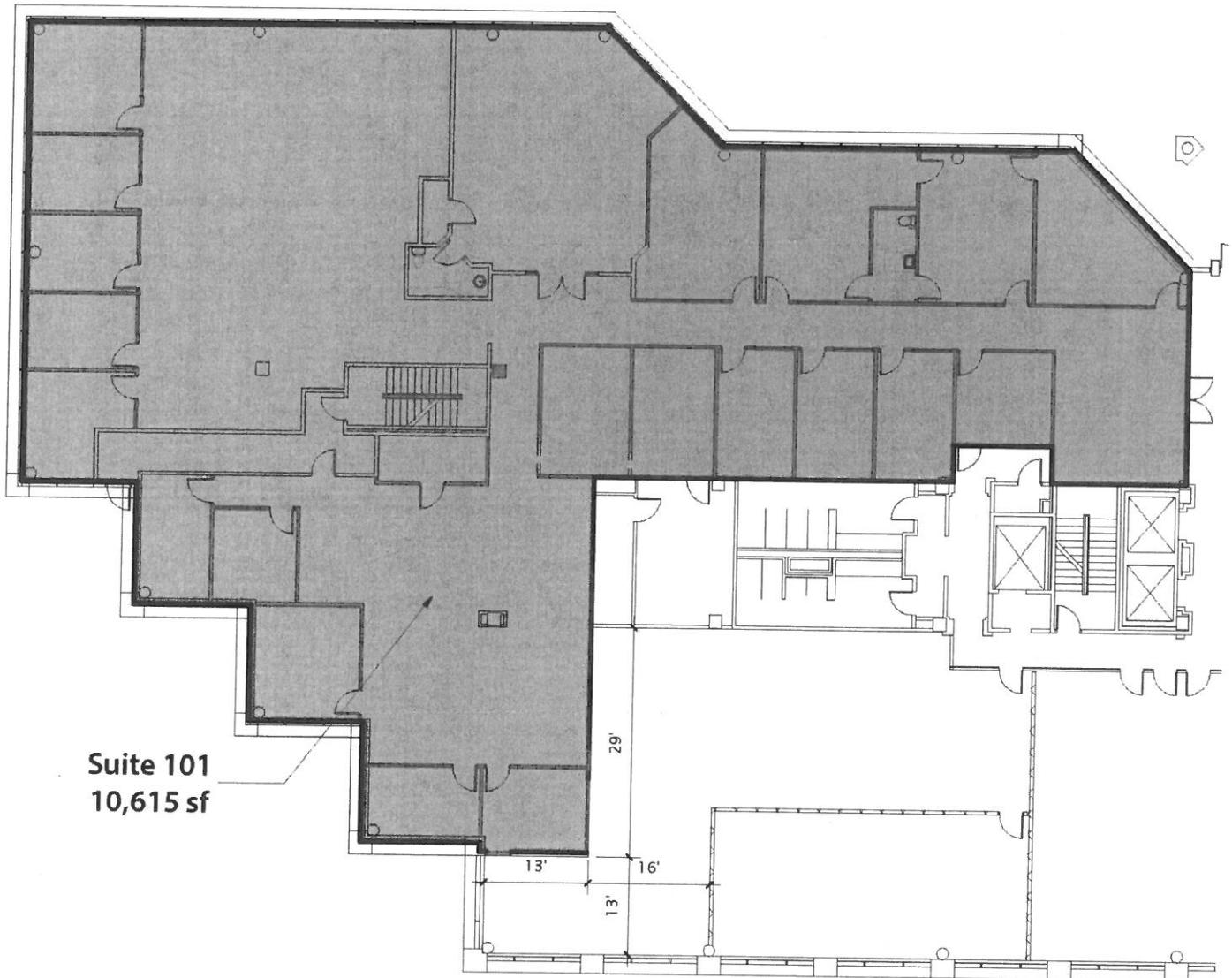
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Landlord  
Initials

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Tenant  
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**EXHIBIT B**  
**SKETCH OF RENTED SPACE**



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Landlord  
Initials

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Tenant  
Initials

**EXHIBIT C****RULES AND REGULATIONS**

Attached to and Made Part of Lease for

Orange County, a North Carolina political subdivision

1. The Tenant shall not use the name of the Building, the Europa Center, or any future designation of any of these, for any purpose other than that of business address of the Tenant, and shall never use any picture or likeness of the Building or the Europa Center in any circulars, notices, advertisements or correspondence without the Landlord's express consent in writing. Tenant shall not use the name of the Landlord for any reason without the Landlord's written consent.
2. The entrances, lobbies and other Common Areas shall be under the exclusive control of Landlord and shall not be obstructed or used for any purpose other than ingress and egress.
3. Tenant shall not bring into the Building or operate therein any engine, boiler, dynamo or machinery of any kind, or carry on any mechanical operations in the Premises, or place any explosive therein, or use any kerosene, oils or burning fluids therein, without first obtaining in each and every instance the prior written consent of Landlord.
4. The Rented Space shall not be used for the purpose of lodging or sleeping rooms, nor in any way to damage the reputation of the Building; and Tenant shall not disturb or permit the disturbance of other tenants of the Building by the use of musical instruments or other noises, odors, canvassing of any occupant of the Building, failing to maintain order in the Building, or by any other interference whatsoever.
5. The Tenant shall not install any musical instrument or equipment in the Building or any antennae, aerial wires or other equipment inside or outside the Building, without, in each and every instance, prior written approval by Landlord. The use thereof, if permitted, shall be subject to control by the Landlord so that others shall not be disturbed or annoyed.
6. Landlord shall reserve the right to exclude or eject from the Building animals of every kind, bicycles, and all canvassers and other persons who conduct themselves in such a manner as to be, in the judgment of Landlord, an annoyance to the Tenants or a detriment to the Rented Space.
7. The toilet rooms, water closets and other water apparatus shall not be used for any purpose other than those for which they are intended. Tenant shall not waste water in any manner whatsoever, including without limitation the tying, wedging or otherwise fastening open any faucet. The cost of repair of any damage resulting from misuse or abuse by Tenant, its employees or guests, shall be borne by Tenant.
8. The Tenant shall not place or allow anything to be against or near the glass of partitions, doors, or windows of the Rented Space which may diminish the light in, or be unsightly from, the exterior of the Building or any Common Areas. If there are any glass entry doors to the Rented Space, Tenant must obtain Landlord's prior written approval, which Landlord may give or withhold in its sole discretion, of all furniture, interior finishes and other objects visible through such glass door(s). Shades, draperies or other forms of inside window covering, if not so provided by Landlord, must be of such shape, color, and materials as are approved by Landlord in writing prior to installation.
9. If Tenant desires a safe for depositing of valuables or securities, Landlord shall have the right to prescribe its weight, size and proper position. Nothing whatsoever shall be brought into the Building by Tenant, its agents, employees, or visitors which has a weight of more than 200 pounds per square foot, unless Landlord approves same and its proper positions.
10. If Tenant desires telegraphic, telephonic, burglar alarm or signal service, the Landlord will, upon request, direct where and how connections and all wiring for such service shall be introduced and run. Without such direction, no boring, cutting or installation of wires or cables is permitted.
11. Two keys to the front door of the Building will be provided at no cost. A reasonable number of additional keys will be provided upon payment of fees therefore. No locks shall be placed upon any doors of the Rented Space without first obtaining the written consent of Landlord and furnishing Landlord with keys to same. Tenant will not permit any duplicate keys to be made (all necessary keys to be furnished by Landlord). Upon termination of this Lease, Tenant shall surrender to Landlord all keys. Tenant shall notify Landlord immediately if Tenant loses any keys to any entry door of the Building. Tenant shall pay all costs incurred by Landlord as a result of such loss, including but not limited to the cost of re-keying any door(s) and providing new keys to existing Tenants of the Building.

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 Landlord  
 Initials

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 Tenant  
 Initials

- 12. The Tenant shall be responsible for the locking of doors in and to the Rented Space. Any damage resulting from neglect of this obligation shall be paid by Tenant.
- 13. All persons entering or leaving the Building may be required to identify themselves to watchman by registration or otherwise, and to establish their right to enter or leave the Building.
- 14. No person or persons, other than employees of the Building, shall be employed by Tenant for the purpose of cleaning or taking care of the Rented Space without the written consent of Landlord. Any person or person so employed by Tenant (with the written consent of Landlord) shall be subject to and under the control and direction of, Landlord in the use of the Building and its facilities.
- 15. Landlord reserves all vending rights.
- 16. No part of the Building shall be used or in any way appropriated for gambling, immoral or other unlawful practices, and no intoxicating beverages or liquors shall be sold in Building.
- 17. The Tenant shall not do or permit to be done in the Rented Space or at the Europa Center, or bring or keep anything in or on the Rented Space of the Building, which shall in any way increase the rate of fire insurance on the Building, or on the property kept in the Building, or obstruct or interfere with the rights of other Tenants or in any way injure or annoy them, or conflict with the laws relating to fires, or with the regulations of the Fire Department, or any part of these laws, or conflict with any rules and ordinances of the Board of Health.
- 18. Tenant shall not, without Landlord's prior written consent, after full disclosure, keep, use, store, or dispose of, substances designated as or containing components designated as hazardous, dangerous, toxic or harmful and/or subject to regulation under any federal, state or local law, regulation or ordinance, on or around the Rented Space.
- 19. Concealed weapons are strictly prohibited.
- 20. Security access cards remain the property of the Landlord and shall be used as prescribed by Landlord.

\_\_\_\_\_  
Landlord  
Initials

\_\_\_\_\_  
Tenant  
Initials

**BOCC Meeting Follow-up Actions**

(Individuals with a \* by their name are the lead facilitators for the group of individuals responsible for an item)

<b>Meeting Date</b>	<b>Task</b>	<b>Target Date</b>	<b>Person(s) Responsible</b>	<b>Status</b>
12/10/19	Review and consider a request from Commissioner Marcoplos that the Board ask the Manager to identify \$10,000 in funding that could be allocated to Family Success Alliance to broaden the number of grant recipients	12/15/2019	Bonnie Hammersley	<b>DONE</b>
12/10/19	Review and consider request by Commissioner Dorosin that the Board ask the County Attorney to develop an anti-discrimination ordinance that the Board can consider and adopt in early 2020 to become effective December 1, 2020 as provided in State law	5/1/2020	John Roberts	County Attorney to move forward
12/10/19	Review and consider request by Commissioner Rich that the staff contact the UNC School of Information Science and pursue a user experience review for feedback to improve the County website	2/1/2020	Todd McGee	Staff to make contact and pursue
12/10/19	Review and consider request by Commissioner Rich that staff highlight the Pauli Murray Awards on the County website homepage	1/15/2020	Chair/Vice Chair/Manager Todd McGee	<b>DONE</b>
12/10/19	Review and consider request by Commissioner Rich that staff replace the current County website homepage with a photo more representative of Orange County	1/15/2020	Chair/Vice Chair/Manager Todd McGee	<b>DONE</b>
12/10/19	Follow-up on request for emailed copy of auditor's PowerPoint presentation on 2018-19 CAFR	12/31/2019	Gary Donaldson	<b>DONE</b>
12/10/19	Follow-up on request for additional information on fund balance and other requests as part of CAFR discussion	1/31/2020	Gary Donaldson Paul Loughton	Information to be provided
12/10/19	Add the 2020 Census Employment Opportunities weblink to the County's 2020 Census webpage	12/31/2019	Todd McGee	<b>DONE</b>

<b>Meeting Date</b>	<b>Task</b>	<b>Target Date</b>	<b>Person(s) Responsible</b>	<b>Status</b>
12/10/19	As the Board reviews November 15, 2019 SAPFO student numbers in future years, provide percentage of capacity numbers for each individual school	3/1/2020	Ashley Moncado, Perdita Holtz & Craig Benedict	Additional school capacity percentages to be included

**INFORMATION ITEM**  
**Tax Collector's Report - Numerical Analysis**

<b>Property Tax Collection - Tax Effective Date of Report: December 13, 2019</b>						
<b>Tax Year 2019</b>	<b>Amount Charged in FY 19-20</b>	<b>Amount Collected</b>	<b>Accounts Receivable</b>	<b>Amount Budgeted in FY 19-20</b>	<b>Remaining Budget</b>	<b>% of Budget Collected</b>
Real and Personal Current Year Taxes	\$ 152,142,471.00	\$ 90,695,470.95	\$ 63,414,264.35	\$ 152,142,471.00	\$ 61,447,000.05	59.61%
Real and Personal Prior Year Taxes	\$ 3,378,823.17	\$ 480,832.35	\$ 2,691,139.09	\$ 1,100,000.00	\$ 619,167.65	43.71%
<b>Total</b>	<b>\$ 155,521,294.17</b>	<b>\$ 91,176,303.30</b>	<b>\$ 66,105,403.44</b>	<b>\$ 153,242,471.00</b>	<b>\$ 62,066,167.70</b>	<b>59.50%</b>
Registered Motor Vehicle Taxes		\$4,873,627.96	\$6,448.52	\$ 10,770,627.00	\$ 5,896,999.04	45.25%
<b>Tax Year 2018</b>	<b>Amount Charged in FY 18-19</b>	<b>Amount Collected</b>	<b>Accounts Receivable</b>	<b>Amount Budgeted in FY 18-19</b>	<b>Remaining Budget</b>	<b>% of Budget Collected</b>
Real and Personal Current Year Taxes	\$ 146,099,548.00	\$ 86,510,217.94	\$ 62,344,217.27	\$ 146,099,548.00	\$ 59,589,330.06	59.21%
Real and Personal Prior Year Taxes	\$ 3,097,551.91	\$ 541,528.85	\$ 2,686,606.02	\$ 1,100,000.00	\$ 558,471.15	49.23%
<b>Total</b>	<b>\$ 149,197,099.91</b>	<b>\$ 87,051,746.79</b>	<b>\$ 65,030,823.29</b>	<b>\$ 147,199,548.00</b>	<b>\$ 60,147,801.21</b>	<b>59.14%</b>
Registered Motor Vehicle Taxes		\$4,568,225.22	\$7,307.31	\$ 10,221,001.00	\$ 5,652,775.78	<b>44.69%</b>
<b>2019 Current Year Overall Collection Percentage - Real &amp; Personal</b>		58.85%				
<b>2019 Current Year Overall Collection Percentage - with Registered Motor Vehicles</b>		60.11%				
<b>2018 Current Year Overall Collection Percentage - Real &amp; Personal</b>		58.12%				
<b>2018 Current Year Overall Collection Percentage - with Registered Motor Vehicles</b>		59.36%				

This report has been updated as of March 2019 to include registered motor vehicle collections.

