



**Orange County
Board of Commissioners**

Agenda

Business Meeting

November 19, 2019

7:00 p.m.

Southern Human Services Center

2501 Homestead Road

Chapel Hill, NC 27514

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 – Sonya Drake is a sophomore at Cedar Ridge High School, where she enjoys history and English classes. She attended Duke School before that, an independent school where she learned to think creatively. Duke School's curriculum was based in project work and presentation, so she became comfortable with being onstage. In her free time, she reads and listens to music. And, of course, she writes. Writing is many things for Sonya-- a de-stresser, an outlet, a vessel, a gift. Writing helps her remember things she doesn't want to forget, and forget things she wishes she didn't remember. She writes mostly poetry and short stories. Lately, she's been experimenting with songwriting-- she plays the drums in a band, and they plan on performing some original songs. Even though her favorite season is fall, she loves the summer because there's so much more time to write. Often, she meets people or find places that inspire her and her writing.

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. Driving is Exhausting Campaign
5. **Public Hearings**
 - a. Public Hearing Regarding an Economic Development Recruitment Incentive for Piedmont Metalworks, LLC
6. **Regular Agenda**
 - a. Link Government Services Center Remediation Project Options for Consideration
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 – None
 - b. Fiscal Year 2019-20 Budget Amendment #3
 - c. Joint Driveway Easement – 306 Revere Road, Hillsborough
 - d. Change in BOCC Meeting Schedule for 2020
 - e. Authorization for the County Manager to Execute Contracts for the Purchase of a New Ambulance and Ambulance Remount
9. **County Manager’s Report**
10. **County Attorney’s Report**
11. ***Appointments**
12. **Information Items**
 - November 7, 2019 BOCC Meeting Follow-up Actions List
 - Minutes – Intergovernmental Collaboration with Municipal Partners
 - FY 2019-20 First Quarter Financial Report
13. **Closed Session**
14. **Adjournment**



Note: Access the agenda through the County's web site, 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 and Orange County Gov-TV on channels 1301 or 97.6 (Spectrum Cable).

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 19, 2019

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

SUBJECT: Driving is Exhausting Campaign

DEPARTMENT: Community Relations/Asset
Management Services

ATTACHMENT(S):
None

INFORMATION CONTACT:
Todd McGee, 245-2302
Brennan Bouma, 245-2626

PURPOSE: To receive a short presentation from and recognize members of the Phillips Middle School Green Team, including parent volunteer Mary Parry, that collaborated with other students in the district to launch a community education campaign called Driving Is Exhausting.

BACKGROUND: The student-led Driving Is Exhausting campaign attempted to spark awareness about the links between transportation, health and climate change. Yard signs were posted on all Chapel Hill-Carrboro City Schools campuses from October 28 through November 10, 2019, encouraging drivers to turn off their cars when waiting for more than 10 seconds.

The students created a website (www.DrivingIsExhausting.com) that offers an Idle-Free Schools Toolkit to help students generate more awareness and action. Resources included on the website are aimed at helping the community reduce idling around the schools and encouraging everyone to prioritize biking, walking and taking the bus whenever they can, reducing traffic and air pollution.

FINANCIAL IMPACT: There is no financial impact associated with this item.

SOCIAL JUSTICE IMPACT: There is no Orange County Social Justice Goal 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 receive the presentation and recognize members of the Phillips Middle School Green Team and their adult advisers for the Driving Is Exhausting campaign.

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 19, 2019

**Action Agenda
Item No. 5-a**

SUBJECT: Public Hearing Regarding an Economic Development Recruitment Incentive for
Piedmont Metalworks, LLC

DEPARTMENT: Economic Development
Manager's Office
Attorney's Office

ATTACHMENT(S):

1. Performance Agreement between Orange County & Piedmont Metalworks, LLC
2. PowerPoint Brief Summary
3. Public Hearing Media Notice

INFORMATION CONTACT:

Steve Brantley, Economic Development,
(919) 245-2326
Travis Myren, Deputy County Manager,
(919) 245-2308

PURPOSE: To:

- 1) Receive proposal information and hold a public hearing on the issuance of a "performance-based" economic development incentive by the County to a private company; and
- 2) Consider approval of the proposed 5-year performance-based incentive agreement, with claw-back provisions, for the recruitment of Piedmont Metalworks LLC's manufacturing facility to Orange County, NC.

BACKGROUND: Local and state government in North Carolina have the goal to promote economic development by encouraging the location of new businesses and the expansion of existing businesses. This activity serves to diversify the local tax base, increase employment opportunities and introduce desired job skills and related benefits to a community, and for the benefit of its residents. The Local Government Act, North Carolina General Statute (NCGS) 158-7.1 outlines the requirements of public hearings, and NCGS 158-7.1(a) specifically addresses the requirement that economic development appropriations "*must be determined by the governing body of the city or county to increase the population, taxable property, agriculture industries, employment, industrial output, or business prospects of the city or county*". This public hearing has been scheduled in compliance.

Project Description:

Piedmont Metalworks, LLC is a locally-owned structural and sheet metal fabrication company serving industries throughout the Southeast United States. The firm's staff of 12 metalworking

professionals has over 100 years of collective sheet metal fabrication experience and has performed custom work for many facilities around the region, including the Raleigh-Durham International Airport (ticket counters and jetway entrances), the North Carolina Museum of Art and North Carolina Museum of Natural History in Raleigh, UNC Chapel Hill (HVAC mounting platform), and the U. S. Marine Corps (tethered aerostat / blimp towing vehicles). Manufactured parts include enclosures, cabinets, housings, railroad sinks and toilets, panels, brackets, racks and recycling collection boxes. Products are made with structural steel and various sheet metal including mild steel, aluminum, stainless steel, galvanized, brass and copper.

Manufacturing skills include plasma cutting, welding, design and CAD engineering, powder coating and silk screening. The average annual salary is \$41,236 plus full employment benefits including medical, dental, and 401(k) match. Piedmont Metalworks currently has operations at 1551 Cooper Street in Durham, but has determined to relocate to either Orange County, or, competing sites and available building options in Alamance County. Management of the firm contacted Orange County Economic Development in July of this year to inquire about potential financial incentives to consolidate operations here, and the BOCC met and discussed this project in closed session on September 3, 2019.

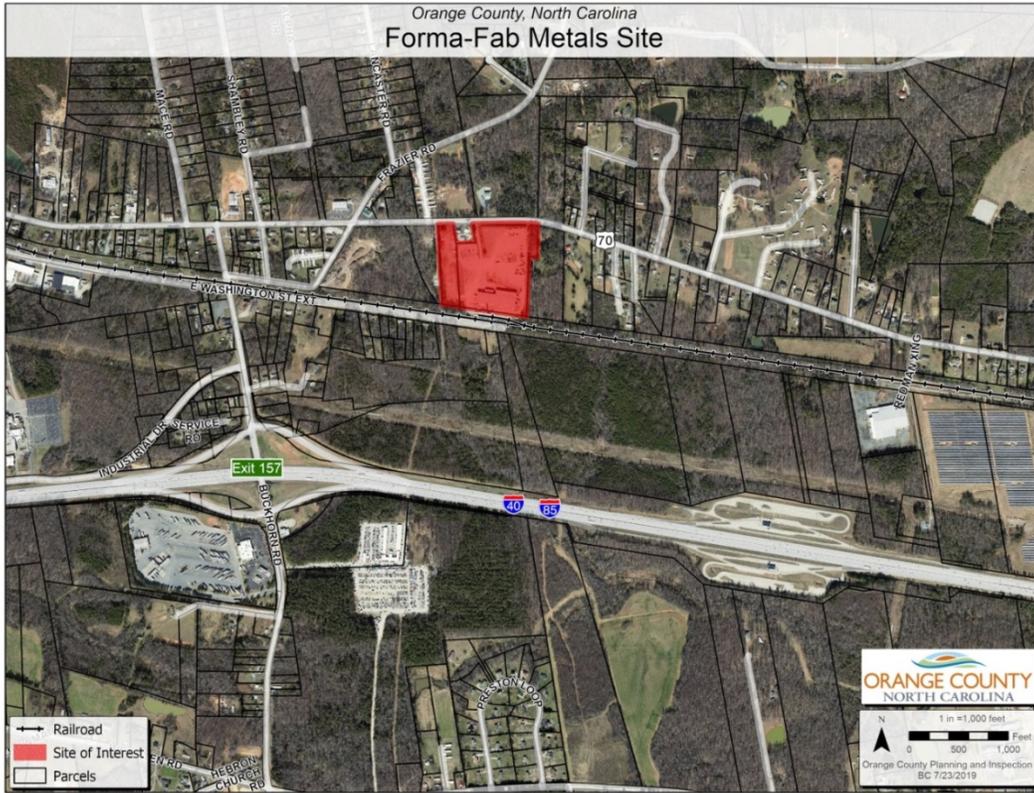
Under the same ownership by Chief Executive Officer (CEO) Richie Richmond is the Orange County-based custom sheet metal fabrication company, **Forma-Fab Metals**, which manufactures enclosures, cabinets, housings, panels, brackets, racks, bus bars, and covers. That firm, which has two locations at 5816 U.S. Highway 70 and at 6600 E. Washington Street in Orange County (between the Cheeks community and Mebane), has 68 local employees, and 75,000 square feet of manufacturing space with a total Orange County property tax valuation of \$2,916,600

This region of Orange County is part of a U.S. federally designated rural census tract area. The owner and CEO of both facilities, Ritchie Richmond, proposes to relocate Piedmont Metalworks from Durham to Orange County and be adjacent to his Forma-Fab Metals operation, which is located at 5816 U.S. 70, which is near the Buckhorn Road and U.S. 70 intersection.

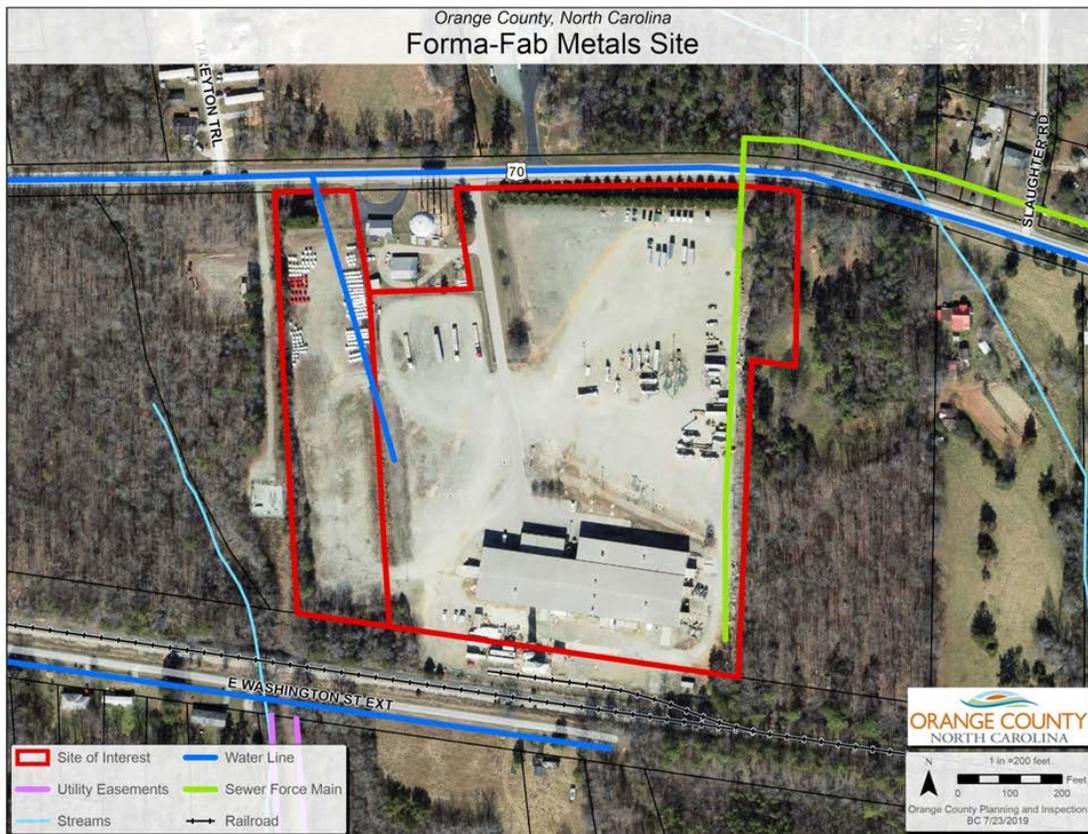
Illustration of metalworking machinery currently in use:



Orange County Site Location at 5816 US Hwy 70, Mebane, NC 27302:



Aerial view of the Orange County facility:



Examples of locally manufactured products for customers:
(recycling bin, military vehicle, safety ladder, rail car sink, airport counter)



Basis to Calculate the Value of Orange County’s Performance-Based Incentive:

- (1) **NEW INVESTMENT** – Piedmont Metalworks, LLC proposes to relocate its current Durham-based sheet metal manufacturing facility to Orange County and build a new 40,000 square foot production space adjacent to the existing Forma-Fab Metals operation. This plan will increase real property valuation by approximately \$3,050,000 and personal property valuation by approximately \$1,100,000 to yield a total of **\$4,150,000** in combined real and personal property investment over the next 5 years.

New Investment	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Real Property	\$1,500,000	\$0	\$750,000	\$0	\$800,000
Personal Property	\$150,000	\$200,000	\$250,000	\$250,000	\$250,000
Total (annual)	\$1,650,000	\$200,000	\$1,000,000	\$250,000	\$1,050,000

TOTAL NEW INVESTMENT BY 2024: \$4,150,000

- (2) **NEW EMPLOYMENT** – Piedmont Metalworks will maintain employment consistent with the hiring schedule outlined below during the term of the incentive agreement. If annual job targets are not achieved, the incentive payment will be reduced proportionally. By year #5, the Company plans to add 42 positions with an average salary of \$41,236 per year (equivalent to an average salary of \$19.83 per hour), plus health and related employment benefits. Of these 42 jobs, 12 positions will be existing jobs that will relocate to Orange County, and 30 positions will be new hires over the next 5 years.

Employment Projection					
	<u>1st Year</u> 2020	<u>2nd Year</u> 2021	<u>3rd Year</u> 2022	<u>4th Year</u> 2023	<u>5th Year</u> 2024
New Full Time Jobs (annual)	15	4	10	4	9

TOTAL NEW EMPLOYMENT BY 2024: 42 Jobs

The proposed economic development incentive follows the County’s previously adopted incentive formula that has been utilized with other industrial prospects, and is calculated at an amount equal to 75% of Piedmont Metalworks’ projected investment in additional real & personal property tax valuation over each of the first 5 years. County policy ensures that annual revenues from this project’s additional property tax values, net of annual incentive payments, remain revenue positive in all years of the incentive agreement.

The incentive will be performance-based, revenue positive, and require annual verification by the County of Piedmont Metalworks’ actual metrics over the next 5 years to note annual increases in (1) employment, wages & benefits, and, (2) new taxable real & personal property additions. Incentives would only be paid following confirmation of the Company’s required annual threshold growth in these measures, and, on a pro-rata reimbursement in case the company’s targeted growth in any year lags current growth projections.

Company CEO and President Richie Richmond has been invited to attend the meeting and will be available for comment and questions.

Orange County Revenue Projection (5 Years)						
	<u>1st Year</u> 2021	<u>2nd Year</u> 2022	<u>3rd Year</u> 2023	<u>4th Year</u> 2024	<u>5th Year</u> 2025	<u>TOTAL</u>
Gross Property Tax Revenues	\$14,320	\$15,926	\$24,314	\$26,005	\$34,449	\$115,014
Incentive Payments	(\$10,740)	(\$11,944)	(\$18,236)	(\$19,504)	(\$25,837)	(\$86,261)
Annual Net Revenues	\$3,580	\$3,981	\$6,079	\$6,501	\$8,612	\$28,753

Orange County Revenue Projection (10 Years)	
Gross Property Tax Revenues	\$274,709.00
Incentive Payments	(\$86,261.00)
Annual Net Revenues	\$188,448.00

FINANCIAL IMPACT: The attached “Performance Agreement” contract between Orange County and Piedmont Metalworks, LLC outlines a total financial impact of up to Eighty Six Thousand Two Hundred Sixty One Dollars (\$86,261), payable in five (5) annual installments. This Inducement Agreement will be performance-based, measured annually, and based on the Company’s annual investments in 2020 through 2024 resulting in a new property tax valuation of approximately Three Million Fifty Thousand Dollars (\$3,050,000) in Real Property, and approximately One Million One Hundred Thousand Dollars (\$1,100,000) in new Personal Property, to yield a combined Four Million One Hundred Fifty Thousand Dollars (\$4,150,000). Annual incentive payments by the County will be paid from net new property tax revenues to be generated by Piedmont Metalworks, LLC, and from available Article 46 funds, as required.