# INFORMATION ITEM

## Tax Collector's Report - Measures of Enforced Collections

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*Fiscal Year 2019-2020*

**Effective Date of Report: NOVEMBER 30, 2019**

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
Wage garnishments	80	20	5	72	35								
Bank attachments	32	11	1	13	2								
Certifications	-	-	-	-	-								
Rent attachments	-	-	-	-	-								
Housing/Escheats/Monies	25	-	-	1	16								
Levies	-	-	-	-	-								
Foreclosures initiated	-	-	-	1	3								
NC Debt Setoff collections	\$ 2,873.28	\$ 3,120.65	\$ 1,228.45	\$ 1,206.04	\$ 1,723.52								

**This report shows the Tax Collector's efforts to encourage and enforce payment of taxes for the fiscal year 2019-2020. It gives a breakdown of enforced collection actions by category, and it provides a year-to-date total.**

**The Tax Collector will update these figures once each month, after each month's reconciliation process.**

NAME	ACCOUNT NUMBER	BILLING YEAR	ORIGINAL VALUE	ADJUSTED VALUE	TAX	FEE	FINANCIAL IMPACT	REASON FOR ADJUSTMENT	TAX CLASSIFICATION	ACTION	Approved by CFO	Additional Explanation
Bell, Alexandra Rose	50869138	2019	4,450	3,337	(17.97)		(17.97)	Damage (appraisal appeal)	RMV-VTS	Approve	12/20/2019	Vehicle has a Branded Title
Ingold, James Edwards	33847845	2019	9,200	500	(85.52)		(85.52)	Antique plate (property classification)	RMV-VTS	Approve	12/20/2019	
Nordan, Mary Samantha	50844056	2019	4,730	4,730	(34.69)	(30.00)	(64.69)	*Situs error (illegal tax)	RMV-VTS	Approve	12/20/2019	
Rich, Luanne	51086503	2019	5,530	4,147	(13.34)		(13.34)	Damage (appraisal appeal)	RMV-VTS	Approve	12/20/2019	Vehicle has a Branded Title
Serovich, Justin	50424491	2019	11,260	7,560	(59.70)		(59.70)	Value adjustment (appraisal appeal)	RMV-VTS	Approve	12/20/2019	
							<b>(241.22)</b>	<b>Total</b>				
*Situs error: An incorrect rate code was used to calculate bill. Value remains constant but bill amount changes due to the change in specific tax rates applied to that physical location.												
Gap Bill: A property tax bill that covers the months between the expiration of a vehicle's registration and the renewal of that registration or the issuance of a new registration.												
The spreadsheet represents the financial impact that approval of the requested release or refund would have on the principal amount of taxes. Approval of the release or refund of the principal tax amount also constitutes approval of the release or refund of all associated												



**Memo to:** Orange County, Board of County Commissioners  
**From:** Angel Barnes, Capital Projects Manager  
**CC:** Steven Arndt, Director, Asset Management Services  
**Date:** January 21, 2019  
**RE:** Richard E. Whitted Front Entry Accessibility Ramp and Steps

The Board of Orange County Commissioners appropriated funding the renovation to the Richard E. Whitted front entry accessibility ramp and steps as a part of the FY2019-20 Capital Investment Plan. This memo serves as an update for this project along with schedule and renderings.

**Richard E. Whitted Front Entry Accessibility Ramp and Steps Renovation** (FY2019-20 CIP page 357) this project is currently being designed by CRA Associates. Orange County staff and CRA Associates plan to submit this design to the Town of Hillsborough for review and permit approval in January, 2020. The planning meeting with the Town of Hillsborough is scheduled for February 20, 2020.

The current schedule is outlined below:

Town Submittal, Review and approval:	January – April, 2020
Owner Review and Comments:	March, 2020
Hillsborough HDC / Town Board	March – May, 2020
Construction Document Package	May, 2020
Advertise / Bid Opening	May – June, 2020
Contract Award / Notice to Proceed	June, 2020
Begin Construction	July, 2020
Construction Complete	October, 2020

\*Rendering for new accessible ramp and steps.



If you have any questions please do not hesitate to reach me at 919.245.2628 or at [abarnes@orangecountync.gov](mailto:abarnes@orangecountync.gov) at any time.

Thank you.

Angel Barnes  
Capital Projects Manager  
Orange County Asset Management Services

**Memorandum**

**To:** Orange County Board of Commissioners

**From:** Orange County Manager, Bonnie Hammersley  
Orange County Chief Information Officer, Jim Northrup

**Date:** January 21, 2020

**Subject:** Broadband Initiative Pilot Project Update with Attached Service Area Map

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This memorandum is to provide an update to the Orange County Board of Commissioners on the County's current Broadband Initiative pilot project with Open Broadband and provide a timeline of relevant events.

The Broadband Initiative is a 3 year pilot project to expand broadband internet services in unserved and underserved areas of Orange County. \$500,000 in funding was approved in June of 2017 and after a competitive bidding process, a contract with Open Broadband, LLC was approved by the Board in October 2018.

In May of 2019, the first Orange County customer in an underserved area had broadband service delivered to their residence via this pilot project.

\$255,000 has been paid on the Open Broadband, LLC contract to date. Leaving \$245,000 unspent on the currently underway contract. An additional \$150,000 funding was approved in the Manager's FY20 Budget in order to expand beyond the current. Combining this \$150,000 with remaining unspent funds on the initial contract would show \$395,000 is currently unspent.

As of the writing of this update, Open Broadband is serving high speed internet to 85 customers in Phase 1 (see Attachment 1 Service Area Map). Additionally, Open Broadband is continuing work in the Phase 1 area on a weekly and often a daily basis doing customer installs and fine tuning equipment.

Open Broadband has equipment on two County communications towers. One is located on Meadowlands Drive in Hillsborough and the other on Hawkins Road in Cedar Grove Township. Additional broadcast equipment is installed at the following locations:

- Dorsett Farm Efland Cedar Grove Road

- Cedar Grove United Methodist Church
- Cedar Grove Ruritan Club
- Poplar Ridge. Covey Creek

There is a Crown Castle cell phone tower off of Schley Road that is currently in the pre-permitting process and should come on line by March 2020.

Along with weekly progress meetings, Open Broadband provides monthly internal progress reports to the county as well as external newsletters to their customers.

In other broadband news, Piedmont Electrical Cooperative has entered into a non-monetary partnership with River Street Communications to offer wireless and eventually fiber to the home to all of Piedmont's customers. Currently River Street's focus is in Person County, but Orange County is working with them to explore any opportunity to bring broadband to Piedmont's Orange County customers.

*Analysis:* The Open Broadband Pilot is not moving at the previously expected pace. The expectation was that Phase 2 would either be started by now or pending. Currently, the focus is solely on Phase 1 and Phase 2 planning has been put on hold.

As expected, finding low cost vertical assets has and continues to be a challenge. At the current pace, Open Broadband should have approximately 100 customers signed up by February 2020. This puts the current broadband costs for the County at approximately \$2,500 per installation.

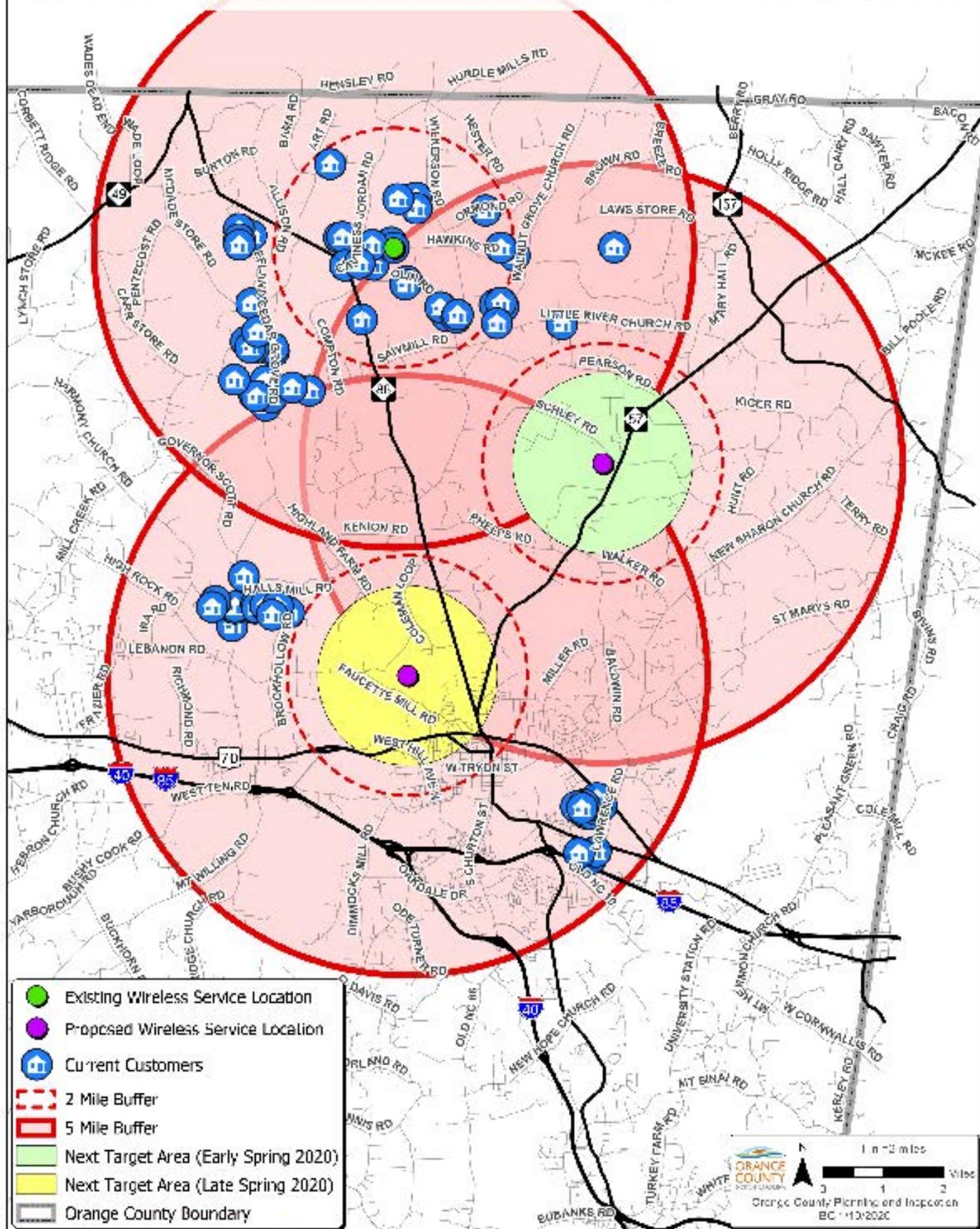
### **Broadband Timeline of Relevant Events Past, Present and Future**

- **October 2021** – 36 month pilot complete and Manager offers final report to the Board.
- **December 2019** – Approximately 85 customers have service.
- **April 2019** – First Phase 1 customer is signed up proving that initial equipment setup is working
- **February 2019** – Manager requests Board approval for Open Broadband tower agreement
- **October 2018** – Contract with Open Broadband is executed and 6 month clock to sign up first customer and have them working begins.

- **September 2018** – Board approves awarding grant funds to Open Broadband.
- **May 2018** – RFP is advertised as per the County Attorney's recommendation.
- **March 2018** – RFP vendor(s) selection commences
- **January 2018** – Broadband RFP closes and vendor interviews commence
- **November 2017** – County solicits Broadband Request for Proposals (RFP)
- **June 2017** – \$500k for broadband incentives approved in County budget
- **Late 2016** – County works with Representative Graig Meyer to set meeting with CenturyLink. This meeting paved the way for CenturyLink to provide budgetary numbers for improving broadband in its service area and those numbers were used as a base number for the FY 2017-18 \$500,000 Broadband Incentive.
- **September - December 2016** – IT met with Federal Engineering and Emergency Services to discuss the positive impact proposed telecommunications towers may have on broadband services in rural Orange County. It was requested at that meeting that approximately 15' of vertical strata be reserved for placement of 3<sup>rd</sup> party wireless broadband equipment on any new towers to be constructed by Orange County. Discussions also included how both the County's telecommunication and fiber plans have synergies that may decrease long range costs and offer a more secure and reliable fiber connection to each proposed tower location.
- **July 2016** – Former Governor Pat McCrory released the NC broadband strategy report. No funding identified within this report for broadband improvements.
- **May 2016** – The County's public network build out was completed in downtown Hillsborough and all County-occupied buildings.
- **March 2016** – WiFi-to-Go pilot began via collaboration by IT and the County Library.
- **March 2016** – The State assisted Orange County with identifying vertical assets - understanding the location and availability of county-wide vertical assets is important to businesses that want to bring wireless internet services into Orange County.
- **December 2015** – An ISP meeting on State/County collaboration occurred.
- **Late 2015** – The Orange Public + Education Network (OPEN) formed to foster collaboration and cost-sharing among Orange County and its municipalities.
- **August 2015** – The County's Broadband Survey closed.
- **June 2015** – The County's Broadband Survey was released.
- **Apr. 2015** – The Broadband Initiative resident group was formed.
- **November 2014** – The Manager directed County staff to make a concerted effort to engage residents in broadband discussions.

- **June 2014 – January 2016** – Orange County leveraged its relationship with Time Warner resulting in Time Warner extending its wireless hotspots network throughout downtown Hillsborough and into Fairview and Cedar Grove Parks. Prior to the County's contact, Time Warner reported it was only going to deliver hotspot services to Durham and Chapel Hill. This service allows any individual to connect wirelessly throughout downtown Hillsborough and the parks for free.
- **2011** – North Carolina House Bill 129 barred governments from using public funds to become Internet Service Providers.
- **2010** – The Federal Communications Commission (FCC) publishes its National Broadband Plan.
- **2010** – MCNC awarded federal funds for middle-mile network in rural NC.
- **2009** – The US Recovery and Reinvestment Act stimulus bill included a provision to make loans to states for the purpose of broadband.

# Orange County Broadband Initiative Pilot Project (Phase 1)



**Facilitated Conversation about the Greene Tract  
Session Notes  
December 18, 2019**

**Session Outcomes**

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*Continued to move forward on agreements about the plan for the Greene Tract by:*

1. Identifying communication ground rules for working together.
2. Clarifying common ground.
3. Articulating sticking points.
4. Unpacking what's getting in the way of coming to resolution.
5. Planning for next steps.

**Participants**

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Carrboro:

Lydia Lavelle, Carrboro Mayor  
David Andrews, Carrboro Town Manager  
Trish McGuire, Carrboro Planning Director  
Nick Herman, Carrboro Attorney

Chapel Hill:

Pam Hemminger, Chapel Hill Mayor  
Maurice Jones, Chapel Hill Town Manager  
Judy Johnson, Chapel Hill Planning Director  
Ralph Karpinos, Chapel Hill Attorney

Orange County:

Bonnie Hammersley, Orange County Manager  
Travis Myren, Deputy Co Manager  
Penny Rich, Chair of County Commissioners, Orange County  
Craig Benedict, Orange County Planning Director  
John Roberts, Orange County Attorney

**Facilitation Team**

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Maggie Chotas, Lead Facilitator, Dispute Settlement Center  
Laura Swartz, Facilitation Support, Dispute Settlement Center

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## Session Notes

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### Welcome & Introductions

Maggie Chotas welcomed participants, reviewed the goals for the session and provided context about the meeting notes, which the DSC team will deliver three weeks after the meeting. She explained she was recording the conversation for the purpose of developing accurate notes, which will be more detailed than summary notes but not necessarily verbatim. The notes will be distributed to the group, and if anything is missed, the notes will be revised before a final copy is distributed.

Penny Rich thanked everyone for coming, expressing appreciation for the willingness to have this conversation. Ms. Rich explained that the Orange County Commissioners want to move forward with the Greene Tract and the partnership and they are unclear what that partnership looks like moving forward. As such, she described her main goal as establishing the terms of the partnership and how the group works together. Ms. Rich emphasized it is important for all partners to feel like they are a part of every conversation. She said she hoped the outcome of the meeting would include plans for a governance document that allows Orange County to have guidance in conversations, with an understanding of what it means to be a partner and potentially what it means to no longer be partners. Ms. Rich explained Orange County would rather be partners and move forward given that it is in the greater good of the community to develop this land. She is encouraged that the group has chosen to have a facilitated conversation on this topic.

Pam Hemminger said she was excited the group came together to pursue an opportunity to clarify its common goals around the Greene Tract. She described the group as trying to all come together with a “big elephant” picture and noted there are limitations to that approach. She encouraged the group to focus on small, pragmatic steps and align around goals and principles. Ms. Hemminger also explained her hope that the group can delineate the parts of the tract so that all staff can have clear direction moving forward as this has been an issue in the past. Her Chapel Hill team has been back over the original document and it is confusing and vague. She encouraged everyone to look at the Market Study and the Rogers Road Task Force, Mapping Our Future.

Lydia Lavelle, provided context that over the summer when the Council had a meeting about the Greene Tract, it gave the Carrboro and County Boards pause as to how all three, as owners of the property, can move forward together. She noted Ms. Hemminger, Ms. Rich and she had been meeting for over two years to develop a solid plan for how to move forward with property which has been jointly owned for decades. Ms. Lavelle’s Board was thrown back when Chapel Hill seemed to change the process with a new timeline and new thinking. Ms. Lavelle said she wants to move forward in a manner that respects the fact that we all own the property jointly, while

understanding that the property is in Chapel Hill and as the permitting-authority, Chapel Hill does have a different perspective.

### **Ground rules**

Participants brainstormed communication ground rules for how they wanted to work together during the session. A summary of key points follows:

1. Identify when we are talking personally or from the majority of our Boards.
2. Encourage staff to participate and share, given that they have been valuable context and insight.
3. Clarify facts along the way, and do not get offended if someone tries to correct misstatements.
4. Do not take things personally.
5. Share notes back with our Boards.

Participants agreed to abide by the communication ground rules.

### **Confirming and Prioritizing Topics for Discussion**

The following discussion topics were identified:

- Memorandum of Understanding (MOU)/ Government Document
- Environmental Impact Study (EIS)
- Connectivity Study
- Public Engagement Process
- Permitting Process

Participants were asked to collectively prioritize topics by considering what is most important and most urgent. Ms. Hemminger suggested starting with the Environmental Impact Study (EIS) because it informs other conversation. For Chapel Hill, as regulators and landowners of the Greene Tract, it is important to know “what is what there” and the Environmental Impact Study would inform a lot of the conversation about how to move forward. Mr. Karpinos asked a clarifying question about whether the group was discussing 107 acres or 160 acres of the Tract. Ms. Hemminger replied that the answer to that question does inform the conversation, acknowledging that the lines for the two parcels have not yet been delineated. Ms. Rich responded that she respectfully disagreed and hoped to start with the overall Memorandum of Understanding/Government Document. For her, the primary purpose of the meeting was to establish what partnership looks like overall and everything else can be discussed within that context. She wants clarity on the ground rules or overall relationship.

Ms. Lavelle offered a third approach of working on both the EIS and the MOU simultaneously. She said it was her understanding that the EIS may take several months given the timing of the seasons. She noted the overall MOU document could also take a long time to develop. She indicated the EIS could be a “hard-stop” for Carrboro, and therefore, focusing on both documents simultaneously would be the best use of time and resources.

Ms. Rich emphasized the importance of the MOU/Government Document as a guide to how the group works together on the EIS. She said was not comfortable doing an EIS without going back to her Board and stressed the importance of understanding how to all move forward together. Ms. Lavelle agreed, noting she was comfortable assuming that all three Boards would be involved in the process. Ms. Rich explained that part of the MOU/Government Document will be to specify how the Boards will be involved in the process, including their respective roles.

Ms. Lavelle stated she would be interested in staff perspective on this topic, especially given Carrboro’s interest of a streamlined process so the group can really talk about things. Ms. Rich added it would be helpful to have a legal perspective as well, given that everyone would have to put money towards an EIS before there is an official MOU.

Nick Herman shared the observation there needs to be an understanding of the nature of the relationship between partners. The partners need a clear understanding of the relationship, who is in and who is out and under what terms. In the absence of that understanding, the parties will not know who is going to be making decisions about particular areas. Ms. Rich said she and John Roberts had had a similar conversation prior to this meeting.

Ms. Hemminger added that the partners have an MOU the group has operated under for the last eight to nine years. Even though it is not the best document, she said, it has allowed the group to do some projects already, including the water and sewage infrastructure work.

Craig Benedict stressed the importance of talking about the context of the roles. With the EIS, are we looking for a regulatory outcome such as what are the minimums required for the Wetland preservation or is there an interest as property-owners that should be considered? When you get into a regulatory framework, you look to the Code, but if there is an interest to go beyond the Code, then that has different implications.

Ms. Rich asked John Roberts to speak from the County perspective. Mr. Roberts explained that having a defined MOU/Government Document is more important to him because some County residents will think that one environmental study is not enough and they will pressure Boards and staff to do more. Before an EIS can take place, he said, the group needs parameters for the study

and an MOU or preliminary agreement about the EIS would be preferable. In response, Ms. Johnson suggested the group could have a preliminary MOU for the EIS, which would be a fairly simple document, while working concurrently on the overall MOU.

Ms. Hemminger clarified when talking about the Environmental Study, the group is really discussing an Environmental *Impact* study. [Up to this point in the conversation, terms had been used interchangeably, though the notes refer to EIS only for the sake of clarity.] Consistent terminology is important for the group moving forward, she said. Chapel Hill always has an outside company conduct these studies so that the town can stress to residents that an impartial professional group conducted the study. Historically, the community is accepting of studies from third-party groups.

Ms. McGuire explained the group did not have an MOU in 2011 when the Greene Tract work began, but there was direction from the Boards to eventually create the Historic Rogers Road Task Force. The group then developed a memorandum to frame next steps. First there was one for Mapping Our Future Communities work and then there was one for the sewer project and a different one for obtaining the sewer connections. Ms. McGuire explained the memorandum have been developed along the way and agreed that the EIS agreement does need to be framed in an MOU so all parties can know the details, such as who is approving the RFP, how the RFP is approved, and who is selecting and contracting with the consultants. She suggested that the two documents could be made in parallel, with the details about the EIS being a subset of the overall MOU.

Ms. Hemminger recommended building on precedence of the three groups working together as the new agreement is developed for the Greene Tract partnership. Ms. Hemminger shared she loves when the staff are in alignment, working together collaboratively on the details of the project.

Ms. Hammersley highlighted the difference between the Greene Tract and the Rogers Road properties, noting members of this group are owners of the Greene Tract whereas they were not owners of Rogers Road. She explained that using a third party is not always viewed as being objective by members of the community. What matters is who is paying the consultant, and we will need to be clear who is doing that. An agreement about everything moving forward is important for perception. The group deals with perception, not necessarily reality.

Ms. Lavelle said she liked the idea of having a limited preliminary agreement on the EIS, while starting the conversation about the overall MOU/Governance Document. Ms. Lavelle also shared the importance of specifying what acreage the group is discussing, as Mr. Karpinos brought up earlier.

Ms. Rich asked the group to consider the outcomes of an MOU for an EIS, as those weren't clear. In response, Ms. Lavelle expressed that speed is the outcome. She doesn't want to wait another year to get something done.

Mr. Andrews asked how long the MOU/Governance Document will take, explaining the group needs to set priorities and be able to explain why they are doing the EIS now. If all efforts are placed on developing an MOU, he wondered how much that delay would hurt the EIS. Mr. Roberts thought the EIS could be done administratively, while this group could work on an overall MOU, which could take months to years.

Ms. Chotas shared she will document the questions that are coming up for the group in the different topic areas so that the questions can be addressed in next steps. The questions are included in the narrative that follows. [For a synthesized table, please see the attachment: Key topics and related questions.](#)

Mr. Herman added the parties have different percentage interest in the property itself and one or more parties might pay more for certain things. Three different groups have different constituencies. Topics to consider include:

- With a partnership of three people, is it an equal partnership?
- What happens with decision making if there is a disagreement? Can two override one?
- Do you get a 16% vote or 14% vote if that is your interest in the property?
- What if you have a 65% interest?
- Who is in?

A previous amendment to an MOU says that "parties will bargain in good faith," but the partners need to agree in more specificity as to how decisions will be made relating to the property moving forward.

Mr. Benedict also brought up the importance of a timeframe for decisions. It would be helpful to have a concurrent process with an overlapping activity. Mr. Benedict agreed that an MOU for just the EIS could be helpful, but the overall MOU still needs to guide the biggest picture and how the separate elements come together across the finish line.

Posing a question to the planners, Ms. Rich asked at what point in development does an EIS typically occur? Ms. Johnson responded that EIS typically come in at the very beginning of development.

Ms. Rich asked who did the Environmental Scan? Mr. Benedict and others replied that all of the staffs collaborated on the Environmental Scan. Ms. Chotas asked a clarifying question as to whether the Environmental Scan is different than the Environmental Study? Answering for the group, Ms. Johnson explained that yes, the scan is a higher-level “desktop” document, whereas the study is more informed and comprehensive.

Ms. McGuire said one argument for establishing the framework for doing the MOU on the EIS first is that the EIS will provide detailed, technical information about the property. It would provide additional information about the site and would be helpful in creating a clear picture of the property for those who will evaluate it for development. The EIS can be a first act before doing the larger study and the EIS can inform the vision and values for developing the property. It can also inform whether the group is a good fit for managing that. There are some environmental conditions of the property are sensitive to the seasons and rainfall in particular. There is an interest in starting the EIS sooner rather than later so that it is conducted in the most thorough and accurate way.

Mr. Myren shared his perspective that the group ended their last meeting with the idea of proceeding with the EIS in order to inform the evaluation of development proposals and to decide how the headwater preserves could be reconfigured. Then there would be an RFP for development, which would go through a regular process for evaluating proposals. That would get the local governments out of the role of developers as quickly as possible, and that seems to be where some of the rub is.

Mr. Andrews asked how long the EIS would take? Ms. Johnson offered that the EIS would likely take a month or two months. If the MOU takes a year and the EIS takes 1-2 months, will we agree to pause at that point?

Ms. Rich raised the point about the importance of aligning policy with outcomes – thinking backwards to move forward.

Mr. Benedict offered that the answer may depend on what information comes out. If we have a definitive technical analysis from the Army Corps of Engineers, that could take 3-4 months.

Ms. Hemminger added the group can keep meeting on what they know and keep the public informed along the way. It is more helpful if the public can “come along with us.” Then we could come back together to put the lines for the headwaters. These other pieces could be worked on while the MOU is coming along and we’re checking in. That way, we can move forward and bring the community with us.

Ms. Rich asked who the term “community” refers to, and in response Ms. Hemminger explained the two different groups: (1) the local citizens first group (the community near the Greene Tract) and (2) All of Orange County residents. To share what we’ve learned through the EIS about where the school site is, what we’re doing with affordable housing and other goals we have identified. We can have a community meeting to share the map and information. We can share information to everyone all at once, and document who is in attendance.

Ms. Rich asked if the affordable housing groups can be included in the “community” the group is discussing, adding that that group has felt excluded from this conversation. Ms. Rich acknowledged there are the neighbors, the larger community and the school communities and there is currently no representative from the affordable housing groups. Ms. Rich responded Habitat in particular would like to be more involved moving forward. Ms. Hemminger said that would be great.

Ms. Lavelle echoed what Mr. Myren said that the local governments are not developers and they do not want to bump into cross-jurisdictional political issues as they have their own political issues in their own jurisdictions. Given the group has been working on this for decades, perhaps the group should “bite the bullet” and get the EIS done so they can get it ready for someone to bid on it and run with it. It is complicated given that all of us are owners.

Mr. Jones expressed it makes a lot of sense to get the MOU done for the EIS given it has to be completed anyway and everyone is in agreement on it.

Ms. McGuire indicated that citizen engagement has been something of a stumbling block since the summer, as all three parties had not given staff the same direction. She said she envisions this element of the citizen engagement process would be spelled out in the MOU and groups would not do any further engagement until the MOU is in place. That way, everyone will know what their role is and what the message is and it is very clear. One challenge for Chapel Hill is having to wear both hats as owners and regulators of the property. Developers get to choose what they want to do. In sum, any engagement with the public would need to be clearly spelled out in the MOU. Without these specifications in the MOU, there will be frictions and assumptions from all sides.

Ms. Hemminger checked her own assumption and asked the County whether they had an interest in the location of the school, depending on the outcome of the EIS. Ms. Hemminger and Ms. Rich discussed the importance of finding the best location for the school and determining how much land should be set aside for the school property. Ms. Rich noted the group doesn’t yet know where this will be needed and is a conversation to be looked at in the future, possibly ten years

out from now. Ms. Hemminger acknowledged this is one of the challenges, predicting the future. The school district has gone “in and out” of the project, at different points saying they want more or less land for a future school. The two agreed that there needed to be a placeholder for a potential school.

Ms. Hemminger said she hoped there would be multiple developers instead of just one, noting more discussion around this will need to happen at a later point. If staff could do the regulating plan and draw the lines for the property, that would be helpful. Ms. Johnson said her group could come up with a master plan for the best place for the school and major elements of the property, with the school district involved.

Ms. Hammersley said everyone needs to decide if they are going to be owners or developers of the property and that needs to be specified in the MOU/Governance Document. Ms. Hammersley further noted she does not think staff should conduct the connectivity plan because the same thing will happen as what happened with the Environmental Scan. A developer should do the connectivity plan.

Mr. Andrews agreed with Ms. Hammersley, citing the importance of specifying all of this in the MOU.