The Company will create at least forty-two (42) full-time jobs, to include 30 new positions, with an average annual salary of \$41,236 per year (average salary of \$19.83 per hour). Other economic benefit multipliers to the County include enhanced job skills for those employees through advanced technical training to be provided by the Orange County campus of Durham Technical Community College in Hillsborough. Also, construction employment for the additional 40,000 square foot facility will create additional skilled trade jobs in the metalworking industry.

Proposed Orange County Incentives

Project FFM												Last Updated: 8/6/2019
COMPANY INVESTMENT	\$4,150,000			TAX RATE	\$0.8679			Highlighted area indicates the incentive period for jobs and investment				
JOBS	42			INCENTIVE	75%			of new property tax for 5 years				
AVERAGE WAGE	\$41,236			DEPRECIATION RATE	10%							
New Value	Yr 1 (2020)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Initial New
Real	\$1,500,000	\$1,500,000	\$2,250,000	\$2,250,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000
Pers Prop Yr 1	\$150,000	\$135,000	\$121,500	\$109,350	\$98,415	\$88,574	\$79,716	\$71,745	\$64,570	\$58,113	\$52,302	\$150,000
Pers Prop Yr 2	\$0	\$200,000	\$180,000	\$162,000	\$145,800	\$131,220	\$118,098	\$106,288	\$95,659	\$86,093	\$77,484	\$200,000
Pers Prop Yr 3	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$75,000	\$50,000	\$250,000
Pers Prop Yr 4	\$0	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$75,000	\$250,000
Pers Prop Yr 5	\$0	\$0	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$250,000
Pers Prop Yr 6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pers Prop Yr 7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Value	\$1,650,000	\$1,835,000	\$2,801,500	\$2,996,350	\$3,969,215	\$3,869,794	\$3,772,814	\$3,678,033	\$3,585,229	\$3,494,207	\$3,404,786	\$4,150,000
Financial	Yr 1 (2020)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Total
Property Tax	\$0	\$14,320	\$15,926	\$24,314	\$26,005	\$34,449	\$33,586	\$32,744	\$31,922	\$31,116	\$30,326	\$274,709
Incentives	\$0	-\$10,740	-\$11,944	-\$18,236	-\$19,504	-\$25,837	\$0	\$0	\$0	\$0	\$0	-\$86,261
Annual Net	\$0	\$3,580	\$3,981	\$6,079	\$6,501	\$8,612	\$33,586	\$32,744	\$31,922	\$31,116	\$30,326	\$188,448
Cash Flow	\$0	\$3,580	\$7,562	\$13,640	\$20,141	\$28,754	\$62,340	\$95,084	\$127,006	\$158,122	\$188,448	

Jobs	Yr 1 (2020)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Total
Jobs	15	4	10	4	9							42

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is 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.

ENVIRONMENTAL IMPACT: The following Orange County 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.

Piedmont Metalworks' proposed consolidation of metalworking operations onto the firm's main production site should promote greater efficiencies regarding energy usage, recycling efforts, trucking transportation and related logistics.

- 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 new construction will involve the oversight of Orange County Planning & Inspections regarding site plan approvals, sedimentation control and storm water runoff management, and compliance with the County's zoning, set-back requirements and other land use ordinances.

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

- (1) Receive the proposal to consider the issuance of incentives to a private company for the recruitment & expansion of Piedmont Metalworks' manufacturing facility to Orange County;
- (2) Conduct the Public Hearing and receive BOCC and public comments;
- (3) Close the Public Hearing; and
- (4) Approve the "performance-based" economic development incentive agreement between Orange County and the Company, Piedmont Metalworks, LLC, subject to final review by the County Attorney, and authorize the Chair to sign the agreement on behalf of the County.

Attachment 1

**STATE OF NORTH CAROLINA
ORANGE COUNTY**

**PERFORMANCE AGREEMENT BETWEEN ORANGE COUNTY, NORTH CAROLINA,
AND PIEDMONT METALWORKS, LLC.**

This Performance Agreement (“Agreement”) made and entered into this the ___ day of _____, 2019 by and between Orange County, a body politic existing under the laws of the State of North Carolina (“County”) and Piedmont Metalworks, LLC., a U.S. operating entity and privately-owned corporation, with facilities located adjacent to 5816 U.S. 70 West in Orange County, North Carolina (“Company”), for the purpose of incentivizing Company’s expansion which will create investment and employment growth in Orange County. Company’s Facility shall move their existing sheet metal manufacturing operation.

Company represents it is duly authorized to conduct business in North Carolina. It is understood that the levels of performance required by this Agreement are to be met by Company as a whole at its Facility in Orange County. Accordingly, the term “Company” as used in this Agreement refers to the entire group at such Facility.

W I T N E S S E T H

THAT WHEREAS, the County has offered to the Company an inducement package as hereinafter set forth; and

WHEREAS, Pursuant to G.S. Section 153A-449, 158-7.1, and 158-7.2, as construed by the North Carolina Supreme Court in its opinion in Maready v. The City of Winston-Salem, et al, 342 N.C. 708 (1996), and other judicial authority, the County may enter into an agreement with the Company in connection therewith; and

WHEREAS, the County finds that awarding the Company a grant based on its Total Taxable Investment will increase the taxable property base for the County and help create new jobs in the County at the agreed average annual salary, all of which will result in an added and valued benefit to the taxpayers of the County; and

WHEREAS, but for the offer of an inducement package the Company would not be locating its manufacturing facility within Orange County.

NOW, THEREFORE, the parties hereto in consideration of these mutual covenants and agreements passing from each to the other do hereby agree as follows:

1. **DEFINITIONS.** As used in this Agreement the terms below will have the following meanings:
 - A. “Affiliate.” A company that the Company controls, controls the Company, or is under common control with the Company.
 - B. “Baseline Employment.” Number of employees, 12, employed by Company as of the date of execution of this Agreement.

- C. “Baseline Valuation.” Current assessed valuation of the Subject Property as assessed by the Orange County Tax Administrator prior to the investment contemplated in this Agreement. Upon revaluation by the County the Baseline Valuation shall be adjusted as determined by the Orange County Tax Administrator.
- D. “Commencement Date.” The date in which the Company begins actual production operations at the Subject Property, after having obtained applicable governmental approvals, certificates of zoning compliance, and certificates of occupancy. Unless delayed by causes beyond the control of the Company, the Commencement Date is anticipated to be no later than December 31, 2020.
- E. “Company.” Piedmont Metalworks, LLC. and includes its affiliates, successors, and assigns.
- F. “Eligible Property.” Includes (a) the Subject Property (as defined in Exhibit C, Legal Description of Real Property), other real property in the County, and all improvements the Company or an Affiliate of the Company constructs or installs, or causes to be constructed or installed, at the Subject Property or such other real property, including all buildings, building systems, and building improvements, and (b) all personal property (as defined in Exhibit B, Personal Property) the Company or an Affiliate of the Company purchases or leases and installs, at or relocates to, the Facility or such other real property. Does not include property valued for the Baseline Valuation.
- G. “Grant.” An economic incentive grant to the County pursuant to Section 2 of this Agreement.
- H. “Inducement Grant.” An economic development grant provided to Company for the purpose of securing the Company’s location of its manufacturing facility in Orange County, North Carolina.
- I. “Minimum Taxable Investment.” The aggregate Qualifying Expenditures made by the Company that Company anticipates will be made annually as reflected in Exhibit A and verified by the Orange County Tax Assessor and which will be used for calculating the annual Inducement Grant payment.
- J. “Orange County Facility” or “Facility.” The Company constructed and/or owned primary and secondary structures, utilities, and operations and service areas situated on the Subject Property adjacent to 5816 U.S. 70 West, Orange County, North Carolina in and on which Company conducts its business and/or operations.
- K. “Person.” Any individual, partnership, trust, estate, association, limited liability company, corporation, custodian, nominee, governmental instrumentality or agency, body politic or any other entity in its own or any representative capacity.
- L. “Personal Property.” All personal property the Company or an Affiliate owns or leases located at the Facility, including all (a) machinery and equipment, (b) furniture, furnishings, and fixtures, (c) property that is capitalized for federal or state income tax purposes, (d) all additions to any of the foregoing, and all replacements of any of the foregoing in excess of \$100,000.

- M. "Qualifying Expenditure." All expenditures the Company, an Affiliate, or lessor to the Company or an Affiliate makes for Eligible Property which is subject to Tax in the County, and is not subject to an exemption or exclusion from Tax, that the Company uses.
- N. "State." The State of North Carolina.
- O. "Subject Property." The property on which Company constructs and/or operates the Orange County Facility.
- P. "Tax" or "Taxes." *Ad valorem* property tax levied on real and personal property located in the County pursuant to Article 25, Chapter 105 of the North Carolina General Statutes or any successor statute relating to *ad valorem* property tax the County levies on property.
- Q. "Term" or "Full Term." The duration of this Agreement meaning ____, 2019 through and including January 31, 2025.
- R. "Total Taxable Investment." The taxable value of all Qualifying Expenditures made by Company in and to its Orange County Facility as of January 1, 2025.

2. INDUSTRIAL INVESTMENT AND EMPLOYMENT AGREEMENT

A. INVESTMENT

1. The Company anticipates it shall, during the term of this Agreement, directly invest a Minimum Taxable Investment annually in accordance with the investment plan attached as Exhibit A in addition to 2019 assessments in real and taxable business personal property as described in Exhibit B and Exhibit C. If the Company does not make the Total Taxable Investment by on or before January 1, 2025 (and as may be extended below), the amount of the Inducement Grants will be adjusted as provided in Subsection 2A3.
2. The Company shall achieve the Total Taxable Investment by January 1, 2025.
3. If total increase of taxable investment falls below the Minimum Taxable Investment levels, due to failure to meet the investment goals set forth in Exhibit A or removal of equipment, as assessed by the Orange County Tax Assessor, the amount of the following annual Inducement Grant installment payment will be reduced by a pro-rata percentage of the shortfall. The Baseline Valuation shall be excluded from calculations to determine whether the investment goals have been met.
4. In the event of the failure of the Company to make the Minimum Taxable Investment, or to fill the applicable Jobs Minimum by an applicable date, the County in its sole discretion may grant to the Company a reasonable extension of time to satisfy such criteria, which grant of extension of time shall not be unreasonably withheld, or otherwise agree to such other performance criteria that equate to a similar economic and fiscal return to the County. Any such extension or extensions will extend the dates for payment of Inducement Grant funds.

B. EMPLOYMENT

1. On or before December 31, 2024, at least 42 persons will be employed in full-time positions at the Facility (“Jobs Minimum”). The number of full-time positions shall be evidenced by one or more Quarterly Tax and Wage Reports (Form NCUI 101) filed with the N.C. Employment Security Commission.
2. During the Term and at the expiration of this Agreement, the Company, and its Affiliates, shall employ, at the Facility in Orange County, new full time equivalent employees in accordance with Exhibit A. Employees counted toward the total numbers reflected in Exhibit A shall include employees of the Company employed and located at Company’s Facility in Orange County, North Carolina provided such employees are employed in Orange County on a full time basis and are eligible to participate in Company sponsored health insurance programs. For purposes of this section “full time equivalent employees” shall be defined as actively employed individuals and shall not include vacant positions for which the Company is actively or otherwise recruiting and shall not include positions counted toward the Baseline Employment. It is understood that vacancies occur and that when such occur the Company will immediately, or as soon as is reasonably possible thereafter, fill said vacancies. The average wage of the 42 new full time equivalent employees shall be, as of the last day of this Agreement, at the annual rate of Forty One Thousand Two Hundred Thirty Six Dollars (\$41,236.00).

C. DEVELOPMENT GRANT PARTICIPATION: Where applicable, the Company agrees to partner, through the commitment to create new jobs, with Orange County and other applicable agencies to apply for development grants that will improve and/or add water, sewer, road or other necessary infrastructure in order to facilitate the successful completion of this project. The Company agrees to meet with program representatives, and to participate in the grant request process as necessary to secure the required funding.

D. GUARANTEED MINIMUM LEVEL OF PERFORMANCE: The Company agrees that its minimum level of performance pursuant to this Agreement shall be as set out in this Section 2. Furthermore, Company agrees that failure to meet the minimum level of new employment as reflected in Section 2B shall entitle the County to make reductions in inducement installments paid to the Company in an amount of Five Hundred dollars (\$500.00) per employee not hired as reflected in Exhibit A. Company further agrees that failure to meet the minimum level of direct investment as reflected in Section 2A shall entitle County to make pro rata reductions in inducement installments paid to the Company as set out in Section 3. It is agreed and understood by the parties hereto that the failure of the Company to meet the level of performance with respect to minimum level of investment or minimum level of new employment as specified herein shall not be considered a breach of this Agreement. Notwithstanding the above reductions to the inducement installments paid to Company based on failure to meet the minimum levels of new employment in Section 2B in any year, Company shall be entitled to such recoupment (in the same \$500 increments) in the event in following years that it not only meets the following year minimum levels of new employment but makes up any prior year’s deficits.

E. STATUTORY COMPLIANCE: The Company understands that the County's participation is contingent upon authority found in North Carolina General Statute 158-7.1 and other relevant North Carolina General Statutes and that should such statutory authority be withdrawn by the North Carolina General Assembly County may terminate this Agreement without penalty to County and without further compliance with this Agreement.

3. INDUCEMENT PACKAGE

A. COUNTY INDUCEMENT GRANT: Subject to the limitations set out herein the County, upon execution of this Agreement, shall provide to the Company an Inducement Grant to offset Facility development, expansion, and acquisition costs in an amount estimated at Eighty Six Thousand Two Hundred Sixty One Dollars (\$86,261.00) payable in five installments . The estimated annual amount of each year's grant payment is shown in Exhibit A. The first installment shall occur on January 31, 2021 upon receipt of proof, as described in Section 5 of this Agreement, that the minimum employment and investment numbers referenced in Section 2 of this Agreement have been met and proof that all outstanding local property taxes on the real and business personal property owned by the Company and located within Orange County, for which a bill for such taxes has been issued to the Company, have been paid. Subsequent annual installments will occur during the month of January for the term of this Agreement with the final installment occurring in January 2025. No installment shall be required to be paid until such time as County receives proof of the payment of all outstanding property taxes and verification of employment and investment levels has been submitted to the County. Subject to Section 3C the final Inducement Grant amount shall be determined based on the Company's Total Taxable Investment at the time of the final inducement installment and according to the formula in 3B.

B. TOTAL COUNTY COMMITMENT: The maximum amount of the Inducement Grant payment is based on the Total Taxable Investment by Company in an amount of Four Million One Hundred Fifty Thousand Dollars (\$4,150,000.00). The Inducement Grant payments shall be calculated based on the Company's Minimum Taxable Investment for the time period preceding the current Inducement Grant payment. County shall adjust the Inducement Grant payment amount according to the following formula: Amount of investment divided by 100 multiplied by the current ad valorem tax rate (currently \$0.8679 per \$100 of valuation) multiplied by 0.75 (percentage of inducement) multiplied by 5 (number of years). Utilizing this formula, and an estimate of depreciation as outlined in Exhibit A, a taxable investment currently estimated at Four Million One Hundred Fifty Thousand Dollars (\$4,150,000.00) would result in an Inducement Grant in the amount of Eighty Six Thousand Two Hundred Sixty One Dollars (\$86,261.00), payable in 5 installments. Subject to 3C below, in the event the amount of taxable investment increases or decreases, the amount of inducement shall increase or decrease based on the formula specified herein, however the total amount of inducement shall not exceed Eight Six Thousand Two Hundred Sixty One Dollars (\$86,261.00). Further, this example assumes a static Total Taxable Investment of Four Million One Hundred Fifty Thousand Dollars (\$4,150,000.00) throughout the 5 year term. The formula specified herein shall be applied to the taxable investment annually during the term to determine the actual amount of the 5 inducement installments.

C. MAXIMUM COUNTY COMMITMENT: The Inducement Grant **SHALL NOT EXCEED** (Eighty Six Thousand Two Hundred Sixty One Dollars (\$86,261.00)). This is the maximum allowable inducement amount based on an estimated Total Taxable Investment by the Company of Four Million One Hundred Fifty Thousand Dollars (\$4,150,000.00). This maximum amount may be reduced based on lower than anticipated investment by the Company.

4. EXPANSION OPPORTUNITY

Participation in this Agreement shall not exclude the Company from consideration for additional inducements from the County either during or upon completion of this Agreement. Future projects shall be considered on a case-by-case basis and induced at the discretion of the County based on new taxable investment and job creation in excess of the minimum levels outlined in Section 2 above. Any such agreement shall require a separate "Performance Agreement" which shall conform to all relevant North Carolina Statutes and/or Orange County Ordinances, Policies or Resolutions, shall be in writing, and shall be mutually agreed upon by the Parties.

5. PROOF AND CERTIFICATION

The officials of the parties to this Agreement shall furnish the necessary reports and certificates to verify that each party's respective goals are met. Acceptable forms of proof for taxable investment shall be the records of the County Tax Administrator. Acceptable forms of proof of payment of taxes shall be in the form of cancelled checks, and receipts of payment from the County Tax Administrator. Acceptable forms of proof for employment numbers shall be in the form of a notarized statement from a North Carolina licensed Certified Public Accountant and shall be verified by the North Carolina Employment Security Commission.

Until that date which is one (1) year following the date of the final Incentive Grant payment, the Company shall allow representatives of the County to enter the Facility during normal business hours upon forty-eight (48) hours prior notice for the purpose of confirming that the claimed investment and employment goals have been met. Company will not be held liable for injuries to representatives of the County while at the Facility.

6. REMEDY

A. INDUCEMENT PACKAGE: If the County does not meet and maintain the terms set forth in the inducement package, the Company has the option to the rights set forth in Section 11A of this Agreement upon thirty (30) days written notice to the County.

B. DELAY OF INDUCEMENT PACKAGE INITIATION: If the Company believes that it will not meet employment and investment goals that are to be met pursuant to this Agreement by December 31, 2020, the onset of this Agreement may be delayed up to one (1) year, at the option of the Company. Written notification of the exercise of this option to delay onset must be received by the County no later than December 31, 2020. In that event this Agreement shall initiate no later than December 31, 2021 and shall expire no later than January 31, 2026. In the event the employment and investment goals are not met due to causes beyond the control of the Company, the period in which such employment and investment goals are to be met may, upon written notice to, and agreement by the County, be tolled by the period of such delay, up to one (1) year, caused by such causes beyond the control of the Company (for purposes of this Section 6B causes beyond the control of the Company are limited to delay in completion of public works

construction such as access road, utilities, water, and sewer lines). Notwithstanding anything else herein the Commencement Date shall not be beyond December 31, 2022. If Company cannot meet this deadline this Agreement shall terminate automatically without fault or further obligation to County. Company shall remain free to negotiate a new incentive agreement with County based on new terms and timelines.

C. INVESTMENT AND EMPLOYMENT PACKAGE: If the Company does not meet and maintain either the investment or employment goals within the annual timetable set forth in this Agreement, and does not opt to delay the onset of this Agreement as described above, then the county will reduce the annual installment payment as set forth in Section 2D of this Agreement until such time as the Company once again meets both the investment and employment goals. Reduction shall be computed based on the percentage of the goal not met. In order to qualify for the full reimbursement, including recovery of any prior reductions, both investment and employment must meet or exceed the minimum standards outlined above prior to the natural termination of this Agreement.

7. SEVERABILITY

If any term or provision of this Agreement is held to be illegal, invalid, or unenforceable, the legality, validity, or enforceability of the remaining terms, or provisions of this Agreement shall not be affected thereby; and in lieu of such illegal, invalid or unenforceable term or provision, there shall be added by mutually agreed upon written amendment to this Agreement, a legal, valid, or enforceable term or provision, as similar as possible to the term or provision declared illegal, invalid, or unenforceable.

8. COMPLIANCE WITH THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT OF NORTH CAROLINA GENERAL STATUTES

All appropriations and expenditures pursuant to this Agreement shall be subject to the provisions of the Local Government Budget and Fiscal Control Act of the North Carolina General Statutes for cities and counties and shall be listed in the annual report submitted to the Local Government Commission by the County.

9. GOVERNING LAWS, DISPUTE RESOLUTION, & FORUM

This Agreement shall be governed and construed by the Laws of the State of North Carolina. Any action brought to enforce or contest any term or provision of this Agreement shall be brought in the North Carolina General Court of Justice sitting in Orange County, North Carolina. The Parties hereto stipulate to the jurisdiction of said court. It is agreed by the parties that no other court shall have jurisdiction or venue with respect to any claims, complaints, suits, or actions. Binding arbitration may not be initiated by either party, however, the parties may agree to nonbinding mediation of any dispute prior to the bringing of a claim, complaint, suit or action.

10. INDEMNIFICATION

The Company hereby agrees to indemnify, protect and save the County and its officers, directors, and employees harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including reasonable attorneys' fees, arising

out of, connected with, or resulting directly or indirectly from the business, construction, maintenance, or operations of the Company or the Facility or the transactions contemplated by or relating to this Agreement, including without limitation, the possession, condition, construction or use thereof, insofar as such matters relate to events subject to the control of the Company and not the County. The indemnification arising under this Article shall survive the Agreement's termination.

11. TERMINATION

A. COMPANY: Upon Company's meeting its Employment and Investment obligations as set out in Section 2 above and upon Company's certification to such and certification of the payment of all real and personal property taxes, as set out in Section 5 above, then upon the occurrence of any of the following events, the Company shall have the option of terminating this Agreement: Failure of the County, to provide the initial inducement installment as provided in Section 3 of this Agreement; or, under the same circumstances, failure of the County to make future inducement installments, as provided for in Section 3 of this Agreement. Should the Company exercise its option to terminate this Agreement, pursuant to this Section for failure by the County, the Company shall be entitled to retain all funds paid to or for the benefit of the Company pursuant to this Agreement. On the other hand, should the Company terminate this Agreement for any reason other than the default by the County to provide for any inducement installment to the Company, the Company shall repay to the County all funds paid to or for the benefit of the Company pursuant to this Agreement. Thereafter, the County shall have no further obligation to make inducement installments annually or otherwise. Any such termination of this Agreement by the Company shall be in writing and shall meet notice requirements as set out herein.

B. COUNTY: The County shall have the option of terminating this Agreement upon any Abandonment of Operations by the Company, without penalty or further obligation to the County, which option shall be executed by giving written notice to the Company. Abandonment of Operations shall be defined as a period in excess of eight (8) weeks during which the Company's level of Full Time Equivalent Employees or Direct Investment goes below forty five percent (45%) of the guaranteed minimum levels of performance commitments for either Full Time Equivalent Employees or Direct Investment as reflected in Section 2 above. Notwithstanding the foregoing, if the aforesaid decline in the number of full time equivalent employees or the Company's failure to make the required direct investments is attributable to an overall national economic decline (as such may be recognized by the United States Bureau of Labor Statistics), this shall not be deemed an abandonment of operations entitling the County to terminate this Agreement, and the Company shall not be deemed in default. In such event, the Company's and the County's obligations shall be suspended for one year and resume thereafter. If after one year the aforesaid decline continues the County may declare an Abandonment of Operations and proceed as set forth herein.

C. NATURAL: In any event, the above terms notwithstanding, this Agreement shall terminate upon the 31st day of January of the year in which the final financial inducement installment is made.

12. LIMITATION OF COUNTY'S OBLIGATION

NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS DELEGATING GOVERNMENTAL POWERS NOR AS A DONATION OR A LENDING OF THE CREDIT OF THE COUNTY WITHIN THE MEANING OF THE STATE CONSTITUTION.

THIS AGREEMENT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE COUNTY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE COUNTY'S SOLE DISCRETION FOR ANY FISCAL YEAR IN WHICH THIS AGREEMENT SHALL BE IN EFFECT.

NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED TO PLEDGE OR TO CREATE A LIEN ON ANY CLASS OR SOURCE OF THE COUNTY'S MONEYS, NOR SHALL ANY PROVISION OF THE AGREEMENT RESTRICT TO ANY EXTENT PROHIBITED BY LAW, ANY ACTION OR RIGHT OF ACTION ON THE PART OF ANY FUTURE COUNTY GOVERNING BODY.

TO THE EXTENT OF ANY CONFLICT BETWEEN THIS ARTICLE AND ANY OTHER PROVISION OF THIS AGREEMENT, THIS ARTICLE SHALL TAKE PRIORITY.

13. LIABILITY OF PUBLIC OFFICERS

No officer, agent or employee of the County or the Company shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents, or employees shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve any such officer, agent or employee from the performance of any official duty provided by law.

14. MISCELLANEOUS

A. ENTIRE AGREEMENT: This Agreement, including all exhibits attached, constitutes the entire contract between the parties, and this Agreement shall not be amended except in writing signed by the Parties.

B. BINDING EFFECT: Subject to the specific provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the Parties and their respective successors and assigns.

C. TIME: Time is of the essence in this Agreement and each and all of its provisions.

D. CONSTRUCTION: Nothing in this Agreement shall be construed to the effect that the County has any right to influence the Company's business decisions or to receive business

information from the Company (except as expressly provided in Section 2B and Section 5 hereof).

E. SIGNATURES: This Agreement together with any amendments or modifications may be executed electronically. All electronic signatures affixed hereto evidence the intent of the Parties to comply with Article 11A and Article 40 of North Carolina General Statute Chapter 66.

F. AUTHORITY: The parties and each person executing this Agreement on behalf thereof represent and warrant that they have the full right and authority to enter into this Agreement, which is binding, and to sign on behalf of the party indicated, and are acting on behalf of themselves, the constituent members and the successors and assigns of each of them. The parties shall reasonably assist one another and cooperate in the defense (should any defense ever be necessary) of this Agreement and/or the incentives granted hereunder, so as to support and in no way undercut the same.

G. FORCE MAJEURE: Subject to the provisions of Section 6 neither party shall be liable towards the other party for non-compliance with its contractual obligations hereunder, if and to the extent such non-compliance is directly attributable to events of force majeure. Events of force majeure are events or causes which are not under a party's reasonable control and render the execution of a party's obligations impossible. Each party shall forthwith inform the other parties of the occurrence of a force majeure event preventing such party from complying with its contractual obligations. Force Majeure does not include failure of the Company to secure permitting necessary for the project to proceed.

15. COMPLIANCE WITH LAW

A. NON-DISCRIMINATION: Company shall at all times remain in compliance with all applicable local, state, and federal laws, rules, and regulations including but not limited to all state and federal anti-discrimination laws, policies, rules, and regulations and the Orange County Non-Discrimination Policy. Company shall not discriminate against any person based on age, race, ethnicity, color, national origin, religion, creed, sex, gender, gender identity, gender expression, marital status, familial status, source of income, disability, political affiliation, veteran status, and disabled veteran status. Any violation of this requirement is a breach of this Agreement and County may immediately terminate this Agreement without further obligation on the part of the County. This section is not intended to limit and does not limit the definition of breach to discrimination.

B. E-VERIFY, ISRAEL BOYCOTT, AND IRAN DIVESTMENT: By executing this Agreement Company affirms that Company, and any North Carolina Affiliates of Company, is and shall remain in compliance with Article 2 of Chapter 64 of the North Carolina General Statutes. By executing this Agreement Company certifies that Company, and any North Carolina Affiliates of Company, have not been identified, and have not utilized the services of any agent or subcontractor, on the list created by the North Carolina State Treasurer pursuant to Articles 6E and 6G of Chapter 147 of the North Carolina General Statutes.

16. NOTICES

Any notices pursuant to and/or required by this Agreement shall be in writing and shall be delivered via United States Mail, certified, return receipt requested:

If to Orange County;

County Manager
200 S. Cameron Street
Hillsborough, NC 27278

If to Piedmont Metalworks, LLC.;

Richie Richmond
Chief Executive Officer
Piedmont Metalworks, LLC.
5816 U.S. 70 West
Mebane, NC 27302

Any addressee may designate additional or different addresses for communications by notice given under this Section to the other Party.

AGREEMENT REVIEWED AND ACCEPTED BY:

Chief Executive Officer
Piedmont Metalworks, LLC.

_____ Attest:

Chair
Orange County Board of Commissioners

_____ Attest: Donna Baker
Clerk to the Board
Orange County Commissioners

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Chief Financial Officer

Approved as to form and legal sufficiency.

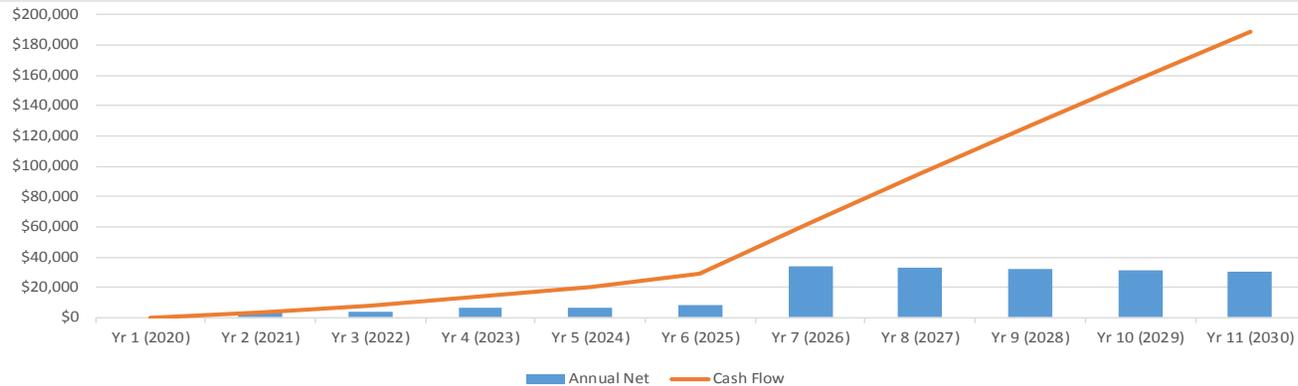
Office of the County Attorney

EXHIBIT A – PROPOSED ORANGE COUNTY INCENTIVE

Last Updated: 8/6/2019												
Project FFM												
COMPANY INVESTMENT	\$4,150,000					TAX RATE	\$0.8679	Highlighted area indicates the incentive period for jobs and investment				
JOBS	42					INCENTIVE	75%	of new property tax for 5 years				
AVERAGE WAGE	\$41,236					DEPRECIATION RATE	10%					

New Value	Yr 1 (2020)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Initial New
Real	\$1,500,000	\$1,500,000	\$2,250,000	\$2,250,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000
Pers Prop Yr 1	\$150,000	\$135,000	\$121,500	\$109,350	\$98,415	\$88,574	\$79,716	\$71,745	\$64,570	\$58,113	\$52,302	\$150,000
Pers Prop Yr 2	\$0	\$200,000	\$180,000	\$162,000	\$145,800	\$131,220	\$118,098	\$106,288	\$95,659	\$86,093	\$77,484	\$200,000
Pers Prop Yr 3	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$75,000	\$50,000	\$250,000
Pers Prop Yr 4	\$0	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$75,000	\$250,000
Pers Prop Yr 5	\$0	\$0	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$250,000
Pers Prop Yr 6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pers Prop Yr 7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Value	<u>\$1,650,000</u>	<u>\$1,835,000</u>	<u>\$2,801,500</u>	<u>\$2,996,350</u>	<u>\$3,969,215</u>	<u>\$3,869,794</u>	<u>\$3,772,814</u>	<u>\$3,678,033</u>	<u>\$3,585,229</u>	<u>\$3,494,207</u>	<u>\$3,404,786</u>	<u>\$4,150,000</u>