Ms. Johnson asked if the MOU was an appropriate place for the goals and principles for the property? Whether we develop a master plan or not, we will want to explain the goals and principles for the property. It could be a hybrid. Ms. Rich shared that Orange County used a matrix after a recent bond and the matrix did not work in the end because what the County put forward was not what the developers wanted to build. Mr. Jones asked if the developers could not make the projects work financially and Ms. Rich replied yes, that was the problem in addition to the requests from the County.

Ms. Rich said she could confirm with her Board, but her thought was that overall none of the members want to be developers of this Greene Tract property.

There was general agreement among Orange County, Chapel Hill and Carrboro that none of them want to be developers of this property. Ms. Hemminger said we do put out there what we want – such as drawing in the main roads. Ms. Rich added don’t developers know that? We’re asking staff to get together to look at things.

Mr. Herman asked if there is a consensus among the jurisdictions that the EIS needs to happen.

If there is consensus, what are the mechanics of coordinating the groups to conduct the study?  
Should staff be put in charge?

Ms. Rich asked again about the intended outcomes of the EIS and the group identified possibilities.

### **Brainstormed Outcomes of the EIS**

The group brainstormed the following outcomes of the EIS:

- Delineation of headwater preserve, wetlands and streams
- Firming up the lines
- Provide environmental information for future development
  - o To take the cost off of the future developers of the site, especially given the goal of affordable housing
- Informs public education process
- Informs ownership decisions of the preserved property
- Identify the most appropriate location for a school site
- Feasible options for connectivity
  - o Mr. Benedict highlighted the connection between the environmental impact study and the connectivity plan, given the interest to connect the 104 acres and determine the best place to cross or go around an environmental area. He expressed concern the EIS does not result in an environmental block that frustrates the goal of connectivity for the property.

Relating to the EIS, Ms. Rich challenged the group to specify: (1) who is paying for the study; (2) who is choosing the company; (3) whether it is staff driven; and (4) how does that lead into the overall MOU/governance document.

Ms. Chotas summarized the group did have general agreement about the need for the EIS, noting that the group has unresolved questions about the mechanics of that study. She also echoed that the group anticipates that it will take a year or more to develop and finalize the master MOU document.

Ms. Rich questioned whether it would really take a year or more to develop the document? It seems more straightforward than that to understand what partnership is.

Ms. Hemminger suggested having the attorneys and staff together decide how to move forward on the EIS and next steps for the overall MOU as well.

Ms. Hemminger suggested tasking staff with developing technical recommendations for the EIS while the attorneys develop legal recommendations. She emphasized using existing frameworks, such as the one for Rogers Road, as a starting place.

Next, the group brainstormed how the EIS would be paid for. Ms. Johnson explained that her staff recently determined this for a different project, but Ms. Hammersley noted that project was bonded, under an agreement. Mr. Roberts said the group could start by looking at that interlocal agreement.

### **Identifying next steps**

Ms. Lavelle said she was perfectly happy with staff developing agreements, as long as everyone is included. She also brought up the Assembly of Governments meeting at the end of January and encouraged everyone to attend and to put this topic at the beginning of the agenda. She asked if the group will meet again before that date. While the group didn't think it was feasible to meet again before then, they identified a series of next steps as follows:

Mr. Herman stated that the attorneys could have a draft MOU for the EIS by January 14, 2020, given the Assembly of Governments meeting on January 28, 2020. Carrboro will meet again on January 14, 2020, and Orange County's first meeting back is January 21, 2020. Chapel Hill's meetings will occur January 8, 2020 and January 22, 2020. There was agreement each party would have to present the EIS MOU to their respective Boards before the Assembly of Governments meeting.

Ms. Lavelle said she thought the Boards will be supportive of moving forward with the EIS, given the groups are also simultaneously working on the overall MOU document.

The group agreed representatives would present a draft of the MOU for the EIS to their respective Boards before the January 28, 2020 Assembly of Governments meeting.

Ms. McGuire said the group currently has three different resolutions and there might be the need for a new joint resolution that communicates the current status of moving forward on the EIS and developing the larger MOU. Ms. Hemminger replied that each Board would have to pass those documents individually.

Ms. Hemminger noted Chapel Hill's current document specifies that they will have a community meeting about the Greene Tract and she needs a new document stating the groups are working together on a path forward and the community meetings are on hold for now.

Ms. Rich emphasized the resolutions need to be simple and include the basics. Ms. Hemminger said Chapel Hill will need to find a way to communicate community meetings will occur later in the process.

In terms of the meetings of the group in 2020, Ms. Hammersley said the elected officials should decide when and how frequently the group will meet and if it is helpful to have Ms. Chotas facilitate them Mr. Jones recommended the group meet again in early to mid-February after the Assembly of Governments meeting.

Ms. Hemminger said she would like to spend time working on goals and principles with the Greene Tract. Mr. Jones noted Ms. Johnson has already started working on an “agreement matrix,” specifying the overall goals.

Ms. McGuire shared it would be helpful to delineate where there is agreement and where there is disagreement with the development of the property. She also explained that is different than the development of the process. These elements will be specified in the MOUs.

### **Group decisions summary**

Ms. Chotas summarized decisions made by the group during the session as follows:

1. Moving forward with the EIS, beginning with the agreement for the mechanics of it
2. Moving forward developing the overall MOU/Governance Document to define and clarify the partnership
3. Developing a new joint resolution which would outline the status of the partners in working toward steps 1 & 2 outlined above

### **Summarized next steps**

*Participants clarified the next steps coming out of the session.*

<b>Topic</b>	<b>Action Steps</b>
<b>1. Minutes from the meeting</b>	<ul style="list-style-type: none"> <li>• The DSC team will deliver draft notes to the group by end-of-day January 8, 2020</li> <li>• Group members will have until January 13, 2020 to provide clarifications</li> <li>• The final draft of the notes will be distributed by January 17</li> </ul>
<b>2. Establishing agreement for the Environmental</b>	<ul style="list-style-type: none"> <li>• Nick Herman will take the lead in working with the other attorneys in developing a draft agreement, consulting</li> </ul>

<b>Impact Study</b>	<p>with staff as needed</p> <ul style="list-style-type: none"> <li>The draft agreement will be sent to the three Boards by January 14, 2020 for their review before the January Assembly of Governments meeting</li> </ul>
<p><b>3. Joint Resolution for the three Boards regarding where things are now, including:</b></p> <ul style="list-style-type: none"> <li>The three owners are moving forward with establishing MOU</li> <li>Will be embarking on Environmental Impact Study as soon as details are worked out</li> </ul>	<ul style="list-style-type: none"> <li>Ralph Karpinos will take the lead, working with Judy Johnson and the other attorneys and managers to draft the Joint Resolution</li> <li>The Resolution will be shared with the three Boards before the January Assembly of Governments meeting</li> </ul>
<p><b>4. Partnership MOU development</b></p>	<ul style="list-style-type: none"> <li>John Roberts will take the lead in working with the other attorneys to develop a base document for the group to consider for the MOU about the partnership</li> </ul>
<p><b>5. Reconvene the group in early to mid February</b></p>	<ul style="list-style-type: none"> <li>The group will come back together in a facilitated meeting to check in after the Assembly of Governments meeting</li> </ul>

### Evaluating the session

*The facilitator asked participants to reflect on what worked well about this session and what they would like to see changed for the next one.*

<p><b>What worked well</b></p> <ul style="list-style-type: none"> <li>Organization</li> <li>Arrangements – good size group</li> <li>Right people at the table for each jurisdiction</li> <li>Ground rules – respectful, listening and responding</li> <li>Focus on next steps with actionable items</li> <li>Facilitating conversation</li> </ul>	<p><b>What to change for the next session</b></p> <ul style="list-style-type: none"> <li>Look at time frames, to move with speed – sequencing</li> <li>Maps on the walls – visuals</li> <li>Coffee and snacks</li> </ul>
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**Facilitated Conversation about the Greene Tract  
Summary of Key Topics Discussed & Questions Raised  
December 18, 2019**

Topic Area & What it involves	Questions to address
<p><b>MOU/Government Document</b></p> <ul style="list-style-type: none"> <li>- <i>Master document, A-Z</i></li> <li>- <i>Global agreement about partnership</i></li> </ul>	<ul style="list-style-type: none"> <li>• How long will it take to develop? A year?</li> <li>• Is this an equal partnership?</li> <li>• What happens if there is a disagreement – is it prorated? Can two parties override one?</li> <li>• What happens if there is one party with a 65% interest?</li> <li>• Who's in?</li> <li>• What will the timeframe for decisions be?</li> <li>• What will public education/engagement pieces look like?</li> <li>• Are partners developers or just owners?</li> <li>• Does this include goals and principles?</li> </ul>
<p><b>Agreement for Environmental Impact Study</b></p> <p><i>Narrow agreement just for EIS</i></p>	<ul style="list-style-type: none"> <li>• What are the mechanics of the study?</li> <li>• Who's paying for it?</li> <li>• Is this staff driven? MMC driven? Attorney driven?</li> <li>• Who approves the RFP?</li> <li>• Who selects and contracts with consultants?</li> <li>• Who puts it in motion?</li> </ul>
<p><b>Environmental Impact Study</b></p> <ul style="list-style-type: none"> <li>- <i>Technical, detailed information</i></li> <li>- <i>Bridge to connectivity study</i></li> <li>- <i>Can inform vision and values for developing property</i></li> </ul>	<ul style="list-style-type: none"> <li>• Why do this now?</li> <li>• Can it be handled administratively?</li> <li>• When does it typically occur?</li> <li>• How long does it take?</li> <li>• What are the mechanics?</li> <li>• What are the outcomes?</li> <li>• Where will the study focus? Which parcels?</li> </ul>

**PLANNING & INSPECTIONS DEPARTMENT**  
**Craig N. Benedict, AICP, Director**

**Administration**  
**(919) 245-2575**  
**(919) 644-3002 (FAX)**  
**www.orangecountync.gov**



**131 W. Margaret Lane**  
**Suite 201**  
**P. O. Box 8181**  
**Hillsborough, NC 27278**

## **MEMORANDUM**

**TO:** Board of County Commissioners  
**FROM:** Craig Benedict, Orange County Planning Director  
**CC:** Bonnie Hammersley, County Manager  
Travis Myren, Deputy County Manager  
**DATE:** January 16, 2020  
**SUBJECT:** Greater Triangle Commuter Rail (GTCR) Update

Attached for your information is an update to the GTCR study that preliminarily evaluated the Mebane to Selma rail corridor for commuter service.

Last year, the Board of Commissioners amended the Orange County Transit Plan to include \$75,000 to partner with Durham, Wake, and Johnston counties to update an alternatives analysis for the Greater Triangle Commuter Rail project. This study represents a preliminary evaluation of using the existing rail corridor used by Amtrak and freight for commuter service. The total cost of related studies on the rail corridor and major investment study (MIS) to date is approximately \$1.7 million.

The study evaluates initial

- Ridership
- Cost of improvements (i.e. additional track, stations, and bridges)
- Operating costs
- Federal Funding Scoring

There have been over 15 meetings with project management partners including four counties, GoTriangle, MPOs, and NC Railroad. Results of the study are now being shared with governing boards of all partners.

The results of the study indicate that a connection between Durham and Wake Counties may score well enough to qualify for federal funding while connections that include Orange County would not score well enough. The attached PowerPoint illustrates the likely scores. (See the table on Page 21 of this document).

Enclosures:

*Attachment 1 – GTCR Preliminary Results PowerPoint*

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A COMMUNITY INVESTMENT IN TRANSIT

Commuter Rail Update  
January 2020



# Greater Triangle Commuter Rail Study



Update of Alternatives  
Analysis and Further Study

Draft/Preliminary  
Findings Snapshot

## Note

**The Greater Triangle Commuter Rail project needs additional study, coordination, and public engagement prior to project design and implementation.**

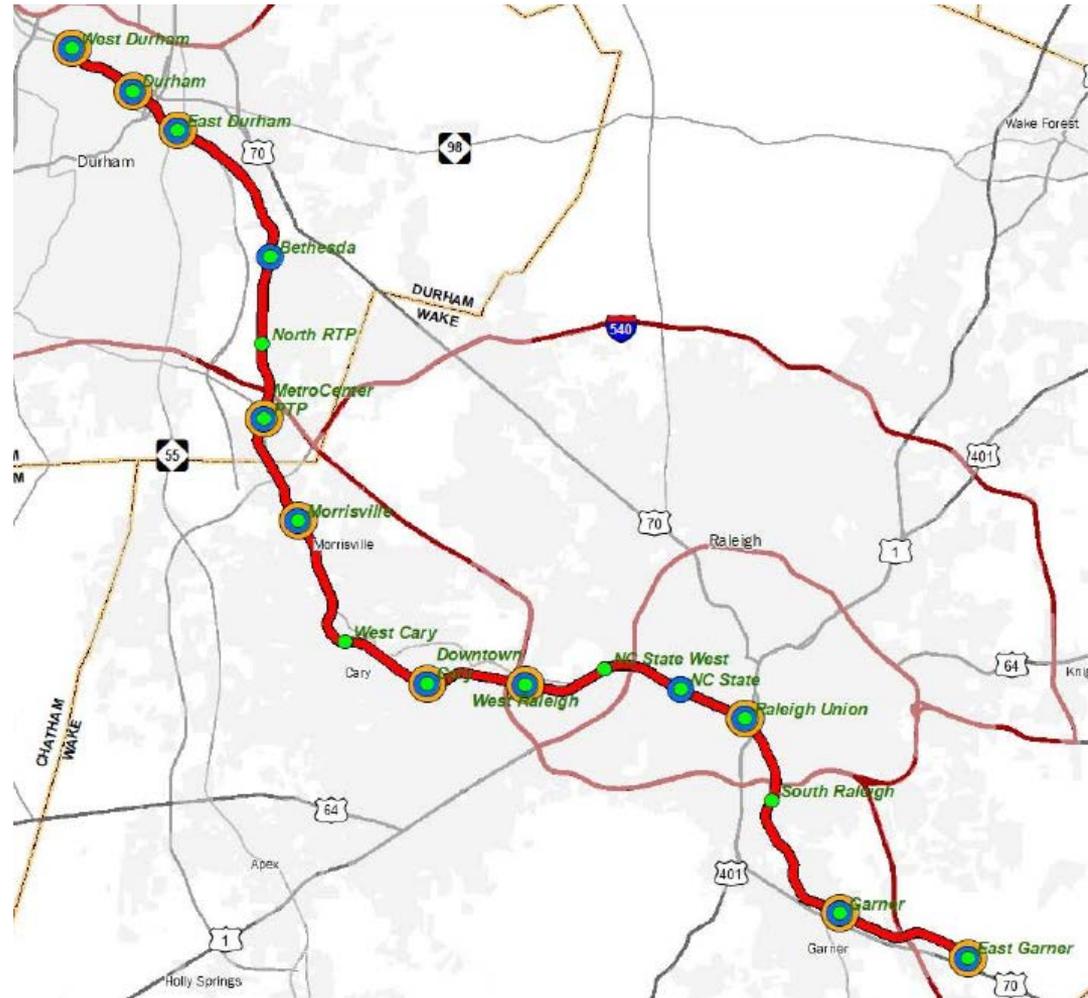
**In the coming months, elected officials will consider whether to proceed with this additional study.**

# Commuter Rail Background

5

The Commuter Rail Transit project, as originally included in the Wake and Durham county transit plans, would run 37 miles from **Garner** to downtown **Raleigh, N.C. State, Cary, Morrisville** and the **Research Triangle Park** continuing to downtown **Durham**.