Financial	Yr 1 (2020)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Total
Property Tax	\$0	\$14,320	\$15,926	\$24,314	\$26,005	\$34,449	\$33,586	\$32,744	\$31,922	\$31,116	\$30,326	\$274,709
Incentives	\$0	-\$10,740	-\$11,944	-\$18,236	-\$19,504	-\$25,837	\$0	\$0	\$0	\$0	\$0	-\$86,261
Annual Net	\$0	\$3,580	\$3,981	\$6,079	\$6,501	\$8,612	\$33,586	\$32,744	\$31,922	\$31,116	\$30,326	\$188,448
Cash Flow	\$0	\$3,580	\$7,562	\$13,640	\$20,141	\$28,754	\$62,340	\$95,084	\$127,006	\$158,122	\$188,448	



Jobs	Yr 1 (2020)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Total
	15	4	10	4	9							42

EXHIBIT B – BUSINESS REAL & PERSONAL PROPERTY IN ORANGE COUNTY, NC

(Forma-Fab Metals facilities currently owned & managed by Richie Richmond's RJR Properties LLC)

PIN #	9834594810
Address:	5816 U.S. 70 West, Cheeks Township, Orange County NC
Acreage:	3.43 acres
Land value:	\$30,200.00
Owner:	RJR Properties LLC

PIN #	9834598771
Address:	5816 U.S. 70 West, Cheeks Township, Orange County NC
Acreage:	14.39 acres
Land value:	\$391,400.00
Building value:	\$1,408,000.00
Owner:	RJR Properties LLC

PIN #	9834191848
Address:	6600 E Washington St, Mebane, Orange County NC
Acreage:	3.78 acres
Land value:	\$93,500.00
Building value:	\$993,500.00
Personal value:	\$1,216,150.00
Owner:	RJR Properties LLC



Piedmont Metalworks, LLC

Public Hearing for Incentive Proposal
for Industrial Recruitment Project

Southern Human Services Center

November 19, 2019

Description of Piedmont Metalworks, LLC

Industrial Recruitment Project

Investment: \$4.15 million (2020-2024)

Employment: 42 jobs in first 5 years (30 new jobs to be created, plus the transfer of 12 existing jobs)

\$41,236 average annual salary, plus health care, & 401K retirement match (equal to \$19.83 per hour)

Facility: New construction of 40,000 sq. ft. to relocate the firm's current operations in another county to be adjacent to the affiliated metal working firm in Orange County, "Forma-Fab Metals", which has the same ownership.

Competition: Alamance County site options.

Investment, Construction & Employment Schedule

NEW INVESTMENT	2020	2021	2022	2023	2024	Total
Real Property	\$1,500,000	\$0	\$750,000	\$0	\$0	\$800,000
Personal Property	\$150,000	\$200,000	\$250,000	\$250,000	\$100,000	\$250,000
Total	\$1,650,000	\$200,000	\$1,000,000	\$250,000	\$100,000	\$1,050,000

CONSTRUCTION SCHEDULE	20,000 sq. ft.	N/A	10,000 sq. ft.	N/A	10,000 sq. ft.	40,000 sq. ft.
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NEW EMPLOYMENT	2020	2021	2022	2023	2024	Total
Full-Time Jobs	15	4	10	4	9	42

Piedmont Metalworks LLC

- based in Durham and operating as a custom and structural metal fabricator serving general contractors, electrical contractors, mechanical contractors, manufacturing & industrial, pharmaceutical, food service and the power generation industries.
- 12 employees provide plasma cutting, welding, design & CAD engineering, powder coating and silk screening services.

Forma-Fab Metals Inc.

- Under the same ownership by C.E.O Richie Richmond is the Orange County-based custom sheet metal fabrication company, which manufactures enclosures, cabinets, housings, panels, brackets, racks, bus bars, and covers.
- Has 68 local employees, and 75,000 sq. ft. of manufacturing space with a total Orange County property tax valuation of \$2,916,600.00
- Products are made with various light gauge sheet metals including: mild steel, aluminum, stainless steel, galvanized, brass, copper and plastics.

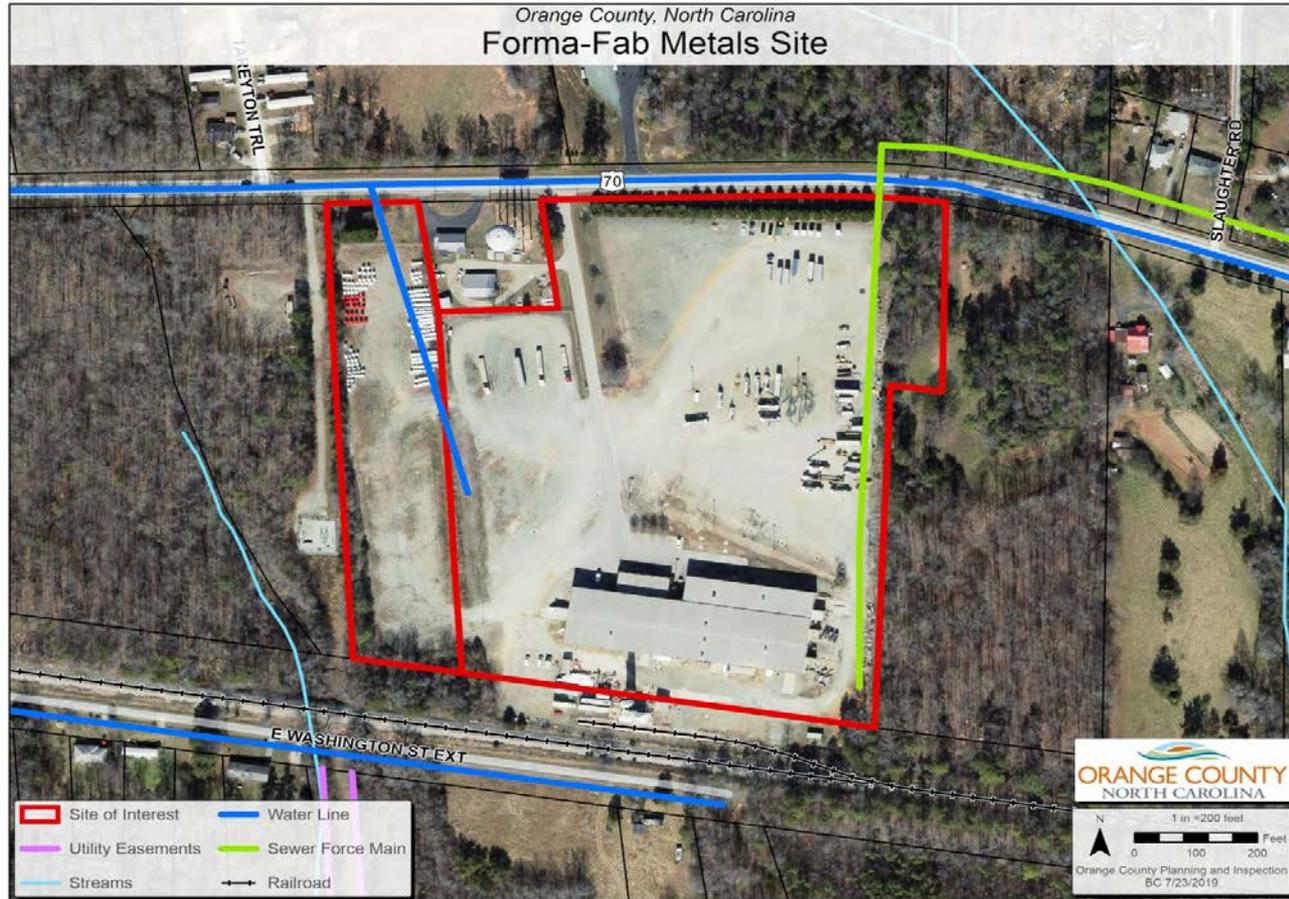
Examples of Manufactured Products



Site Location – 5816 U.S. Highway 70 (Buckhorn Economic Development District)



Site Location – Buckhorn Economic Development District (5816 U.S. Highway 70)



Outline of Orange County's Performance-Based Incentive

- (1) County's proposed incentive of **\$86,261.00** will be paid in 5 annual instalments over each of the first 5 years of Piedmont Metalworks' start-up operation.
- (2) Calculated in value as a **grant equal to 75% of the project's expected new property tax valuation** to be created.
- (3) The incentive is **performance-based**, and will be measured annually against verification of Piedmont Metalworks' actual history to **create 42 jobs and invest \$4,150,000.00** in new property valuation over each of the initial 5 years, as proposed.
- (4) Net **property tax revenue collected is positive in all years**, after paying the annual grant incentive.
 - **\$28,753.00 in net new revenue in the first 5 years**
 - **\$188,448.00 million in net new revenues over 10 years**

Proposed Orange County Incentive

Net Property Tax Revenues (5 & 10 Year Projections)

5-Year	2021	2022	2023	2024	2025	Total
New Property Taxes (Gross)	\$14,320	\$15,926	\$24,314	\$26,005	\$34,449	\$115,014
Incentive Payments	(\$10,740)	(\$11,944)	(\$18,236)	(\$19,504)	(\$25,837)	(\$86,261)
Annual Net	\$3,580	\$3,981	\$6,079	\$6,501	\$8,612	\$28,753

10-Year County Revenue Projection	
New Property Taxes (Gross)	\$274,709.00
Incentive Payments	(\$86,281.00)
Annual Net	\$188,448.00

Proposed Orange County Incentive

Last Updated: 8/6/2019

\$4,150,000	TAX RATE	\$0.8679	Highlighted area indicates the Incentive period for Jobs and Investment
42	INCENTIVE	75%	of new property tax for 5 years
\$41,236	DEPRECIATION RATE	10%	

0)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Initial New
00	\$1,500,000	\$2,250,000	\$2,250,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000	\$3,050,000
00	\$135,000	\$121,500	\$109,350	\$98,415	\$88,574	\$79,716	\$71,745	\$64,570	\$58,113	\$52,302	\$150,000
\$0	\$200,000	\$180,000	\$162,000	\$145,900	\$131,220	\$118,098	\$106,288	\$95,659	\$86,093	\$77,484	\$200,000
\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$75,000	\$50,000	\$250,000
\$0	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$75,000	\$250,000
\$0	\$0	\$0	\$0	\$250,000	\$225,000	\$200,000	\$175,000	\$150,000	\$125,000	\$100,000	\$250,000
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
00	\$1,835,000	\$2,801,500	\$2,996,350	\$3,969,215	\$3,869,794	\$3,772,814	\$3,678,033	\$3,585,229	\$3,494,207	\$3,404,786	\$4,150,000

0)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Total
\$0	\$14,320	\$15,926	\$24,314	\$26,005	\$34,449	\$33,586	\$32,744	\$31,922	\$31,116	\$30,326	\$274,709
\$0	-\$10,740	-\$11,944	-\$18,236	-\$19,504	-\$25,837	\$0	\$0	\$0	\$0	\$0	-\$86,261
\$0	\$3,580	\$3,981	\$6,079	\$6,501	\$8,612	\$33,586	\$32,744	\$31,922	\$31,116	\$30,326	\$188,448
\$0	\$3,580	\$7,562	\$13,640	\$20,141	\$28,754	\$62,340	\$95,084	\$127,006	\$158,122	\$188,448	



0)	Yr 2 (2021)	Yr 3 (2022)	Yr 4 (2023)	Yr 5 (2024)	Yr 6 (2025)	Yr 7 (2026)	Yr 8 (2027)	Yr 9 (2028)	Yr 10 (2029)	Yr 11 (2030)	Total
15	4	10	4	9							42



PUBLICATION INSTRUCTION: Please publish the following notice in the Special Notice Section of the Classified Advertisements as early as Thursday, November 7, 2019 and by no later than Friday, November 8, 2019. The County Seal should be placed above the announcement.



PUBLIC HEARING

Tuesday, November 19, 2019 – 7:00 PM

**SOUTHERN HUMAN SERVICES CENTER
2501 Homestead Road, Chapel Hill, NC 27516**

**NOTICE OF PUBLIC HEARING REGARDING PROPOSED ECONOMIC
DEVELOPMENT INCENTIVE AGREEMENT FOR PIEDMONT METALWORKS, LLC**

Notice is hereby given that in accordance with North Carolina General Statute 158-7.1 the Board of Commissioners of Orange County (the "Board") will hold a public hearing on Tuesday, November 19, 2019 at 7:00 PM at Orange County's Southern Human Services Center facility, located at 2501 Homestead Road, Chapel Hill, NC 27516 concerning Orange County entering into an Economic Development Incentive Agreement with Piedmont Metalworks, LLC to encourage the company to locate a manufacturing facility in the County.

The Board will consider the appropriation of county general funds for the purpose of entering into an Economic Development Incentive Agreement with Piedmont Metalworks, LLC., a sheet metal manufacturing company, in an amount not to exceed Eighty Six Thousand Two Hundred Sixty One Dollars (\$86,261.00), payable in five (5) annual installments over a five year period. These funds will be used to assist the company with expenses associated with establishing the company in Orange County, to include site development and facility construction costs. Recruitment of Piedmont Metalworks, LLC to Orange County will create public benefits for the County including the creation of 42 new full time jobs, plus benefits, and a new capital investment in Orange County of \$4,150,000.

Anyone interested in the Economic Development Incentive Agreement or the nature of Piedmont Metalworks, LLC may appear and be heard at the public hearing. Anyone who wishes to make comments in writing prior to the public hearing may do so by mailing or delivering such comments to the Board of Commissioners of Orange County, c/o Clerk to the Board of Commissioners, 200 S. Cameron Street, Hillsborough, North Carolina 27278.

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 19, 2019

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

SUBJECT: Link Government Services Center Remediation Project Options for
Consideration

DEPARTMENT: County Manager/Asset Management Services

ATTACHMENT(S):

Presentation by Boomerang Design

INFORMATION CONTACT:

Travis Myren, 919-245-2308
Steve Arndt, 919-245-2658

PURPOSE: To discuss options and provide direction to staff on the next steps for the Link Government Services Center Remediation Project.

BACKGROUND: The Link Government Services Center has experienced long term water infiltration into the building envelope. A remediation project has been planned, and the project has been let for bid twice.

On October 20, 2019, moderate rainfall occurred at the Link Center and resulted in visible quantities of water penetrating the interior of the building. During this same time, indoor air quality tests began to indicate higher levels biological contaminants compared to identical tests taken throughout the prior year. These changing conditions warranted a root cause analysis to confirm that the scope of the remediation project would correct the deficiencies that were allowing the additional water penetration.

On October 24, 2019, Boomerang Design performed a series of investigative demolition cuts into the building's cavity wall. According to the architect's report, these cuts revealed, "...a critical element of the building envelope, the continuous sheathing, was in fact, not continuous." The architect and engineer further reported that, "The breaches were irregular enough to confidently say that a contractor would not be able to find all breaches and seal them to prevent future water intrusion without removing all of the brick and cast stone."

The scope of the current remediation project that was bid on September 5th and September 25th does not include this additional scope of work which would add approximately \$2 million to the projected cost of the project and would add months to the project duration. These additional costs and timing may warrant an examination of alternatives for administrative office space.

As the remediation project proceeds or alternatives are explored, the current Link Building occupants have been relocated to alternative office spaces based on the recommendations of occupational health professionals. Funding for this relocation was approved on November 7. Building occupants are scheduled to move to temporary office spaces on November 21 and 22. The intermediate budget for relocation included funds to renovate the temporary office spaces to accommodate a long term relocation.

During the meeting, Boomerang Design will be provide a presentation (attached) that explains the current conditions of the Link Building and the work necessary for a comprehensive remediation. The architect is recommending expanding the scope of the remediation project to remove the exterior brick and provide continuous sheathing and waterproof the building. Under this scenario, the aging mechanical and electrical systems would also be replaced to meet current building codes, efficiency goals and standards, and to ensure building longevity and resilience in the future. The total estimated cost of pursuing this comprehensive remediation is \$8.1 million.

Following the presentation, the Board can discuss options for next steps and provide direction to staff. These options include but may not be limited to the following:

1. Authorize staff to proceed with a more comprehensive facility planning effort. The Northern Campus Project will be completed in the spring of 2021. As a result, the site of the current Detention Center and the site of the current Environment and Agricultural Center will be available. As these sites are vacated, the County will need to plan for their future and could use this opportunity to evaluate future facility needs in that context including the disposition of the Link Government Services Center.
2. Amend the FY2019-20 Capital Budget and proceed with the remediation project;
3. Include funding in the FY2020-21 Capital Budget to proceed with the remediation project in July 2020 in order to evaluate it against other capital requests.

FINANCIAL IMPACT: The financial impact of this project is dependent on the option(s) chosen by the Board.

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goals are 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.
- **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 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.

RECOMMENDATION(S): The Manager recommends that the Board discuss options and provide direction to staff on the next steps for the Link Government Services Center Remediation Project.



JOHN LINK GOVERNMENT SERVICES CENTER REMEDIATION



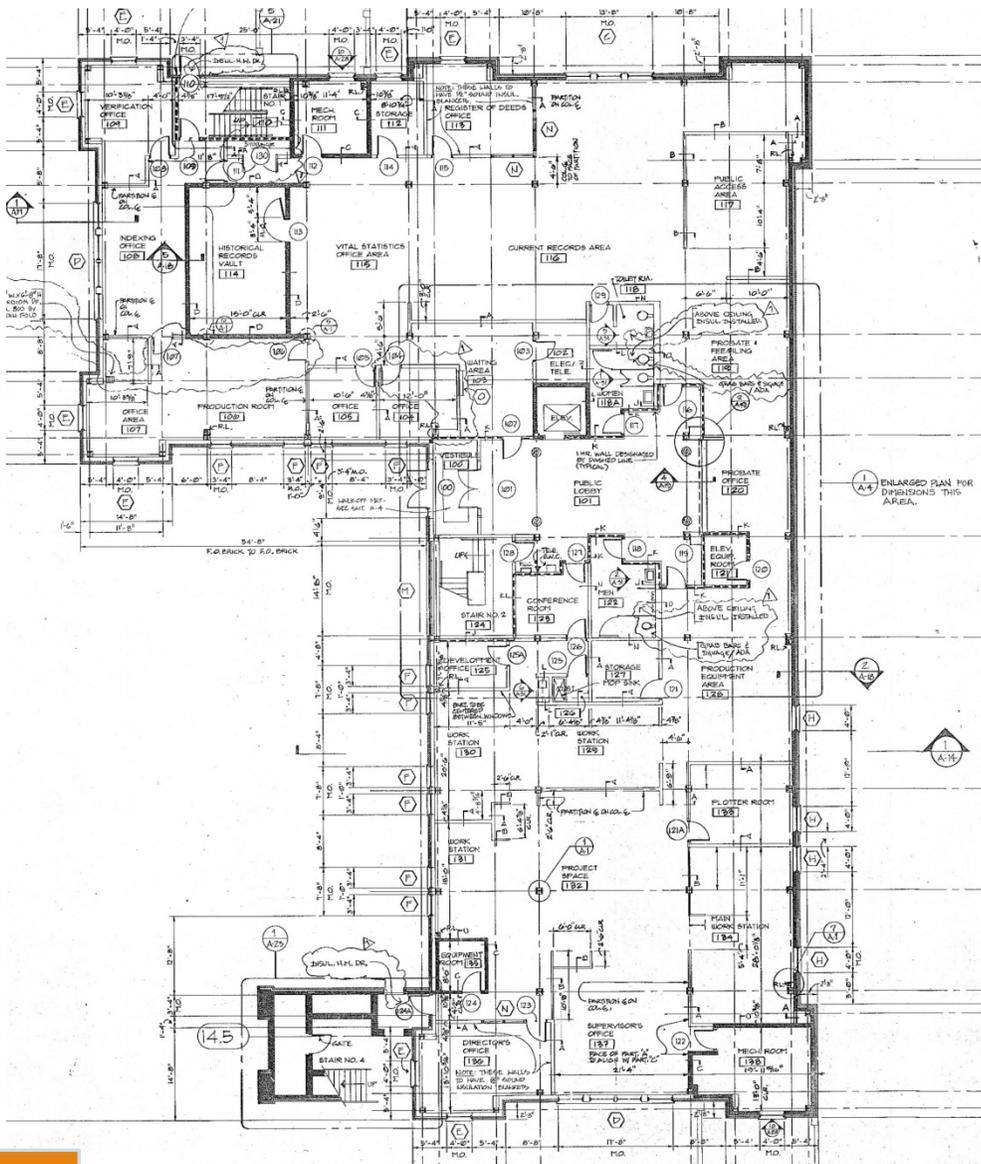
Presentation Contents

1	EXISTING BUILDING
2	BID SCOPE AND ADDED SCOPE
3	RECENT ISSUES AND NEW RECOMMENDATIONS
4	WEIGHING COST OF REMEDIATION VS NEW

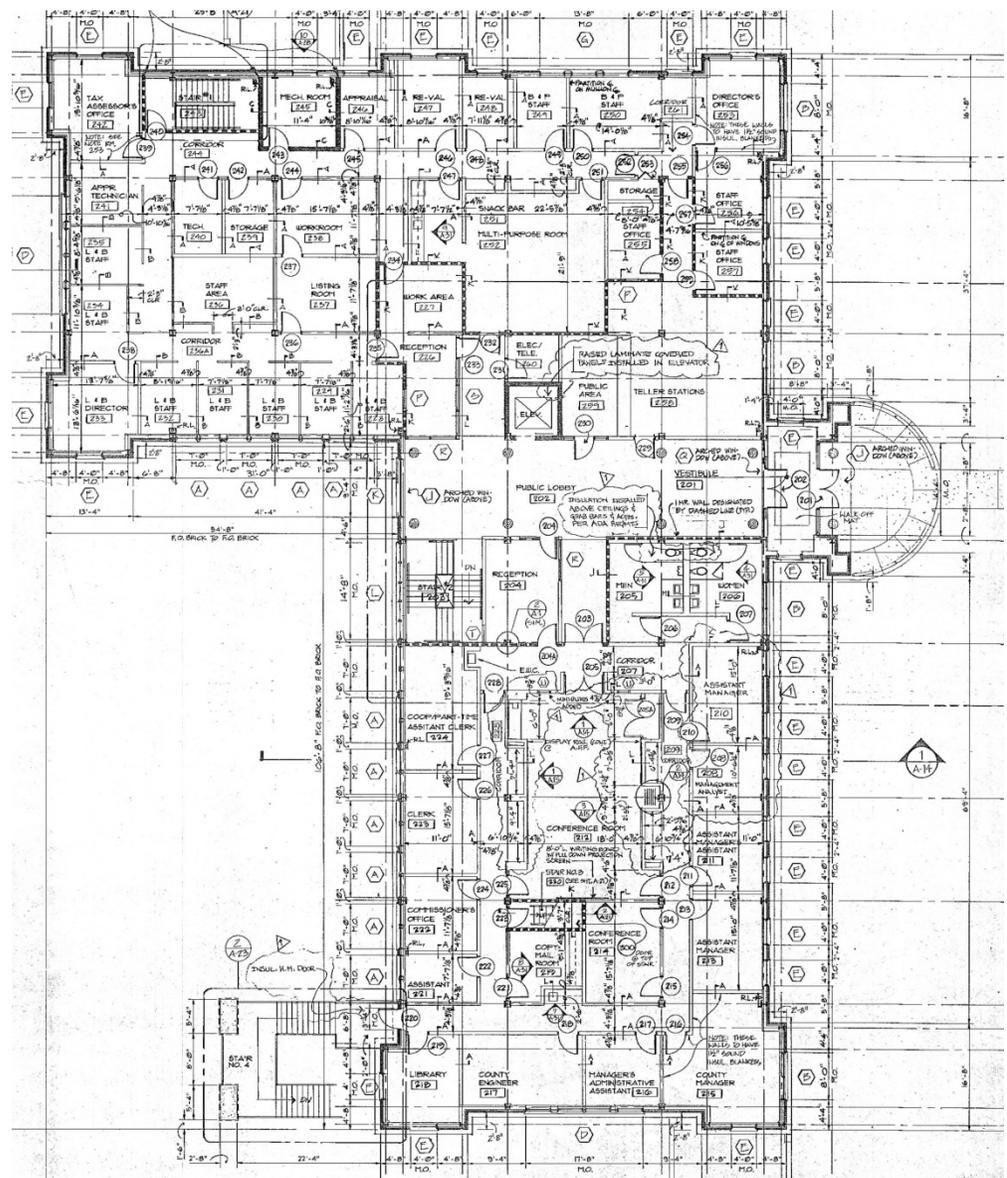


1

EXISTING BUILDING DESIGN/COMPONENTS

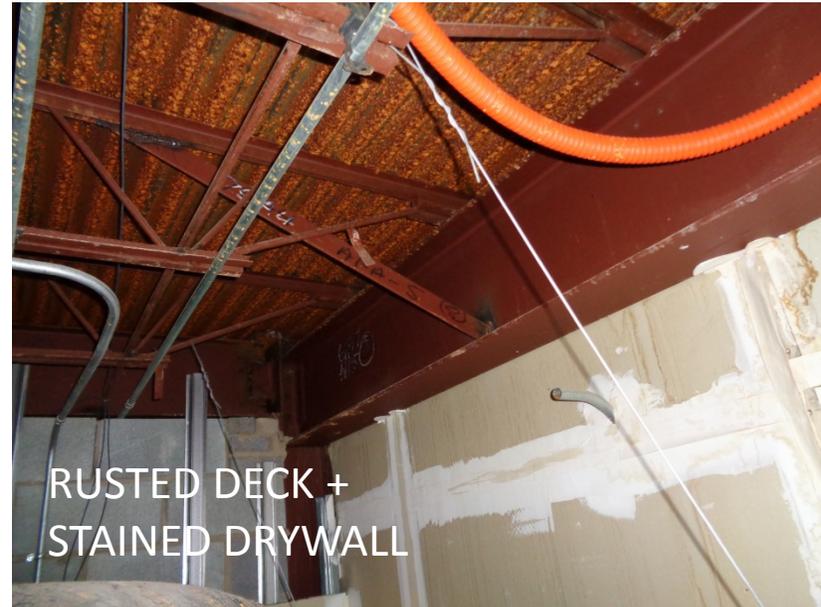


1ST FLOOR



2ND FLOOR





Initial Investigation and Scope of Remediation – BID SET

- INITIAL SCOPE
 - LINTELS, WINDOWS, CAST BANDING, DRYWALL, ADA, NEW FINISHES, LIGHTENING PROTECTION, EXTERIOR STAIR CONTINUITY, LANDSCAPING, MINOR REGRADING, PATIOS
- ADDED SCOPE
 - REPLACE ROOFS, REPAIR WASHOUT AT LOBBY
- REASONING
 - UPON INVESTIGATIVE DEMOLITION, BREECHES IN WALL DID NOT REVEAL THEMSELVES AS WORK WAS LIMITED TO AREAS WHERE WATER STAINS WERE KNOWN; INVESTIGATION WAS DURING DROUGHT CONDITIONS
- RESULTS
 - MAINTENANCE IS CRITICAL TO ENSURE CAST STONE SEALANT IS INTACT
 - NO ABILITY TO PROVIDE A COMPLETE SECONDARY LAYER OF SAFETY INSIDE WALL CAVITY
- BID \$4.55M - \$5.26M



3

RECENT WATER INFILTRATION/INVESTIGATIVE DEMOLITION RESULTS

Additional Scope of Remediation post Investigative Demolition #2

- ADDED SCOPE
 - REMOVE ALL BRICK AND CAST STONE TO INSTALL A CONTINUOUS DRAINAGE PLANE
 - REMOVE ALL DRYWALL, REPLACE MECHANICAL SYSTEM, REPAIR RATED WALL BREACHES
- REASONING
 - UPON INVESTIGATIVE DEMOLITION #2, MORE BREACHES IN SHEATHING WERE FOUND; MORE AREAS OF WATER INFILTRATION WERE FOUND AND IT IS NO LONGER FEASIBLE TO REMEDIATE WITHOUT ADDED SCOPE (NOTE: UNDER THE CURRENT SCOPE THIS WOULD HAVE BEEN REVEALED DURING CONSTRUCTION RESULTING IN A SIGNIFICANT CHANGE ORDER)
 - ORIGINAL DESIGN AND CONSTRUCTION FUNDAMENTALLY IS FLAWED IN KEEPING WATER OUT OF THE BUILDING
- RESULTS
 - MAINTENANCE IS CRITICAL TO ENSURE CAST STONE SEALANT IS INTACT
 - NO ABILITY TO PROVIDE A COMPLETE SECONDARY LAYER OF SAFETY INSIDE WALL CAVITY
- ADDITIONAL COSTS: \$2M+

Projected Construction Costs shown are for construction only. Other Project costs not included:

- *FFE*
- *Professional Services*
- *Geotechnical Investigations*
- *Land Surveys*
- *Land Purchase*
- *Permit Fees*
- *Permit Review Fees*
- *Advertising*
- *Printing*
- *Construction Testing*
- *Abatement*
- *Leases*
- *Moving Costs*

4

REMEDiate

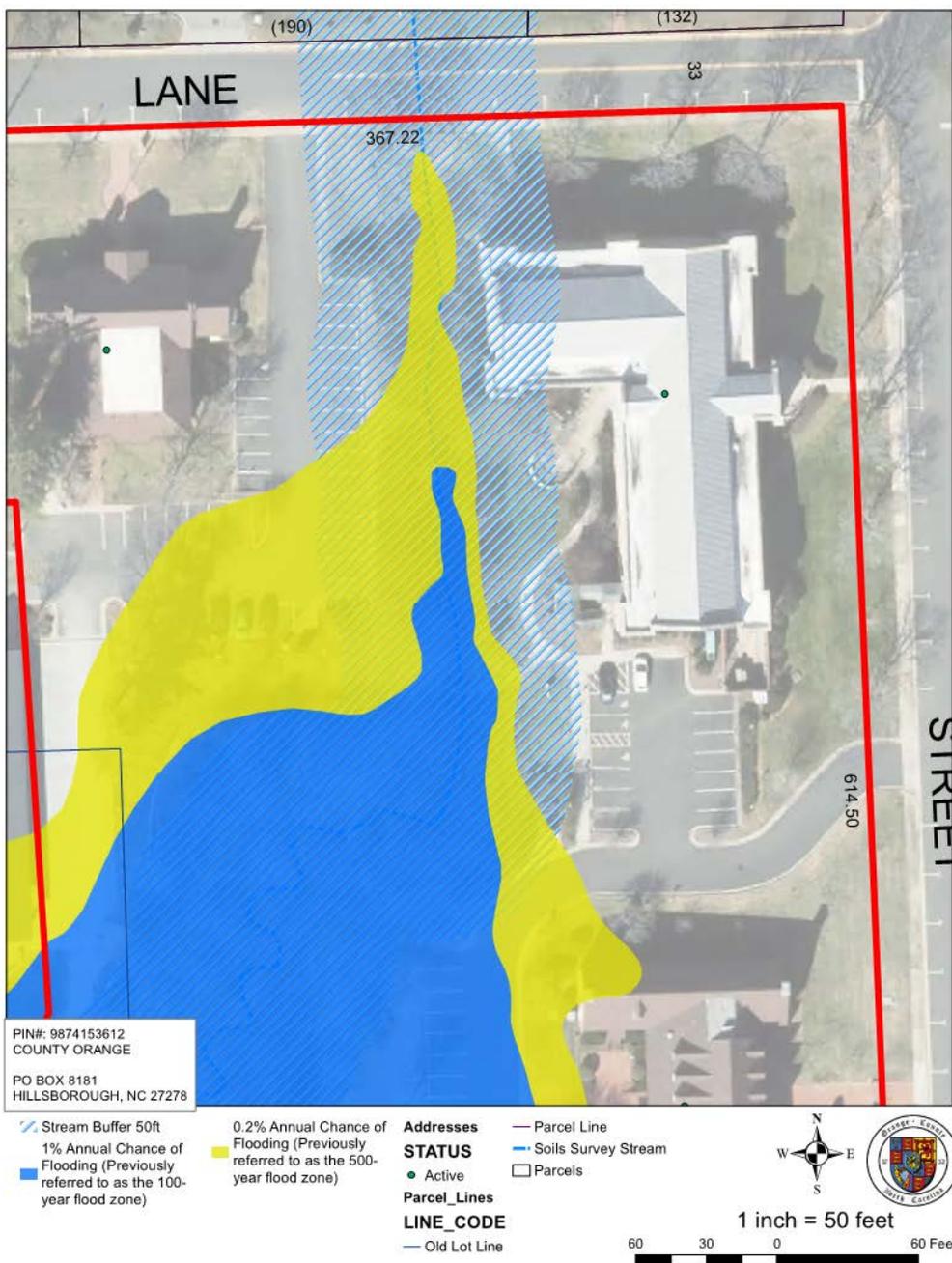
Construction Costs

Bid	24,000 SF	\$	4,553,364
Remove Brick, Cast Stone, Drywall, ETC.		\$	1,500,000
New Mechanical	24,000 SF	\$	600,000
New Electrical	24,000 SF	\$	480,000
Design Contingency (5%)		\$	356,668
Construction Cost Subtotal		\$	7,490,032
Inflation (5%)		\$	374,502
Construction Contingency (3%)		\$	224,701
Projected Construction Costs		\$	8,089,235