The current plan calls for: Evaluating up to eight trips in each direction during peak hours with up to two trips each way during midday and evening hours, for a total of **twenty weekday round trips**.



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# Why Is This Study Being Conducted?

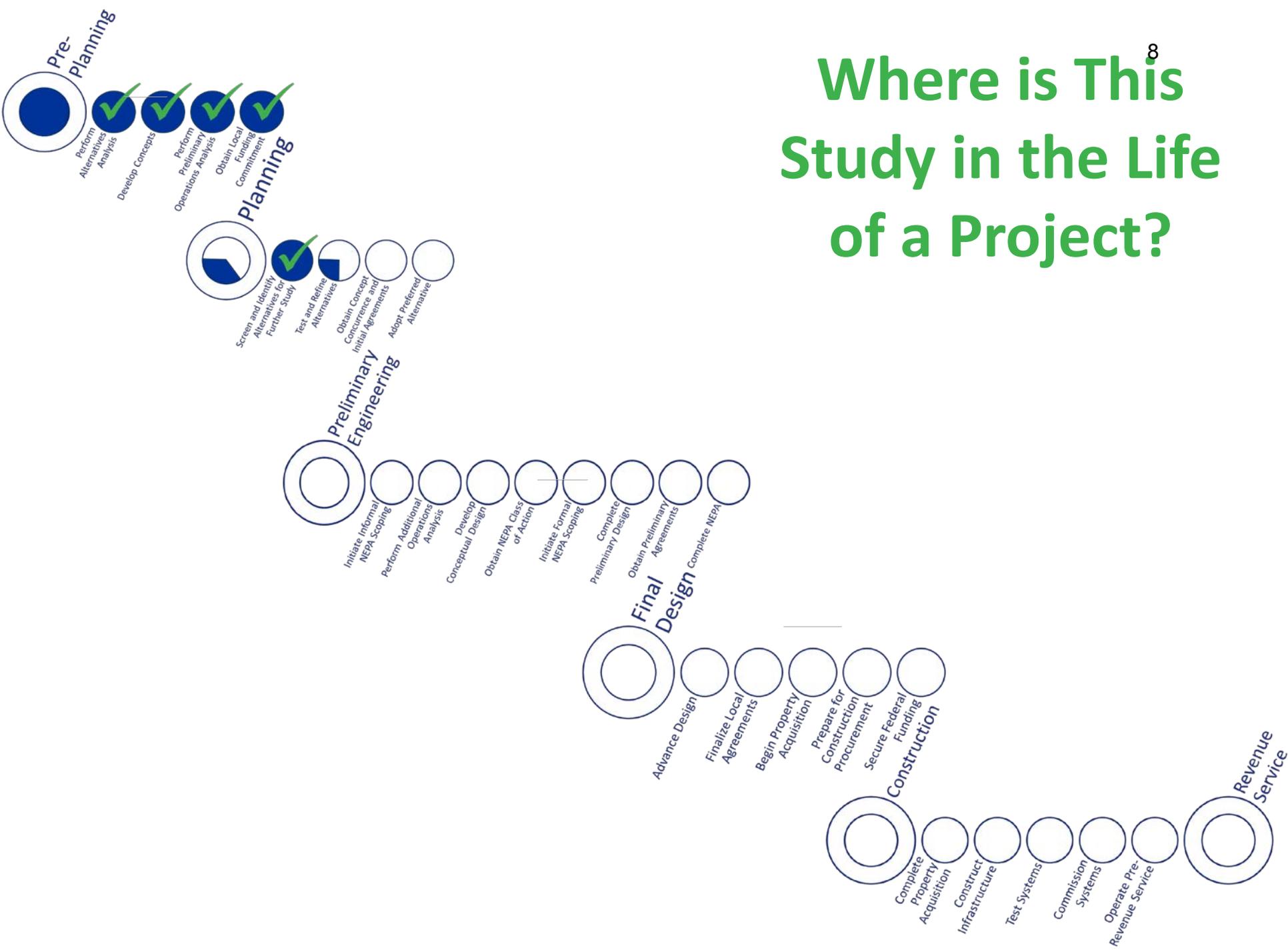
- Give elected officials the data needed to decide whether to take the project to the next phase of development
- Examine scenarios adding Johnston County/Selma and Orange County/Mebane
- Refresh and update ridership estimates, infrastructure assumptions, and cost estimates that were included in prior high-level planning studies
- Identify additional activities necessary before initiating project design and implementation

# Who is Conducting This Study?

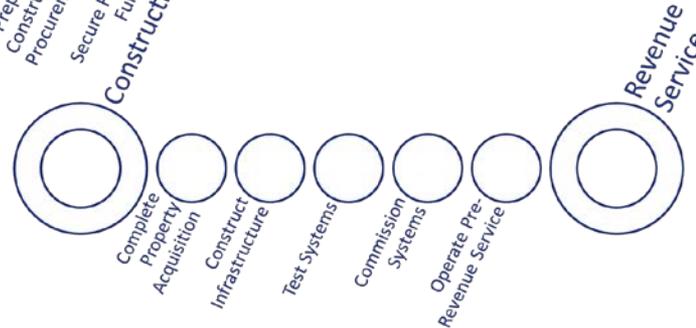
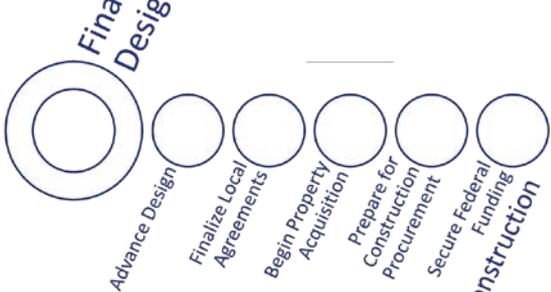
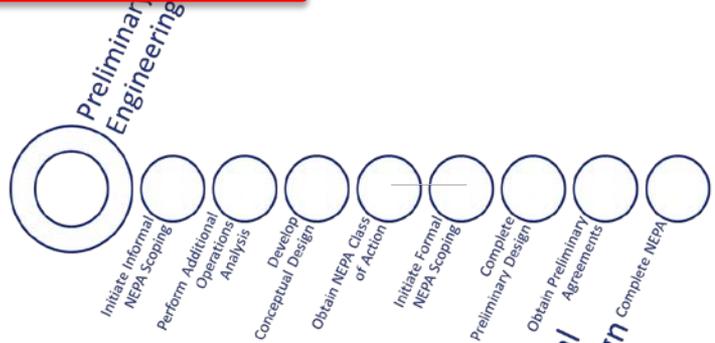
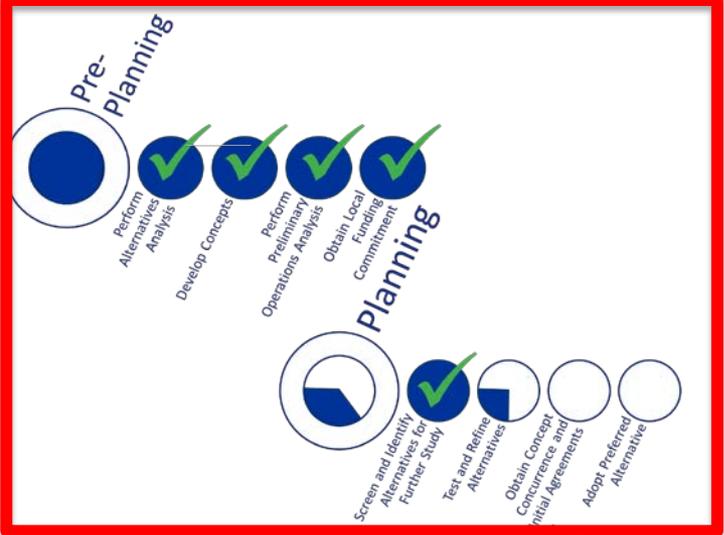
## Project Management Partners:

- Wake County
- Durham County
- Johnston County
- Orange County
- Capital Area Metropolitan Planning Organization
- Durham-Chapel Hill-Carrboro Metropolitan Planning Organization
- Research Triangle Foundation
- North Carolina Railroad Company
- GoTriangle

# Where is This Study in the Life of a Project?

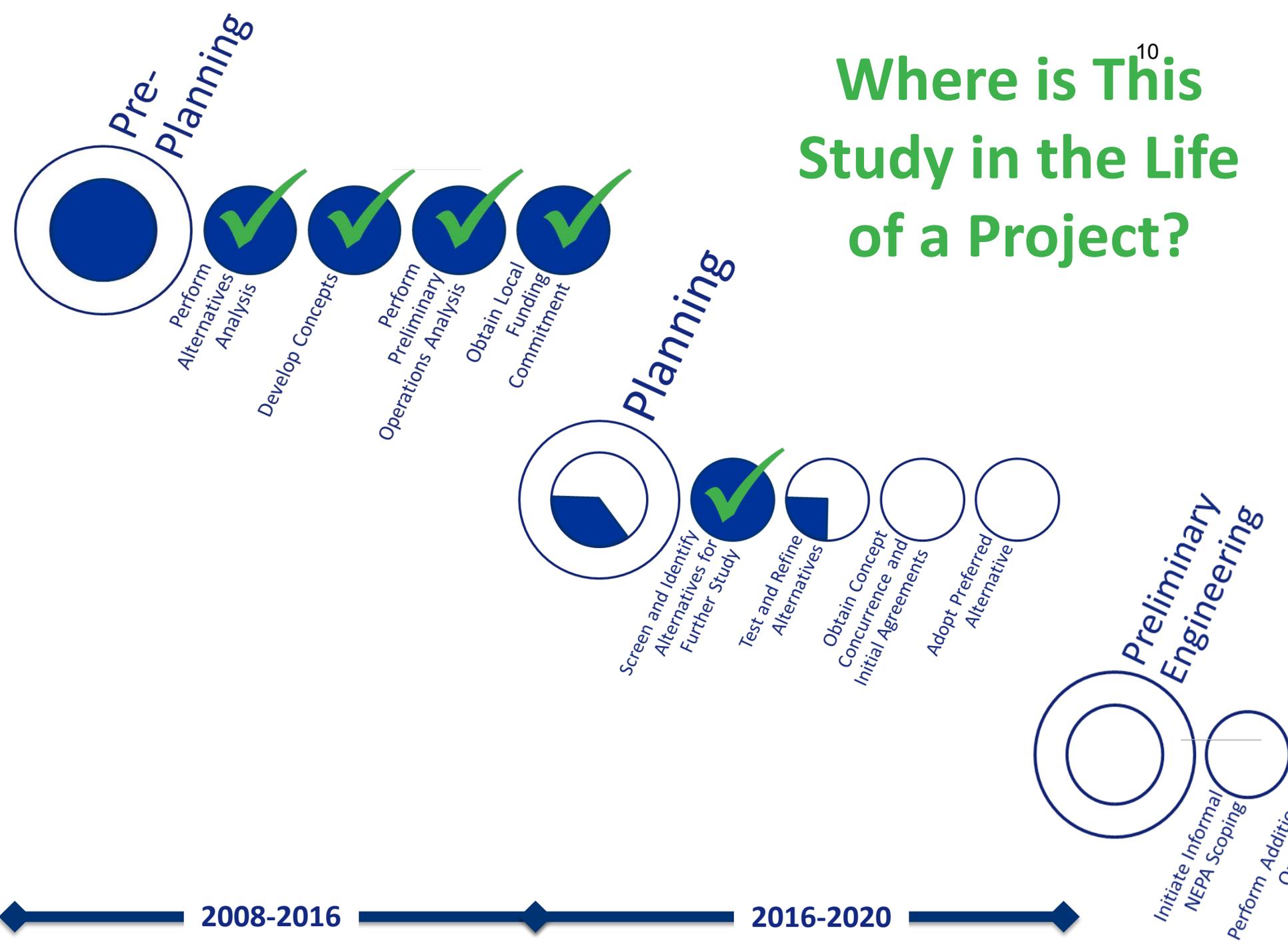


# Where is This<sup>9</sup> Study in the Life of a Project?



# Where is This Study in the Life of a Project?

10



# Existing Rail Corridor

## ***Freight Rail – Heavy Rail***

- Freight operation constitutes the movement of goods and cargo in freight rolling stock (e.g., boxcars, flatcars), which are typically hauled by diesel-powered locomotives.
- The North Carolina Railroad Company (NCRR) owns the 317-mile corridor and Class I freight rail provider Norfolk Southern operates and maintains the railroad through a long-term lease with NCRR

## ***Intercity Rail – Heavy Rail, Shared Track***

- Intercity transit mode services covering longer distances than commuter or regional trains
- The main provider of intercity passenger rail service in the U.S. is Amtrak
- Four intercity passenger service routes run on the North Carolina Railroad including the Carolinian and the Piedmont which are sponsored by NCDOT



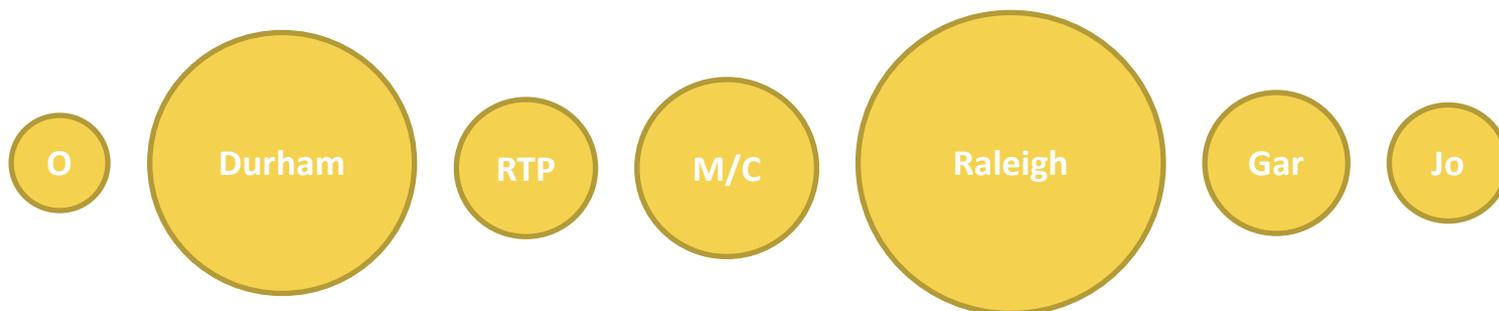
**The North Carolina Railroad is built for the service it currently offers**

**Added capacity, including commuter rail, would require additional infrastructure, including added tracks**

# Finding: All Scenarios Necessitate Another Track

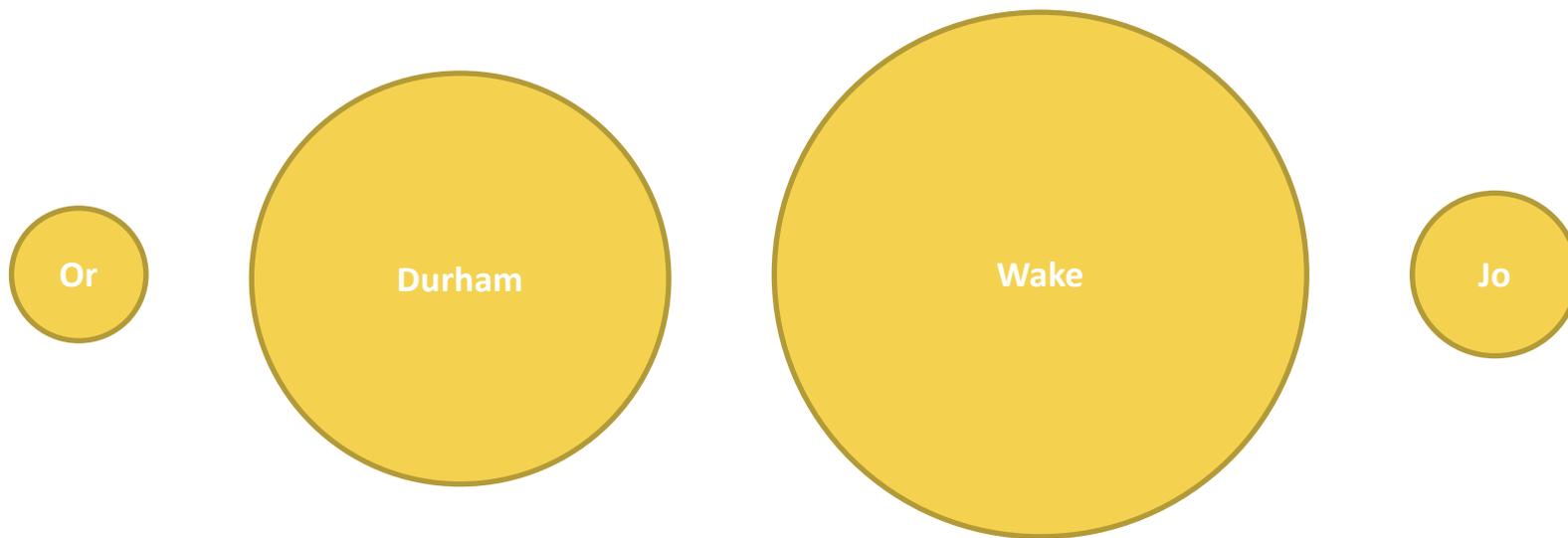
- Existing/Planned Traffic
  - 27 freight and intercity passenger trains per day
- Scenario 1: Three round trips in the peak periods
  - +14 commuter trains per day (7 round trips)
- Scenario 2: Five round trips in the peak periods
  - +24 commuter trains per day (12 round trips)
- Scenario 3: Eight round trips in the peak periods
  - +40 commuter trains per day (20 round trips)

# Busiest Stations in Raleigh and Durham



Note: circle sizes are relative to the number of boardings at stations within each jurisdiction

# Busiest Stations in Wake and Durham Counties



Note: circle sizes are relative to the number of boardings at stations within each county.

# This is a Preliminary Feasibility Study

- Further detailed railroad capacity modeling would be needed to confirm infrastructure requirements
- Cost estimates require further definition
  - Cost estimates are planning-level
  - No engineering has been performed yet as part of this study
  - Cost estimates would be refined once preliminary engineering work and railroad capacity modeling is completed
- Ridership estimates would require further refinement

# Evaluated Eight Scenarios

End Points	Round Trips	Range of Cap. Cost* [YOES\$]	O&M Cost [2019\$]	Range of Ridership**
Durham-Garner	8-2-8-2	\$1.4B – \$1.8B	\$29M	7.5K – 10K
Durham-Garner	5-1-5-1	\$1.4B – \$1.8B	\$20M	5K – 7.5K
Durham-Garner	3-1-3	\$1.4B – \$1.7B	\$13M	4.5K – 6K
Mebane-Selma	8-2-8-2	\$2.5B – \$3.2B	\$57M	8K – 11.5K
Mebane-Selma	5-1-5-1	\$2.5B – \$3.2B	\$40M	6K – 9K
Mebane-Selma	3-1-3	\$2.3B – \$3.1B	\$26M	5K – 7.5K
Hillsb.-Clayton	8-2-8-2	\$1.8B – \$2.4B	\$44M (+\$15M)	8K – 11.5K
Durham-Clayton	8-2-8-2	\$1.6B – \$2.1B	\$37M (+\$8M)	7.5K – 10K

- **Current Wake Transit Plan assumes \$1.33B capital cost for Durham-Garner 8-2-8-2**

\*Cost: Year-of-Expenditure Dollars (YOES\$)

\*\*Daily Ridership: Average of Current Year and Horizon Year Forecast

# Funding Capacity

## **Needs federal funding to be affordable**

**Orange:** Incremental cost to include Hillsborough and/ or Mebane is large relative to est. ridership

**Johnston:** Would require significant additional new revenue

**Durham and Wake:** Affordability will depend on:

- Cost share
- Prioritization versus other investments
- Ability to control costs

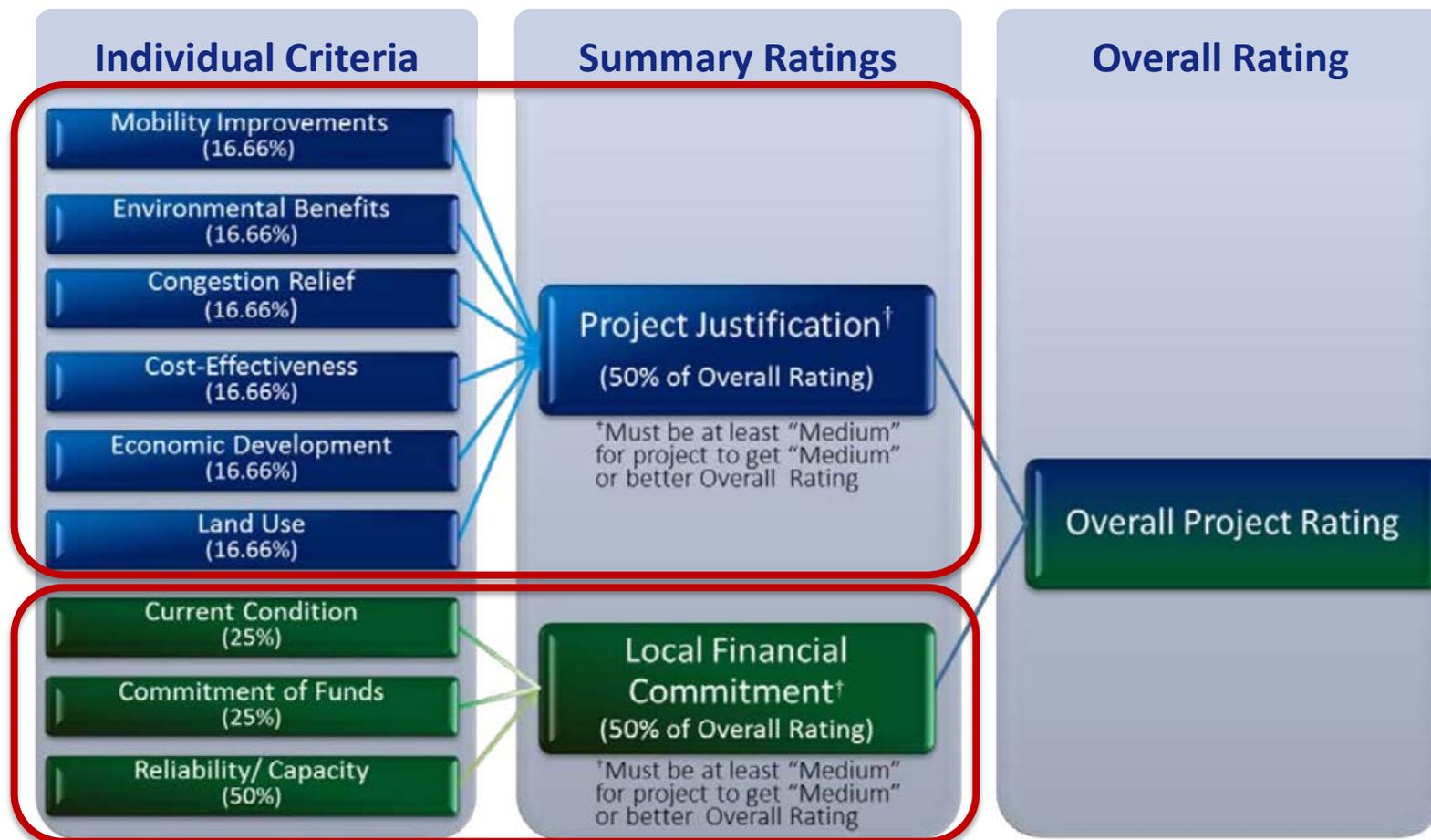


# Project Must Meet Set Criteria for Federal Funding

The Federal Transit Administration publishes guidelines for project evaluation and rating as a part of the Federal New Starts program

To be eligible for federal funding, **projects must score a Medium** overall rating across a range of pre-determined categories assessing financial factors, ridership and travel demand projections, and corridor characteristics (e.g. population and employment)

# Must Score Medium in Both Categories



# Driven by Six Project Justification Factors

Criterion	Description
<b>Criteria Based on Cost Estimates and Ridership Modeling</b>	
<i>Calculated Based on Average of Current Year (2018) and Horizon Year (2040) Models</i>	
<b>Mobility Improvements</b>	Total annual trips on the project, with trips of riders from zero-car households doubled
<b>Environmental Benefits</b>	Monetized benefit of change in vehicle miles traveled, divided by annualized cost (capital and O&M)
<b>Congestion Relief</b>	New weekday trips on the project
<b>Cost Effectiveness</b>	Total annual project trips divided by annualized cost (capital and O&M)
<b>Criteria Based on Corridor Characteristics</b>	
<b>Economic Development</b>	Qualitative score based on city and county- adopted plans and policies, their performance, the potential of the project to impact development patterns and affordable housing plans and policies.
<b>Land Use</b>	Quantitative and qualitative score based on existing station area population density, jobs, affordable housing, central business district parking ratio and cost, and built environment characteristics

## Lower Service and Higher Cost Scenarios Do Not Score Well

End Points	Service Level	Expected Score	“Upside” Score	“Downside” Score
Mebane-Selma	8-2-8-2	Medium-Low	Medium	Medium-Low
Mebane-Selma	5-1-5-1	Medium-Low	Weak Medium	Medium-Low
Mebane-Selma	3-1-3	Medium-Low	Weak Medium	Medium-Low
Durham-Garner	8-2-8-2	Medium	Medium	Medium-Low
Durham-Garner	5-1-5-1	Weak Medium	Weak Medium	Medium-Low
Durham-Garner	3-1-3	Weak Medium	Weak Medium	Medium-Low
Hillsb.-Clayton	8-2-8-2	Weak Medium	Medium	Medium-Low
Durham-Clayton	8-2-8-2	Medium	Medium	Medium-Low

**Note: Scenarios rated as “Weak Medium” are projected to score at the low end of the Medium range, meaning that if any single component score is reduced, the overall score would fall below the eligibility requirements**

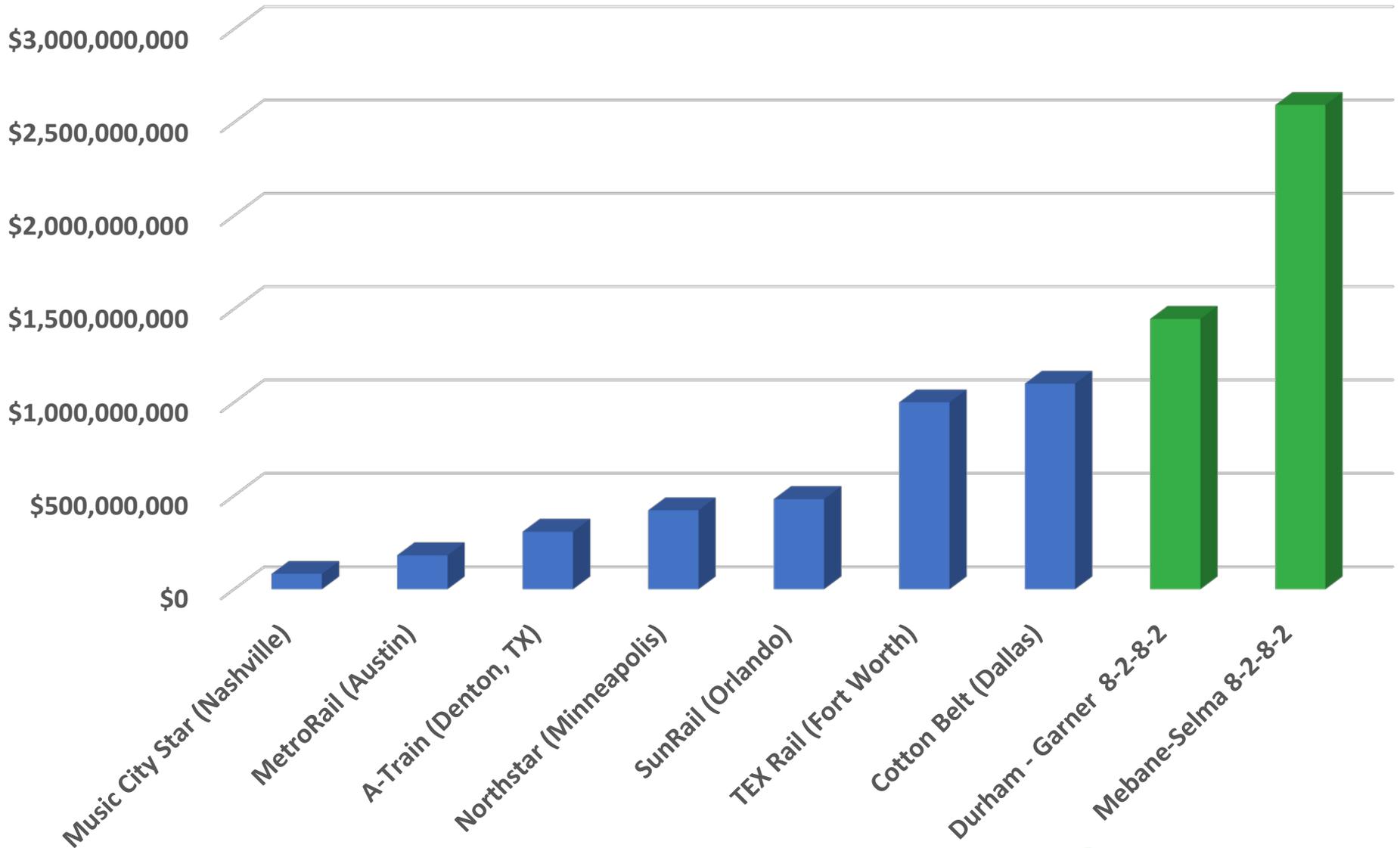
To be eligible for federal funding, project must score a Medium rating