BUILD NEW

Construction Costs

New Building Construction (\$275/sf)	24,000 SF	\$	6,600,000
Building Demolition (existing Link Bldg)		\$	150,000
Design Contingency (5%)		\$	337,500
Construction Cost Subtotal		\$	7,087,500
Inflation (15%)		\$	1,063,125
Construction Contingency (3%)		\$	212,625
Projected Construction Costs		\$	8,363,250



ADDITIONAL CONSIDERATIONS

- 50' STREAM BUFFER (NOT IN PLACE IN 1992)
- REMEDIATION/REHABILITATION: ALLOWABLE WITHIN THE CURRENT CONFIGURATION
- NEW CONSTRUCTION: WILL BE REQUIRED TO OBSERVE 50' BUFFER; BUILDING CONFIGURATION WOULD HAVE TO CHANGE
- SITE
 - EXISTING SITE SHOULD BE REGRADED FOR PROPER DRAINAGE
 - RECENT APPLIED WATERPROOFING SHOWING DEGRADATION/FAILURE/LACK OF CONTINUITY IN SOME AREAS
- SCHEDULE
 - REMEDIATION: REQUIRES TEDIOUS WORK AND THEREFORE LIKELY TO TAKE LONGER
 - NEW: REQUIRES NEW DESIGN, HOWEVER, CONSTRUCTION LIKELY SHORTER

ORD-2019-069

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 19, 2019

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

SUBJECT: Fiscal Year 2019-20 Budget Amendment #3

DEPARTMENT: Finance and Administrative Services

ATTACHMENT(S):

- Attachment 1. Budget as Amended Spreadsheet
- Attachment 2. Year-To-Date Budget Summary
- Attachment 3. Memorandum of Request from Town of Chapel Hill Fire Department

INFORMATION CONTACT:

Paul Laughton, (919) 245-2152
Gary Donaldson, (919) 245-2453

PURPOSE: To approve budget ordinance amendments for fiscal year 2019-20.

BACKGROUND:

Department of Social Services

1. The Orange County Department of Social Services (DSS) has received the following revenue to their FY 2019-20 budget:
 - **Smart Start** – The department has received an additional \$6,000 in Smart Start administrative funds.
 - **Juvenile Crime Prevention Council (JCPC)** – JCPC has received notification from the Department of Public Safety that the allocation of JCPC money will increase by \$51,157 with no increase in county match. These funds will be placed in an unallocated account until the JCPC decides on the actual allocation of these funds.

This budget amendment provides for the receipt of these additional funds. (See *Attachment 1, column 1*)

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: CREATE A SAFE COMMUNITY**

The reduction of risks from vehicle/traffic accidents, childhood and senior injuries, gang activity, substance abuse and domestic violence

Department on Aging

2. The Orange County Department on Aging has received \$7,500 in grant revenue from Triangle J Council of Governments (TJCOG) to monitor and coordinate the area's Handy Helpers programs for FY 2019-20. This budget amendment provides for the receipt of these grant funds. *(See Attachment 1, column 2)*

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is applicable to this agenda 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

Greater Chapel Hill Fire Service District

3. The Town of Chapel Hill provides fire protection services for the Greater Chapel Hill Fire Service District. The Town of Chapel Hill Fire Department has requested the use of \$30,000 from the District's available fund balance for the purchase of personal protective equipment (PPE) to further their cancer prevention program *(See Attachment 3)*. With this appropriation, approximately \$19,000 remains available in the district's fund balance. *(See Attachment 1, column 3)*

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is 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

Health Department

4. The Health Department is expecting additional funds of \$39,584 for the Family Planning program due to an increase in Title X funds. These federal funds pass-through the state to local governments through this program. Funds received consistent with this amendment will be used to increase services to uninsured patients. This budget amendment provides for the receipt of these additional funds. *(See Attachment 1, column 4)*

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is 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.

Animal Services

5. The Animal Services Department is requesting an additional appropriation of funds of \$8,821 to be used for temporary staffing needs at the Shelter for the care of seized dogs. The department anticipates these costs will be offset by funds received in the recoupment of these costs.
6. The Animal Services Department has received \$17,720 of grant revenue from the Petrie Foundation within the Spay/Neuter Fund, a special revenue funds outside of the General Fund. These funds will be used toward Spay and Neutering services consistent with the grant award.

This budget amendment provides for the receipt of these additional funds. (See *Attachment 1, column 5*)

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is 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.

Sheriff's Office

7. The Sheriff's Office has been awarded funds from the U.S. Department of Justice FY 2018 State Criminal Alien Assistance Program (SCAAP) in the amount of \$27,861. The FY 2019-20 Approved Budget included an anticipated award amount of \$10,000, so this budget amendment provides for the receipt of an additional \$17,861. In June 2000, the Sheriff's Office entered into an agreement with Justice Benefit, Inc. to secure appropriate Federal financial assistance in recovering federal funds that are due to counties who house federal inmates. This budget amendment provides for the receipt of the additional \$17,861. (See *Attachment 1, column 6*)

SOCIAL JUSTICE IMPACT: The following Orange County Social Justice Goal is 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

ENVIRONMENTAL IMPACT: There are no Orange County Environmental Responsibility Goal impacts associated with these Budget Amendment items.

FINANCIAL IMPACT: Financial impacts are included in the background information above. This budget amendment provides for the receipt of these additional funds in FY 2019-20 and increases the General Fund by \$130,923; increases the Fire District Fund by \$30,000; and increases the Spay/Neuter Fund by \$17,720.

RECOMMENDATION(S): The Manager recommends the Board approve these budget ordinance amendments for fiscal year 2019-20.

Attachment 1. Orange County Proposed 2019-20 Budget Amendment
 The 2019-20 Orange County Budget Ordinance is amended as follows:

Original Budget	Encumbrance Carry Forwards	Budget as Amended	Budget as Amended Through BOA #2-C	1. Social Services - receipt of additional Smart Start Administrative funds of \$6,000 and additional JCPC funds of \$51,157	2. Department on Aging - receipt of \$7,500 in grant revenue from the Triangle J Council of Governments	3. Fund Balance appropriation of \$30,000 from available funds in the Greater Chapel Hill Fire Service District	4. Health Department - receipt of additional Family Planning Funds of \$39,584	5. Animal Services - receipt of anticipated recouped funds of \$8,821; and grant revenue of \$17,720 from the Petrie Foundation	6. Sheriff's Office - receipt of funds from the U.S. Department of Justice FY2018 State Criminal Alien Assistance Program (SCAAP)	Budget as Amended Through BOA #3
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General Fund

Revenue											
Property Taxes	\$ 165,153,931	\$ -	\$ 165,153,931	\$ 165,153,931	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165,153,931
Sales Taxes	\$ 25,372,861	\$ -	\$ 25,372,861	\$ 25,372,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,372,861
License and Permits	\$ 313,260	\$ -	\$ 313,260	\$ 313,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313,260
Intergovernmental	\$ 18,278,612	\$ -	\$ 18,278,612	\$ 18,715,885	\$ 57,157	\$ 7,500	\$ -	\$ 39,584	\$ -	\$ 17,861	\$ 18,837,987
Charges for Service	\$ 12,704,833	\$ -	\$ 12,704,833	\$ 12,754,465	\$ -	\$ -	\$ -	\$ -	\$ 8,821	\$ -	\$ 12,763,286
Investment Earnings	\$ 415,000	\$ -	\$ 415,000	\$ 415,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 415,000
Miscellaneous	\$ 3,040,769	\$ -	\$ 3,040,769	\$ 3,250,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,250,663
Transfers from Other Funds	\$ 4,034,600	\$ -	\$ 4,034,600	\$ 4,034,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,034,600
Fund Balance	\$ 7,808,006	\$ -	\$ 7,808,006	\$ 7,709,977	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,709,977
Total General Fund Revenues	\$ 237,121,872	\$ -	\$ 237,121,872	\$ 237,720,642	\$ 57,157	\$ 7,500	\$ -	\$ 39,584	\$ 8,821	\$ 17,861	\$ 237,851,565

Expenditures

Support Services	\$ 12,465,362	\$ -	\$ 12,465,362	\$ 11,527,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,527,650
General Government	\$ 23,540,653	\$ -	\$ 23,540,653	\$ 23,710,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,710,313
Community Services	\$ 14,421,090	\$ -	\$ 14,421,090	\$ 14,675,219	\$ -	\$ -	\$ -	\$ -	\$ 8,821	\$ -	\$ 14,684,040
Human Services	\$ 40,822,906	\$ -	\$ 40,822,906	\$ 41,560,868	\$ 6,000	\$ 7,500	\$ -	\$ 39,584	\$ -	\$ -	\$ 41,613,952
Public Safety	\$ 26,643,096	\$ -	\$ 26,643,096	\$ 27,038,827	\$ 51,157	\$ -	\$ -	\$ -	\$ -	\$ 17,861	\$ 27,107,845
Education	\$ 111,279,115	\$ -	\$ 111,279,115	\$ 111,279,115	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,279,115
Transfers Out	\$ 7,949,650	\$ -	\$ 7,949,650	\$ 7,928,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,928,650
Total General Fund Appropriation	\$ 237,121,872	\$ -	\$ 237,121,872	\$ 237,720,642	\$ 57,157	\$ 7,500	\$ -	\$ 39,584	\$ 8,821	\$ 17,861	\$ 237,851,565
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Fire District Funds

Revenues											
Property Tax	\$ 6,262,870		\$ 6,262,870	\$ 6,262,870							\$ 6,262,870
Intergovernmental	\$ -		\$ -	\$ -							\$ -
Investment Earnings	\$ 9,850		\$ 9,850	\$ 9,850							\$ 9,850
Appropriated Fund Balance	\$ 40,000		\$ 40,000	\$ 40,000			\$ 30,000				\$ 70,000
Total Fire Districts Fund Revenue	\$ 6,312,720	\$ -	\$ 6,312,720	\$ 6,312,720			\$ 30,000				\$ 6,342,720

Expenditures

Remittance to Fire Districts	\$ 6,312,720	\$ -	\$ 6,312,720	\$ 6,312,720			\$ 30,000				\$ 6,342,720
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Spay/Neuter Fund

Revenues											
Charges for Services	\$ 27,000		\$ 27,000	\$ 27,000							\$ 27,000
Intergovernmental	\$ 10,000		\$ 10,000	\$ 17,295				\$ 17,720			\$ 35,015
Miscellaneous	\$ 15,436		\$ 15,436	\$ 15,436							\$ 15,436
Appropriated Fund Balance	\$ 19,290	\$ -	\$ 19,290	\$ 19,290							\$ 19,290
Total Revenues	\$ 71,726	\$ -	\$ 71,726	\$ 79,021				\$ 17,720			\$ 96,741

Expenditures

Operating	\$ 71,726	\$ -	\$ 71,726	\$ 79,021				\$ 17,720			\$ 96,741
Transfer to County Capital	\$ -	\$ -	\$ -	\$ -							\$ -
Total Expenditures	\$ 71,726	\$ -	\$ 71,726	\$ 79,021				\$ 17,720			\$ 96,741

Year-To-Date Budget Summary

Fiscal Year 2019-20

General Fund Budget Summary

Original General Fund Budget	\$237,121,872
Additional Revenue Received Through Budget Amendment #3 (November 19, 2019)	
Grant Funds	\$179,228
Non Grant Funds	\$648,494
General Fund - Fund Balance for Anticipated Appropriations (i.e. Encumbrances)	\$0
General Fund - Fund Balance Appropriated to Cover Anticipated and Unanticipated Expenditures	(\$98,029)
Total Amended General Fund Budget	\$237,851,565
Dollar Change in 2019-20 Approved General Fund Budget	\$729,693
% Change in 2019-20 Approved General Fund Budget	0.31%

Authorized Full Time Equivalent Positions

Original Approved General Fund Full Time Equivalent Positions	944.470
Original Approved Other Funds Full Time Equivalent Positions	97.350
Total Approved Full-Time-Equivalent Positions for Fiscal Year 2019-20	1,041.820

Paul:

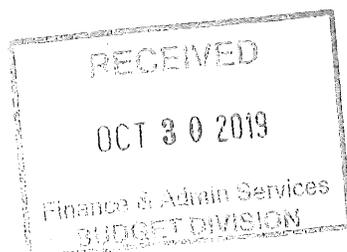
increase a .50 FTE Navigator position in Health Department to 1.00 FTE thru FY 19-20 (BOA #1); increase a .75 FTE Navigator position to 1.00 FTE thru FY 19-20, and moves both temporary FTE increases for these Navigators from GF to Grant Fund (BOA #2)

TOWN OF CHAPEL HILL
Fire Department403 Martin Luther King Jr. Blvd.
Chapel Hill, NC 27514-5705phone (919) 968-2781 fax (919) 932-2956
www.townofchapelhill.org**MEMORANDUM****To:** Paul Laughton, Deputy Director, Finance and Administrative Services, Orange County**From:** Stacey Graves, Administrative Chief **Date:** September 16, 2019**Subject:** Request to draw \$30,000 from Greater Chapel Hill Fire District fund balance**Cc:** Matt Sullivan, Fire Chief

The Chapel Hill Fire Department is requesting a \$30,000 disbursement from the Greater Chapel Hill Fire District fund balance. We are requesting these funds for the purchase of personal protective equipment (PPE) to further our cancer prevention program. The money, along with other funds from the Town of Chapel Hill budget, will be utilized to purchase non-structural firefighting response clothing so that our personnel will not be donning structural firefighting gear on all calls. Recent research findings support the direction we are taking with the acquisition of additional rescue gear.

Please let me know what additional steps need to be taken on the part of the Town and our department to finalize this request.

If you need additional information please do not hesitate to contact me via e-mail (sgraves@townofchapelhill.org) or phone (919-969-2005).



**ORANGE COUNTY
BOARD OF COMMISSIONERS
ACTION AGENDA ITEM ABSTRACT
Meeting Date: November 19, 2019**

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

SUBJECT: Joint Driveway Easement – 306 Revere Road, Hillsborough

DEPARTMENT: County Attorney

ATTACHMENT(S):

Draft Easement
Plat

INFORMATION CONTACT:

John Roberts, County Attorney, 245-
2318

PURPOSE: To declare a joint driveway in the area of an existing driveway situated on the County's parcel at 306 Revere Road, Hillsborough.

BACKGROUND: This item was brought to the County Attorney's attention by the attorney for Mercy Land Group, LLC, the owner of a parcel of property on Cedar Grove Road that is surrounded on three sides by the County's Revere Road property. The current owner consulted with the prior owners of the property, the Cooper family, and determined that the existing driveway servicing the house has been utilized as the sole driveway for many years.