# Peer Comparison

- Prior Major Investment Study identified peer systems for comparison of key metrics:
  - System Capital Cost
  - Capital Cost Per Mile
  - Average Weekday Trips
  - Average Trip Length
  - Capital Cost Per Passenger Mile Traveled
  - Operating Cost Per Passenger Mile Traveled

note: not all data were available for each peer system

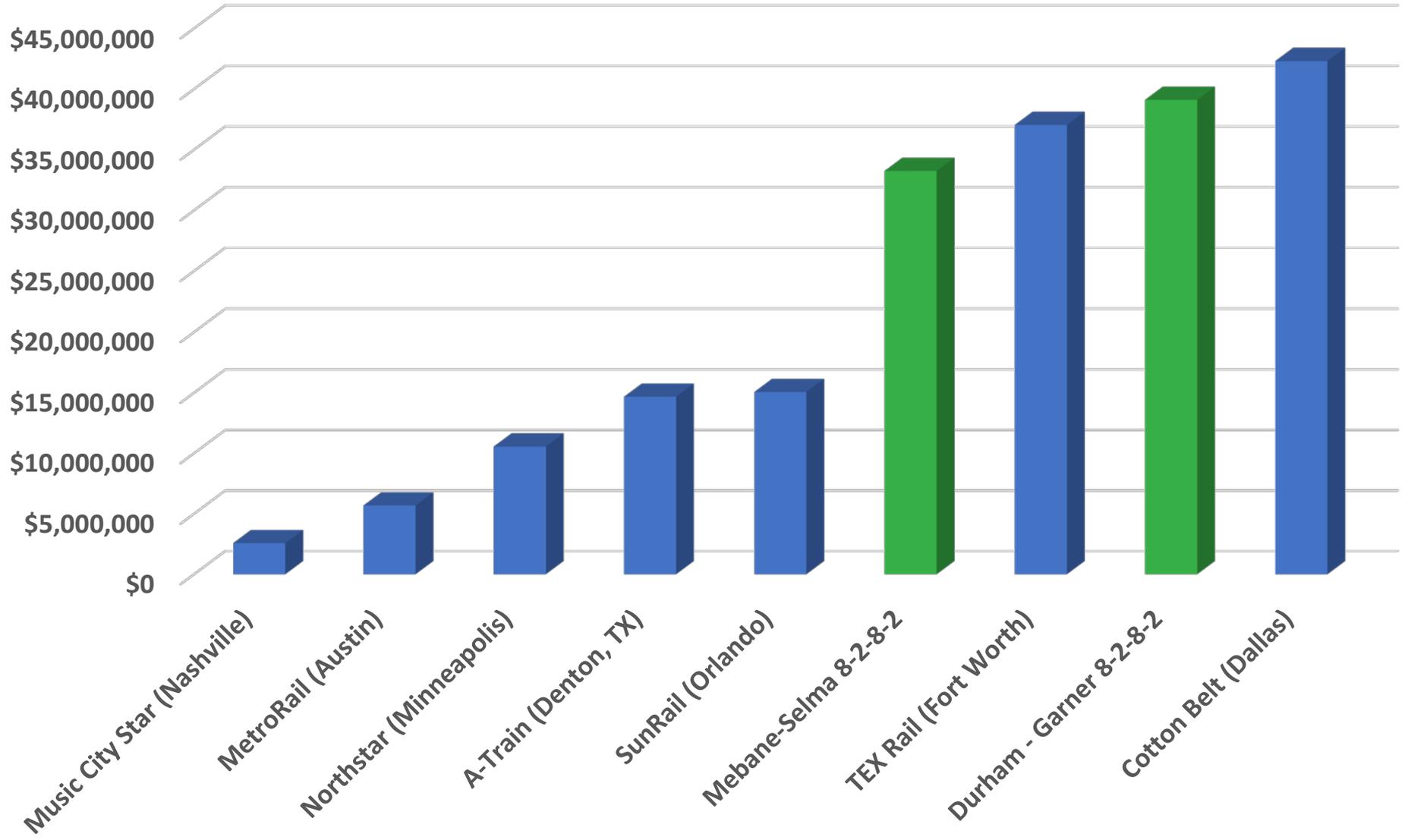
# System Capital Cost (2020\$)



System Capital Cost in 2020\$  
Source: 2019 CRT MIS Report

# Capital Cost (2020\$)/Mile

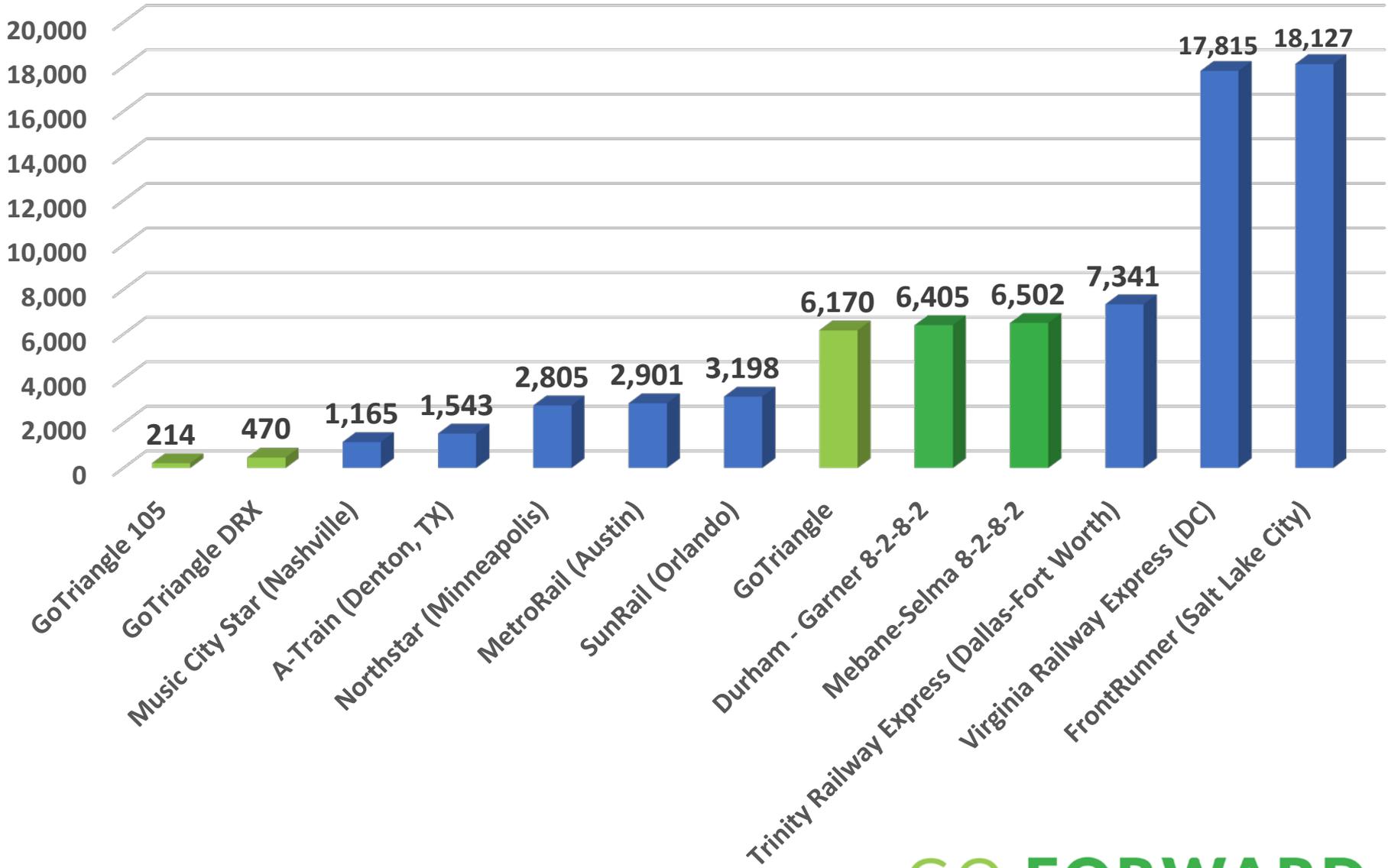
24



System Capital Cost in 2020\$ divided by length of system.  
Source: 2019 CRT MIS Report

# Average Weekday Trips (2018)

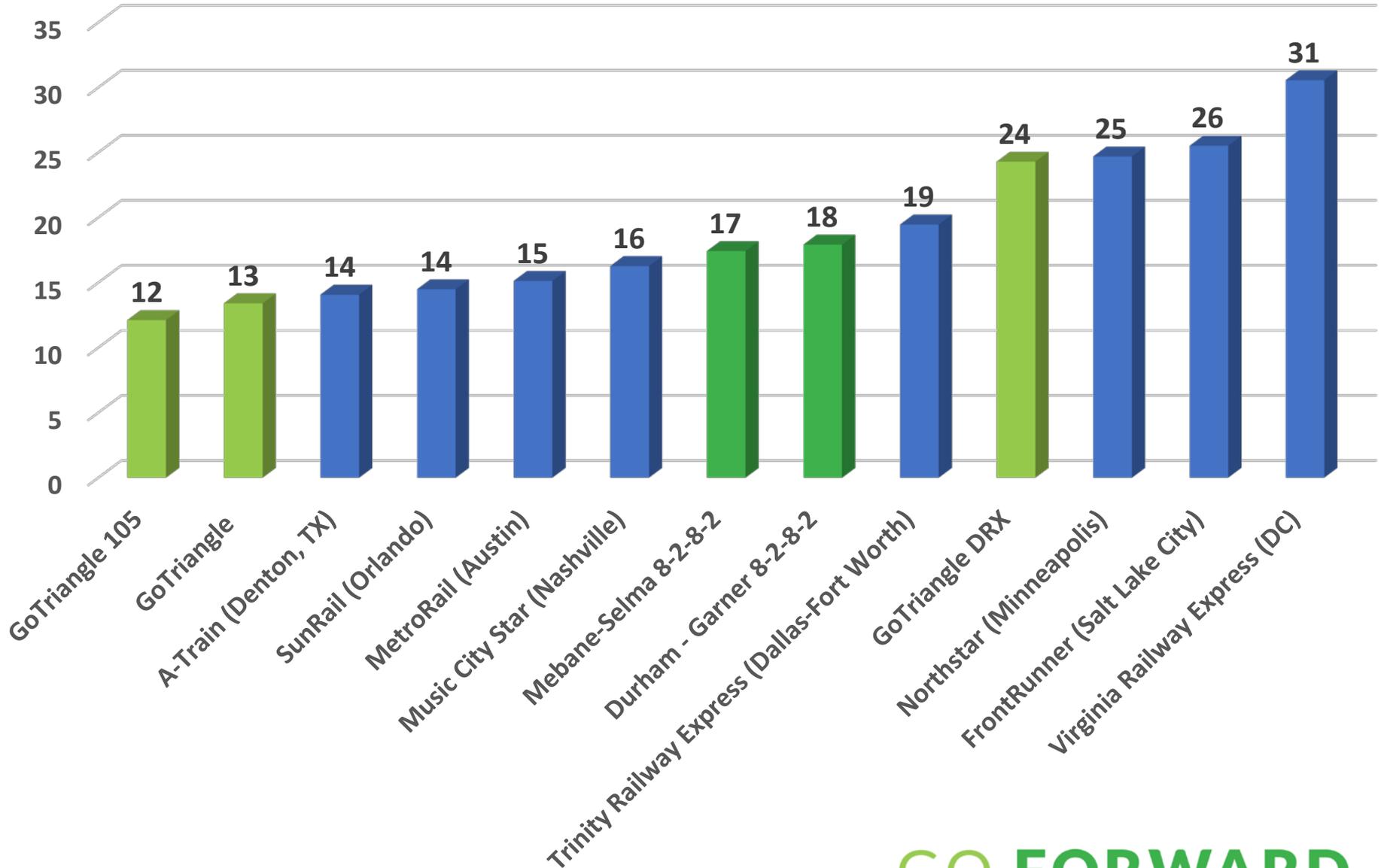
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Average Weekday Ridership for 2018.  
Source: NTD 2018 and GoTriangle FY2018 Bus Performance Report.

# Average Trip Length (miles)

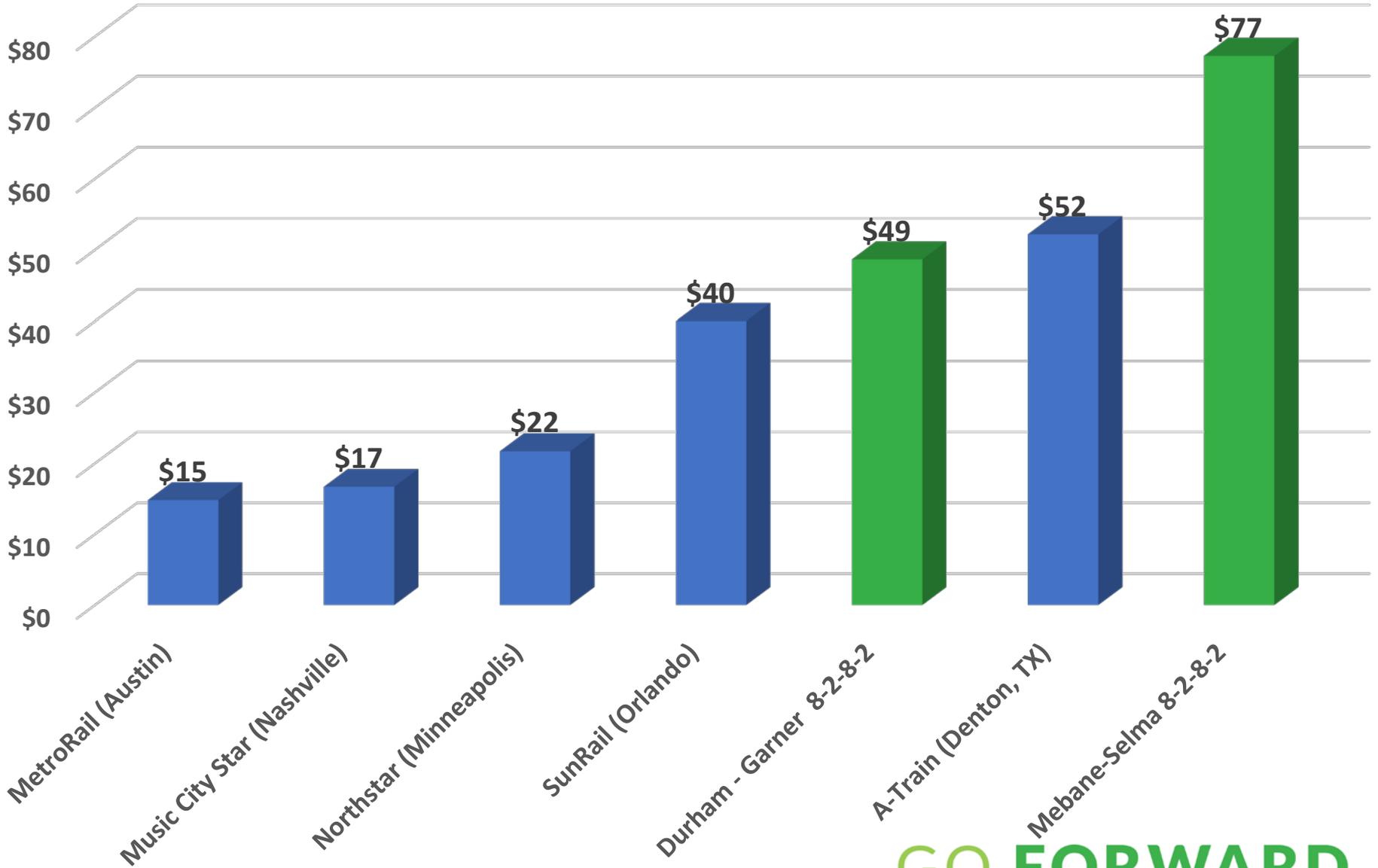
26



Average Unlinked Trip length.

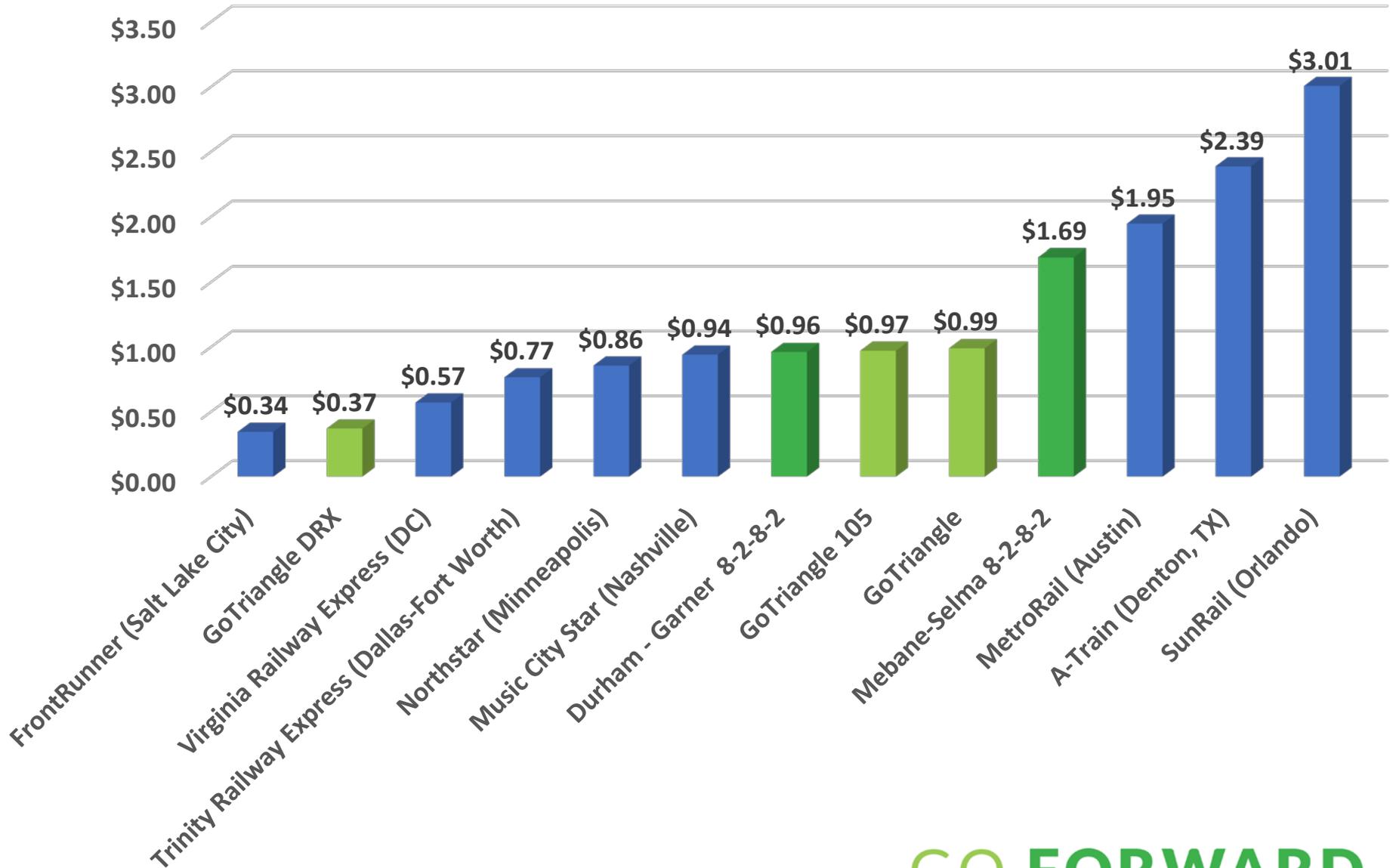
Source: NTD 2018 and GoTriangle FY2019 Bus Operations Report.

# Capital Cost (2020\$) / Annual Passenger Miles Traveled (2018) 27



Average System Capital Cost in 2020\$ divided by total annual passenger miles traveled  
Source: NTD 2018 and 2019 CRT MIS Report.

# Operating Cost (2019\$) / Annual Passenger Miles Traveled (2018) <sup>28</sup>



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Average System Operating Cost in 2019\$ divided by total annual passenger miles traveled  
 Source: NTD 2018, and GoTriangle FY19 Bus Operations Report

# Remaining Study Effort

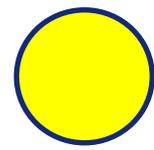
- Refine ridership and travel demand modeling
- Additional funding capacity analysis for Durham and Wake
- Discuss initial risk assessment with GoTriangle Board



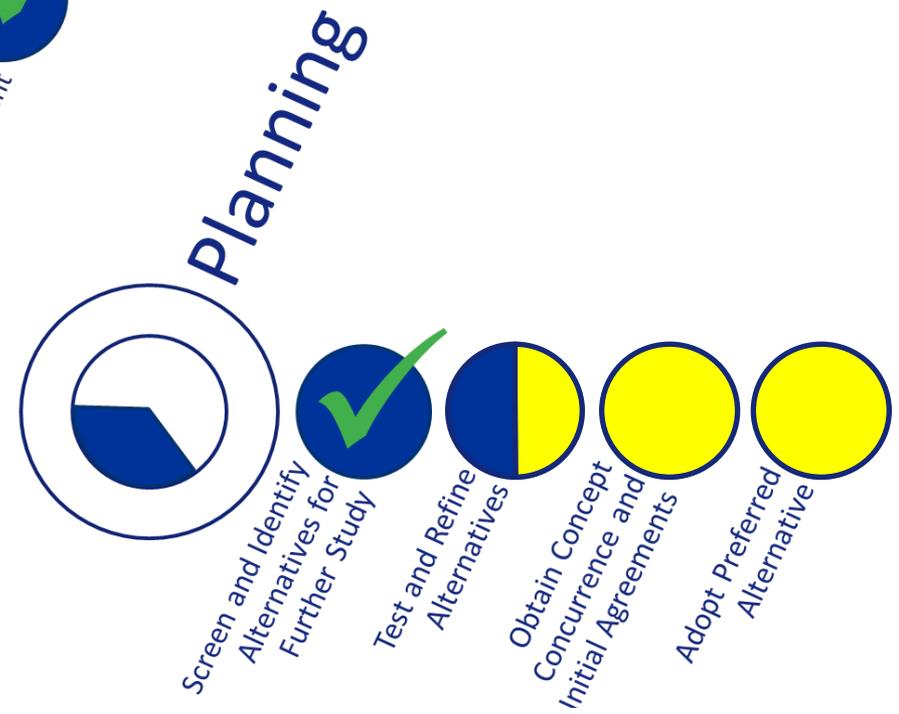
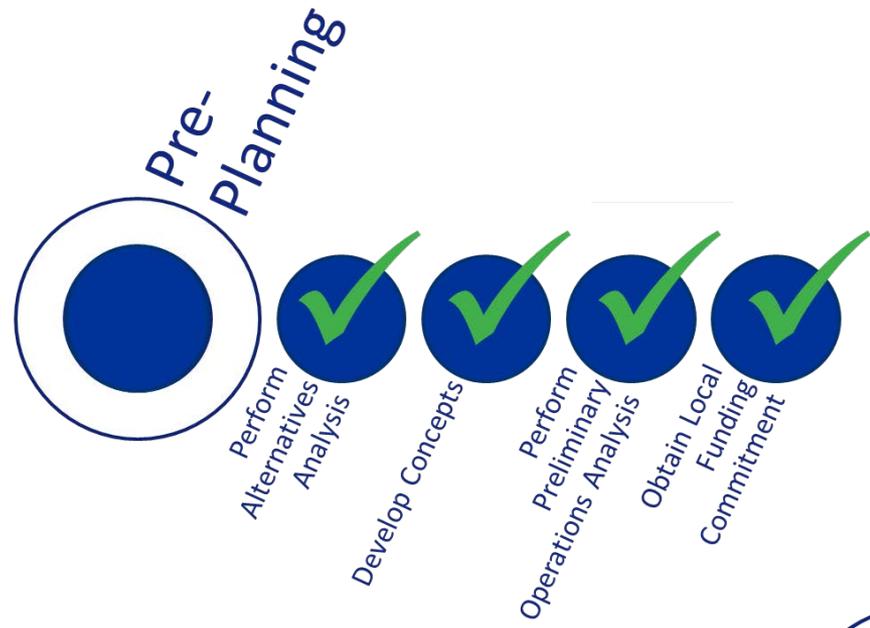
# Potential Next Phase of Study

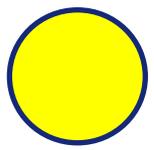
## “Early Project Development Activities”

- Rail Traffic Controller (RTC) model
- Preliminary engineering to evaluate critical risks only (e.g. Downtown Durham grade crossings)
- Additional ridership modeling
- Public engagement, integrated with local plan updates
- Agreements with funding partners, municipalities, and railroads

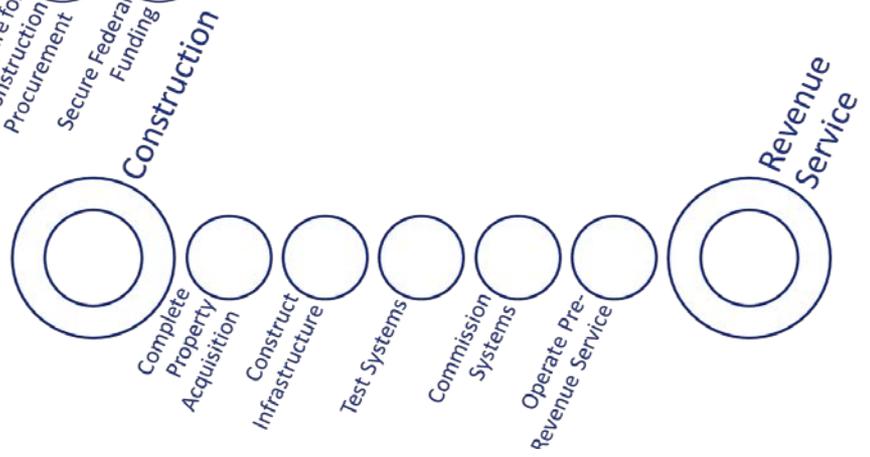
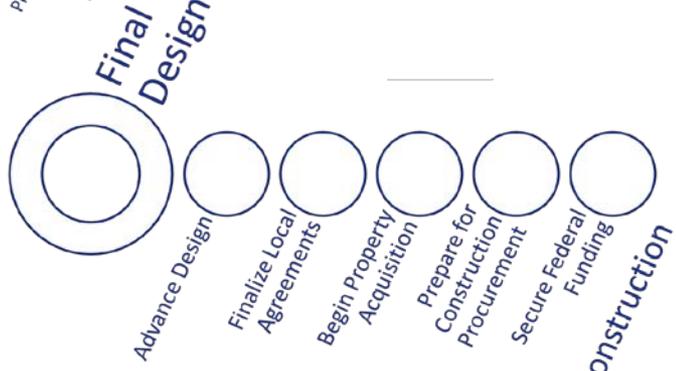
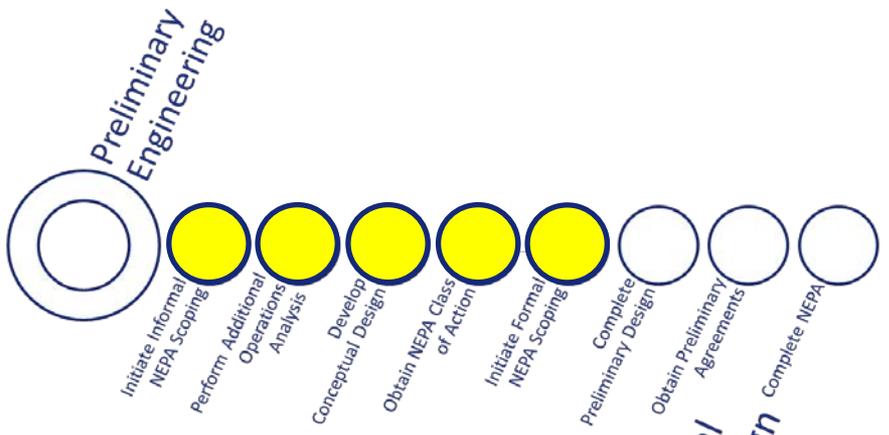


= Early Project Development Activities





= Early Project Development Activities



# Next Steps

- Present updated results and metrics
- Present risk assessment - GoTriangle board workshop on Jan. 22
  - Primer on risk for transit capital projects
  - Walk-through of initial risk assessment findings
- Consider pursuing early project development activities necessary prior to initiating project design and implementation
- Consider adopting memorandum of understanding among project management partners for early project development activities
  - Roles, responsibilities, and goals of the project management partners, municipalities, and other stakeholders if moving forward