The gravel driveway is situated entirely on the County's Revere Road property. The owner is requesting a declaration of an easement of joint driveway so that the current and future owners of the Mercy Land Group, LLC parcel may continue to use the driveway for vehicular traffic to and from the house. The easement provides for an easement/driveway area 15 feet wide by 40 feet long, containing approximately 600 square feet, both within the Cedar Grove Road right of way and along the southern property line of the Mercy Land Group, LLC property. It also provides that Mercy Land Group, LLC and any future owners are solely responsible for maintaining the driveway unless the County or any subsequent owners of the County property choose to use the driveway at which time both parties would have joint responsibility for maintenance.

The attached plat shows the approximate, not-to-scale, size and location of the proposed joint driveway.

FINANCIAL IMPACT: There is no financial impact associated with this declaration.

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

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

RECOMMENDATION(S): The Manager recommends the Board approve and authorize the Chair to sign the attached Declaration of Easement and Joint Driveway.

DECLARATION OF EASEMENT AND JOINT DRIVEWAY

PIN #9864-89-6332 and PIN #9864-89-7423

Prepared by: D. Michael Parker

Return to: Steve Roberts, 2008 Davis Road, Hillsborough, NC 27278

NORTH CAROLINA
ORANGE COUNTY

THIS DECLARATION OF EASEMENT AND JOINT DRIVEWAY, made this _____ day of _____, 2019, by **ORANGE COUNTY**, a North Carolina body politic, Party of the First Part, (hereinafter referred to as "Orange County") and **MERCY LAND GROUP, LLC**, a North Carolina limited liability company, Party of the second Part, (hereinafter referred to as "Mercy Land"),

W I T N E S S E T H:

WHEREAS, Orange County is the owner of the tract or parcel of Land located in Hillsborough Township, Orange County, North Carolina and described by the deed recorded in Deed book 825, page 602, Orange County Registry to which deed reference is hereby made for a more particular description of the same, which parcel is identified on the Orange County Land Records as PIN #9864-89-6332, and

WHEREAS, Mercy Land is the owner of the adjacent tract or parcel of Land located in Hillsborough Township, Orange County, North Carolina and described by the deed recorded in Deed book 6431, page 549, Orange County Registry to which deed reference is hereby made for a more particular description of the same, which parcel is identified on the Orange County Land Records as PIN #9864-89-7423, and

WHEREAS, there exists a joint or shared driveway that provides access to the residence on the property owned by Mercy Land located along the common boundary of the properties of the parties and along the south side of the property owned by Mercy Land; and

WHEREAS, the parties wish to bind themselves, their heirs, successors and assigns to provide for an easement for ingress and egress of the joint drive in perpetuity;

NOW, THEREFORE, the parties agree for themselves, their heirs, successors and assigns and with any and all persons or other entities hereafter acquiring either of their respective properties, that the same shall be subject to the following easement for ingress and egress over and across the following described area:

Beginning at the southeastern corner of the Mercy Land Group, LLC parcel (Shown on plat as the "Cooper Property") described by the deed recorded in Deed book 6431, page 549, Orange County Registry and running along the southern property line of the Mercy Land parcel South 69° 10' 57" West a distance of 40 feet to a point; running thence South 20° 47' 18" East 15 feet to a point; running thence North 69° 10' 57" East to the center of the right of way to Cedar Grove Road (a distance of approximately 40'); running thence with the center of the right of way to Cedar Grove Road in a northerly direction to the place and point of BEGINNING as shown on a Plat entitled Carr's Supermarket, Inc., dated August 1, 1989 prepared by Alois Callemyn and recorded in Plat Book 54 at Page 12, Orange County Registry.

The above described easement shall be appurtenant to and run with the said properties and inure to the benefit of and be binding upon the heirs, successors and assigns of the parties and other acquiring parties and persons.

Article 1. The real properties which are, and shall be, held, transferred, sold and conveyed subject to the easement set forth herein are the parcels located in Hillsborough Township, Orange County, and are the parcel more particularly described by the deed recorded in Deed book 825, page 602, Orange County Registry to which deed reference is hereby made for a more particular description of the same, which parcel is identified on the Orange County Land Records as PIN #9864-89-6332 and the parcel more particularly described by the deed recorded in Deed book 6431, page 549, Orange County Registry to which deed reference is hereby made for a more particular description of the same, which parcel is identified on the Orange County Land Records as PIN #9864-89-7423.

Article 2. Orange County and Mercy Land hereby grant unto each other and the future record owners of the aforesaid properties adjoining and abutting the joint drive as shown perpetual

ingress, egress and regress over and on the said joint drive for access to the improvements located on the respective properties.

TO HAVE AND TO HOLD the above-described easement as an appurtenance to the respective properties, which easement shall run with the respective properties forever.

Article 3. This Agreement shall run with and be appurtenant to the respective properties and shall be binding upon the heirs, successors, and assigns of each current and future record owner of the aforesaid property. When used in this Agreement, the singular shall include the plural, the masculine shall include the feminine and the neuter, and vice versa, as the meaning may require.

Article 4. Mercy Land and all future owners of the parcel the parcel more particularly described by the deed recorded in Deed book 6431, page 549, Orange County Registry and identified on the Orange County Land Records as PIN #9864-89-7423 shall be solely responsible for maintaining the driveway as constructed over and across the joint driveway unless and until such time as Orange County or any future owner of the property described by the deed recorded in Deed book 825, page 602 and identified on the Orange County Land Records as PIN #9864-89-6332 should begin regular use of the said driveway for access, at which time the respective property owners shall bear on a pro-rata basis the cost of maintaining the driveway as constructed. If any owner liable under this agreement shall cause any extraordinary wear and tear on or damage to the driveway by using or causing the use of the driveway by others for the transportation of building materials, well drilling equipment, heavy trucks or other extraordinary use resulting in damage, then and in said event, said owner shall be responsible to pay such extraordinary costs of maintenance as are caused by such use.

IN WITNESS WHEREOF, Orange County has caused this instrument to be signed under seal by the Chair of its Board of Commissioners and his signature attested by the Secretary to the Board of Commissioners and Mercy Land Group, LLC has caused this instrument to be signed under seal by its Manager, the day and year first above written.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK]

ORANGE COUNTY
(a North Carolina body politic)

By: _____ (SEAL)
CHAIR, BOARD OF COUNTY COMMISSIONERS

ATTEST: _____
SECRETARY TO THE BOARD OF COUNTY COMMISSIONERS

(CORPORATE SEAL)

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, Notary Public of the aforesaid County and State, do hereby certify that _____, personally appeared before me this day and acknowledged that he/she is Secretary to the Board of County Commissioners for Orange County, North Carolina and that by authority duly given and as the act of the said Board, the foregoing instrument was signed in its name by the Chair of the Board of County Commissioners, sealed with the corporate seal and attested by him/her as its secretary.

Witness my hand and notarial seal, this the _____ day of _____, 2019.

NOTARY PUBLIC

(SEAL)

(PRINT OR TYPE NAME OF NOTARY PUBLIC)

My commission expires: _____

MERCY LAND GROUP, LLC,
a North Carolina limited liability Company

By: _____(SEAL)
STEPHEN W. ROBERTS, Manager

NORTH CAROLINA
COUNTY OF _____

I, _____, Notary Public of the county and state aforesaid, do hereby certify that **STEPHEN W. ROBERTS** personally came before me this day and acknowledged that he is the Manager of **MERCY LAND GROUP, LLC**, a North Carolina limited liability Company, and acknowledged on behalf of the company, the due execution of the foregoing instrument.

WITNESS my hand and official seal, this the ____ day of _____, 2019.

Notary Public

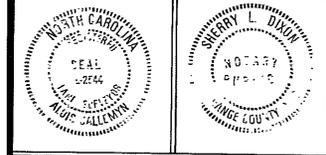
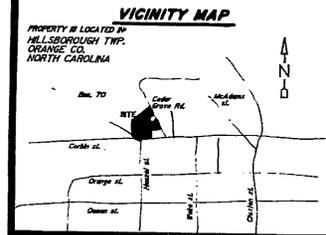
Print or type Name of Notary Public

My Commission Expires:_____

NOTE: See plat "Property of MRS. G. C. KENON" by Credle Engineering co. - June, 1960 (P.B. 9-63)
Also see plat "Property Surveyed for DAVID GATTIS & SUSAN GATTIS" by Alais Callemyn- JULY 12, 1985.

BOUNDARY SURVEY
PROPERTY SURVEYED FOR
CARR'S SUPERMARKET, INC.

HILLSBOROUGH TWP., ORANGE CO., NORTH CAROLINA
AUGUST 1, 1989



I, ALOIS CALLEMYN, R.L.S. 2544, CERTIFY THAT THIS MAP WAS DRAWN FROM AN ACTUAL FIELD SURVEY PERFORMED UNDER MY DIRECTION AND SUPERVISION; THAT THE ERROR OF CLOSURE IS LESS THAN 1/10"; THAT THE LINES NOT SURVEYED ARE SHOWN AS DASHED LINES PLOTTED FROM THE REFERENCED INFORMATION; THAT THIS MAP WAS PREPARED IN ACCORDANCE WITH G.S. 47-30, AS AMENDED. WITNESS MY HAND AND OFFICIAL SEAL THIS 1 DAY OF AUGUST 1989.
REGISTERED LAND SURVEYOR

NORTH CAROLINA, ORANGE COUNTY
I, SHERRY L. DIXON, A NOTARY PUBLIC OF THE COUNTY AND STATE AFORESAID, CERTIFY THAT ALOIS CALLEMYN, A REGISTERED LAND SURVEYOR, PERSONALLY APPEARED BEFORE ME THIS DAY AND ACKNOWLEDGED THE DUE EXECUTION OF THE FOREGOING CERTIFICATE. WITNESS MY HAND AND OFFICIAL SEAL THIS 1ST DAY OF August, 1989.
NOTARY PUBLIC
MY COMMISSION EXPIRES MAY 14, 1990

NORTH CAROLINA
ORANGE COUNTY
THE FOREGOING CERTIFICATE OF SHERRY L. DIXON NOTARY PUBLIC, IS CERTIFIED TO BE CORRECT. THIS MAP WAS PRESENTED FOR REGISTRATION AND RECORDED IN THIS OFFICE THE 28 DAY OF November 1989 AT 4:09 O'CLOCK P.M.
IN BOOK 54 PAGE 12
Betty Jany Hayes, Register of Deeds
Deputy Register of Deeds

This plat does not require approval.
August 1, 1989
Sherry L. Dixon
Planning Director

OWNER'S ADDRESS:

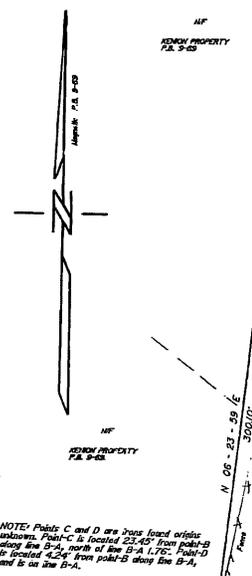
REFERENCES	REVISIONS
D.B. 227-1448	

REGISTERED LAND SURVEYOR
ALOIS CALLEMYN
LAND SURVEYOR
HILLSBOROUGH, N.C.

CHECKED D.K.S. 8-1-89 JOB 89-129

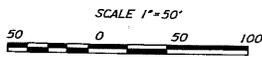
FILED
12

YOU 28 4 09 PM '89
BY L.S.
ALAN T. HARRIS



NOTE: Points C and D are brass found orients along line B-A, north of line B-A 1.76'. Point-D is located 4.54' from point-B along line B-A, and E is on the B-A.

NOTE: Point-G is a disk found from found. It is located 103.34' from point-E along line E-F, north of line E-F 1.46'.



- IRON PIN SET
- NAIL OR SPIKE SET
- EXISTING CORNER
- CONC. MONUMENT SET
- EXISTING CONC. MON.
- MATHEMATICAL POINT

T.M.# 4.13.A.2 PIN# 9864-89-6332



**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 19, 2019

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

SUBJECT: Change in BOCC Meeting Schedule for 2020

DEPARTMENT: Board of County Commissioners

ATTACHMENT(S):

INFORMATION CONTACT:

Donna Baker, Clerk to the Board,
919-245-2130

PURPOSE: To consider one change to the Board of Commissioners' meeting calendar for 2020.

BACKGROUND: Pursuant to North Carolina General Statute 153A-40, the Board of County Commissioners must fix the time and place of its meetings or provide a notice of any change in the Meeting Schedule:

- To add a Joint Meeting with the School Boards on February 25, 2020 at 7:00 p.m. and the meeting location will be at the Whitted Building, 300 West Tryon Street, Hillsborough, N.C.

FINANCIAL IMPACT: There is no financial impact associated with this item.

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

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

RECOMMENDATION(S): The Manager recommends the Board amend its meeting calendar for 2020:

- To add a Joint Meeting with the School Boards on February 25, 2020 at 7:00 p.m. and the meeting location will be at the Whitted Building, 300 West Tryon Street, Hillsborough, N.C.

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 19, 2019

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

SUBJECT: Authorization for the County Manager to Execute Contracts for the Purchase of a New Ambulance and Ambulance Remount

DEPARTMENT: Emergency Services and
Orange County Transportation
Services

ATTACHMENT(S):

None

INFORMATION CONTACT:

Theo Letman, 919-245- 2627
Kirby Saunders, 919-245-6135
Dinah Jeffries, 919-245-6123
Travis Myren, 919-245-2308

PURPOSE: To authorize the County Manager to execute contracts for the purchase of one (1) new ambulance and one (1) remounted ambulance approved as part of the FY2019-20 budget process.

BACKGROUND: On June 18, 2019, the Board of County Commissioners in the FY 2019-20 Board Approved Annual Operating Budget and Capital Investment Plan approved funds to purchase the remounting of one (1) Emergency Services ambulance and one (1) new ambulance. An ambulance remount makes use the parts of an existing ambulance. The selected company removes the box from an ambulance that is in need of replacement and puts a new chassis on the vehicle. Reusing some of the key components of the truck and not having to manufacture a new box translates into cost savings. The remount process also allows for the refurbishment and updating of the box as well as select pieces of the truck.

FINANCIAL IMPACT: The amount approved in FY 2019-20 Board Approved Annual Operating Budget and Capital Investment Plan for Emergency Services vehicles was Nine Hundred Sixty-Five Thousand Five Hundred Fifty Dollars (\$965,550), which included the cost of one (1) remount and one (1) new ambulance. The total cost for the ambulance remount is One Hundred Thirty-Three Thousand Two Hundred and Four Dollars and 68/100 (\$133,204.68), excluding accessories (radios, stretcher, etc.). The total cost for the new ambulance is Two Hundred Forty-Nine Thousand Eight Hundred Eighty Eight Dollars and 89/100 (\$249,888.86). The total cost of the two ambulances is Three Hundred Eighty-Three Thousand Ninety-Three Dollars and 54/100 (\$383,093.54).

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: CREATE A SAFE COMMUNITY**

The reduction of risks from vehicle/traffic accidents, childhood and senior injuries, gang activity, substance abuse and domestic violence.

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 execute the contracts and any amendments to the contracts for the new and remount ambulances described above and any other for Emergency Services vehicles approved in the FY 2019-20 Board Approved Annual Operating Budget and Capital Investment Plan following review and approval by the County Attorney.

BOCC Meeting Follow-up Actions

(Individuals with a * by their name are the lead facilitators for the group of individuals responsible for an item)

Meeting Date	Task	Target Date	Person(s) Responsible	Status
11/7/19	Review and consider request from member of the public that the County investigate the possibility of funding a pool fee waiver at the Sportsplex during the day during the 2020-21 fiscal year	5/1/2020	Gary Donaldson, Paul Laughton, & David Stancil	To be addressed as part of 2020-21 Manager's Recommended Budget
11/7/19	Review and consider a request from Commissioner Bedford that a re-examination of the composition and diversity of the Climate Action Committee (CAC) be pursued to add diversity	2/1/2020	Chair/Vice Chair/Manager	DONE Addressed as part of Board discussion and in CAC meeting minutes provided to BOCC
11/7/19	Review and consider request by Commissioner Bedford that the County review Human Resources' practice and policy on requesting information on salary history from job applicants and consider eliminating that information request	2/1/2020	Brenda Bartholomew	Human Resources staff to review and provide information update to the BOCC
11/7/19	Review and consider request by Commissioner Marcoplos that staff review opportunities to coordinate transit and voting and encouraging residents to take public transit to the polls for upcoming elections	2/1/2020	Theo Letman, Rachel Raper, & Todd McGee	Transit, Elections, and Community Relations staff to consult on potential transit/voting educational effort, with potential video, involving transit, carpooling, and ride-sharing
11/7/19	Review and consider request by Commissioner Rich for follow-up on previous petition item related to 2020 Census Complete County Committee	12/31/2019	Todd McGee	Staff to provide Information Item with December 2, 2019 Business Meeting agenda regarding outreach, educational process, expenditures, and month by month timeline of activities/events
11/7/19	Review and consider request by Commissioner Rich that the County make a request to both school systems for quarterly reports by facility on maintenance and capital improvements efforts	2/1/2020	Gary Donaldson Paul Laughton	Requests to be made

Meeting Date	Task	Target Date	Person(s) Responsible	Status
11/7/19	Review and consider request by Commissioner Rich that the County pursue efforts to encourage trades education as part of high school	2/1/2020	Travis Myren	Staff to provide information on Tradecraft Center Study scheduled for completion in May 2020
11/7/19	Review and consider request by Commissioner Rich that the County move forward with efforts to establish satellite elections office in Chapel Hill/Carrboro area to assist residents with obtaining identification cards in order to vote in March 2020	1/1/2020	Steve Arndt Rachel Raper	Staff to move forward pursuing location options
11/7/19	Provide Memoranda of Understanding between Sheriff and Schools regarding School Resource Officers to BOCC members	2/1/2020	Jenny Galassi	To be provided



ORANGE COUNTY
NORTH CAROLINA

MEMORANDUM

DATE: November 19, 2019

TO: Board of Orange County Commissioners

FROM: Bonnie B. Hammersley
Orange County Manager

RE: Minutes - Intergovernmental Collaboration with Municipal Partners

The Intergovernmental Collaboration with Municipal Partners meetings were held with Mebane on September 25, Carrboro on September 27, Hillsborough on October 3, and Chapel Hill on October 11. I have attached the minutes from the meetings for you review.

At the April 9, 2019 Board of Orange County Commissioner (BOCC) regular meeting, the BOCC approved a pilot of the Intergovernmental Collaboration with Municipal Partner meetings to move forward in FY2019-20 instead of holding joint BOCC and Town meetings with the full boards.

The Intergovernmental Collaboration with Municipal Partner meetings were individual meetings with each Town. The framework consisted of representatives from the County (Chair and Vice-Chair) and two elected representatives from the Town, administrative leadership from each body, as well as other staff as required for support on specific topics. The Collaboration meeting was facilitated by Maggie Ellis-Chotas, Dispute Settlement Center, she solicited agenda items in advance of the meeting, facilitated the work group meetings, and created the attached minutes from the meetings.

If you have questions, please do not hesitate to contact me. Thank you.

Attachments

Orange County/Mebane Work Group
September 25, 2019, 11 am-1 pm
Location: John Link Governmental Center, Hillsborough, NC

Session Goals

1. Establish positive, productive agreements for working together.
2. Define what effective collaboration looks like for this group.
3. Identify success factors for the group's work and the metrics that will be used to gauge progress.
4. Prioritize topics for the group's work.
5. Clarify topics and confirm questions to be addressed.
6. Beginning to jointly generate possible solutions.

Participants

Everett Greene, Bonnie Hammersley, Travis Myren, Patty Philipps, Renee Price, Penny Rich

Facilitator

Maggie Chotas, DSC

Session Notes

Welcome & Why we're here – Penny Rich & Renée Price

Penny Rich welcomed participants to the meeting and gave some history about how we have gotten to the point of the intergovernmental pilot project for the current year. Generally over a year, the Orange County Board of Commissioners and Boards of the municipalities meet separately, but the meeting with Mebane hasn't happened in two or three years. The outcomes of the meetings with the joint Boards weren't really giving managers clear directions on next steps and there was a desire to try something different. Travis Myren thought we could try something new based on the Schools Collaborative. Building on that model, this Work Group will identify topics of mutual interests and answer questions such as, What are we building? What are we partnering on? How many school children is Mebane putting into Orange County schools?

Related to the schools topic, Everett Greene asked if the County getting any feedback on the number of people in new subdivisions who will affect the school system. Ms. Rich responded that the County's planning staff talks to Mebane's planning staff and they strive to get accurate projections. Students can't actually be accounted for until they are in homes, so trends are identified that support accurate planning.

Mr. Greene noted he was surprised to find out recently that Eastern Alamance has less attendance this year than last. Ms. Rich asked if students were going to charter schools. Mr. Greene responded that yes, students were going to charter schools and there's a new charter school in Alamance, right outside of Mebane. There is also a fear of what's happening in schools which surprised him. He said he would be interested in knowing more about how Mebane's students were affecting capacity in Orange County Schools.

Renee Price commented Mebane and Orange County have a strong relationship that's been built around economic development. She suggested that it makes sense to think regionally to find out what's happening in Orange and Alamance – at least on the Mebane side. The more communication is improved and the more we can continue to build bridges, the better.

Hopes for the Work Group

Patty Philipps reflected on how she has seen collaborations between governmental entities work extremely well. She noted that by working together bigger projects can be achieved. In the past few years it has seemed like the only connection between Mebane and Orange County was at the staff level. She observed that staff work very well together and she is very proud of the staff and how they work with Orange County, but there are bigger picture things and priorities that need to be set beyond the staff level.

Mr. Greene observed it's important to develop a rapport back and forth again. When you know each other, you can clear out the underlying undertones that can hinder moving forward with positive things. He noticed that the County has an Economic Advisory Board and wasn't sure if anyone from Mebane was on it. If not, he proposed looking into that.

Bonnie Hammersley offered some background on the Schools Collaboration project and how it is an inspiration for the pilot project with intergovernmental Work Groups. Staff does attend the Schools Collaboration meetings and she expressed a hope that in future Work Group meetings Mebane's Town Manager and Planning Director and other staff they designate will attend because it's good for management to hear from the elected officials. Another hope she expressed was for items to be identified for which staff can provide elected officials with information.

Travis Myren indicated he hoped that the Work Group identifies specific items to work on together that will result in tangible actions.

Ms. Rich said she hoped what is learned from individual Work Groups is built on so we can connect all Orange County.

Renee Price expressed a hope for continuity with dialogue over long-term projects, which can keep projects on track even as the people involved change.

How we want to work together

Ms. Rich noted that the elected officials were present because their Boards have chosen them. As such, sharing information including meeting minutes with both whole Boards and getting feedback will be key. In addition to sharing information with Boards, staff need to have direction that is clear. Ms. Price added that getting buy-in from both Boards is critical to move forward. Mr. Greene added tangible and decisive next steps will build effective partnerships. Ms. Philipps agreed with what was said about buy-in from our full Boards and communicating fully. Ms. Rich emphasized if there's not buy-in, it's helpful to know that too.

Ms. Price asked what kind of communications are we envisioning in-between meetings? Maggie Chotas noted that it was up to the group to determine that. The pilot project lays out at least two work group meetings over the year – one in the fall and one in the spring.

What success looks like

Mr. Greene identified success as achieving mutual goals and economic development projects.

Ms. Rich stated that success for her will be when she is in a meeting and a question comes up about Mebane and she has a response – not to have to say she doesn't know. Mr. Greene observed in order to reach that level of information sharing, the Work Group has to build the relationship in the twice-yearly meetings and then reach out informally as needed in between. Ms. Rich added that success will involve the comfort level of calling each other and feeling comfortable asking the hard questions.

Ms. Hammersley reflected that what wasn't successful about the other meetings we had, was that staff's role was just doing presentations and then walking away without clear next steps. There wasn't a lot of accountability in what we were going to be doing moving forward. The goal of these Work Groups is to come out with homework, which will encourage working together as managements to make sure the elected officials get what they need.

Ms. Price offered that she would like to see both Boards coming together on occasion, possibly over lunch or dinner.

Ms. Philipps indicated that keeping our Board informed about what we are doing will lead to success, adding there are disparate opinions on their Board about many issues. Ms. Rich interjected it's not necessarily a bad thing to have diverse opinions and Ms. Philipps agreed "because it makes you refine your position and articulate it more successfully."

Ms. Rich emphasized that in doing so, you learn how to compromise and Ms. Philipps noted that compromise is hard, but it's effective and can get you the best result. A measure of success is if the Work Group is able to get buy-in from other Board members.

Prioritizing topics for discussion

Work Group members identified the following topics prior to the meeting:

- Economic Development
 - In and around the Buckhorn Economic Development District, including south of West Ten Road
 - Traffic related to those projects
- Residential growth and development
 - Future Single Family house development in Orange County
- Planning for schools
 - Estimated numbers in the next 5 years
 - Capacity
- Climate mitigation/plan
- Extension of the Mebane Extra-territorial Jurisdiction

- Long range planning
- Perry Hills
- Transportation issues
- Continued partnership

Work Group members determined the priorities for discussion, which are reflected in the order outlined below.

Planning for schools

Ms. Rich began by noting that for a long time SAPFO has helped determine when the next school will be built, but Mebane wasn't part of SAPFO, so we were constantly asking "when are you building?" Now Mebane is part of the SAPFO process and that is an important tool for determining where schools will be built. This is connected with long-term planning, extending the Extraterritorial Jurisdiction, as well as the amount of single-family homes being built. Ms. Price shared that even though there are algorithms to determine trends based on housing, these aren't totally accurate. Mebane might be growing into Orange County Schools, but different schools are at different capacities and we're going to have to look at redistricting, especially for elementary schools. She asked: How does the growth of Mebane impact Orange County schools? Also, what is the impact of charter schools? What is the trend?

Ms. Philipps wondered if SAPFO was sufficient and how timely the information from Mebane was. She shared that some housing units that have been approved that haven't scraped the earth yet, so having approved housing in projections versus having housing starts would make a difference. She suggested examining the method for notification to make sure Mebane is doing everything possible to get the County the information it needs.

Mr. Greene asked if when Mebane sends the County information that a housing development happening, is there a feedback process from the County to indicate approval? Mr. Myren responded that the formal SAPFO agreement between Orange County and Chapel Hill/Carrboro says if this development triggers a new school, then it gets postponed. Since Mebane isn't a signatory to that agreement, that doesn't apply to Mebane. The County does get timely information and it currently is pointing to needing a new elementary school somewhere in the western part of the County. One of the tangible results of this Work Group could be answering the questions: Should we be eyeing a school site and where would that be appropriate? Where does the city want it? Where does the County want it? It has to be connected to water and sewer and have access to transportation. As the redistricting process unfolds, they can zero in on an area that seems like it could work. Mr. Myren indicated information will be shared with Mebane as it is available.

Mr. Greene asked how many houses are anticipated between Daniel Boone and the next exit? Mr. Myren answered that there will be a thousand units. Mr. Greene wondered if we should be looking now for a site and finding out where Mebane is in the numbers of potential students.

Ms. Rich wondered if there were concerns with people in the Orange County schools part of Mebane that they don't want to go to Orange County or Alamance. Ms. Philipps indicated concerns have surfaced in the past with Mill Creek because there was just a very small part of that neighborhood in Orange County. That issue has never been resolved, she noted, and reflects a failure of collaboration.

Buckhorn Economic Development District, including south of West Ten Road

Ms. Phillipps opened the next topic for discussion around the Buckhorn Economic Development District, which had previously been eliminated from development by Orange County. She noted there will be a lot of pressure to build there. Mr. Myren offered that Medline has those parcels under contract and may have purchased them. Mr. Greene indicated Medline has indeed purchased them. Mr. Myren explained that those parcels are outside the water and sewer boundary agreement that Orange County has with Chapel Hill and Carrboro and Mebane is free to execute its annexation authority. According to state law, that trumps any water, sewer boundary agreement in place, but he said he didn't know if there would be feedback about it. Mr. Greene asked if he meant feedback from Medline. Ms. Rich clarified that the feedback would come from the Boards of Chapel Hill and Carrboro because they're signatories to the water sewer boundary agreement. The concern is that if it goes into annexation and Medline takes up some of the property but not all, will single-family homes start being built next to an Economic Development District.

Ms. Philipps noted that there have been homes approved on the other side of Buckhorn Road and there will be more pressure in that area as well. Mebane is feeling pressure from developers to buy up any piece of property anywhere near Mebane due to its location as well as water and sewer capacity. She indicated her personal opinion that if development is going to occur, it's better to have it with those features and in a condensed area instead of spreading it out.

Ms. Rich noted she didn't think everyone is aware of Medline buying up the properties in the water/sewer boundary area and when it is out there, the Boards' reactions could go either way because it is in the water/sewer boundary agreement area. Mr. Greene asked if she thought it might not be well received and Ms. Rich replied that she wasn't sure. Sometimes it seems as though everyone understands we need to grow the Economic Development Districts and we need to stop putting the burden on our taxpayers when we could get good economic development, but people are conflicted because they want both. Longstanding agreements aren't that easy to break.

Ms. Price brought up another pressure – when you have a landowner who's had the land for a long time, and it was great when they were young and they were farming, but the children and grandchildren don't want the land anymore, so they're going to sell it to a developer. Mr. Greene wondered how to control growth and when do you say this is enough. Ms. Hammersley shared Orange County has controlled growth with policies and agreements such as the rural buffer and water/sewer agreement. She added controlling growth isn't popular for everyone. Just like growth isn't popular for everyone. Ms. Philipps observed that Mebane's

industries are our largest taxpayers and they're also providing jobs and, for those raising a family, sometimes people want their children to be able to stay in their town. In order for that to happen you have to expand the job base as well as the housing base.

Mr. Greene emphasized the excellent salaries, health and retirement benefits and bonuses that Medline will offer. Ms. Rich shared that in addition to the excellent salaries and benefits, Medline will have a Leed Platinum building and that this is the kind of industry that is being attracted to that area. Mr. Greene requested that Mebane be kept in mind for potential new industries.

Extension of the Mebane Extraterritorial Jurisdiction

Moving to the next topic of discussion, Ms. Philipps wondered if expanding Mebane's Extraterritorial Jurisdiction will be helpful so the town is annexing parts are already in its ETJ. Mr. Myren indicated the County has allocated funds in the current year budget for a consultant to update the small area plan and could result in a recommendation to expand the ETJ. Ms. Price asked how would this affect the Efland/Mebane small area plan from 2006, which she found online. Mr. Myren responded that the old plan needs to be refreshed.

Perry Hills

Ms. Philipps brought up the Perry Hills area and shared that Mebane continues to get pressure from an environmental justice group for failing to provide water and sewer capacity to various areas around Mebane, including Perry Hills. These areas are outside of the ETJ and outside its potential service area. In the past, she said, her understanding was that Mebane could not possibly service it, but it was possible that with the extension of the sewer service that the County has put in over the last ten years, there may be other areas of underserved folks who are on septic systems that could be picked up. Ms. Rich asked how that fits with providing water and sewage sewer for places that aren't in Mebane? Ms. Philipps responded that it doesn't, but wants to be cognizant of ways to remediate past wrongs and be responsible for everybody in the area.

Ms. Rich wondered if Perry Hills then gets annexed into Mebane if it was going to get water service. Ms. Philipps said she would hope so because then they could vote and have representation. Mr. Greene added that the other thing to keep in mind is that then residents would have to start paying taxes. Renee Price shared what projects the County has been working with them on, including roads and other projects, which have been completed. Her observation was something else to consider is bus transportation.

Buckhorn

Mr. Greene asked about Orange County's opinion about Buckhorn, noting that at one point it was zoned non-residential, but that seems to have changed. Mr. Myren clarified that at the last Board retreat, there seemed to be consensus to keep it non-residential. Ms. Philipps wondered if the Doby property subdivision that got approved a couple of months ago was objectionable to Orange County. To which Mr. Myren responded it wasn't objectionable to the County because they looked at it carefully and it was approved for a couple of different reasons,

including it is an area that wouldn't be an appropriate industrial site anyway. Mr. Greene expressed concern about development west of the Doby property and Mr. Myren responded there will be a work session to look at Economic Development Districts which may need to be reworked so that growth in Buckhorn can be accommodated. Ms. Hammersley said that Craig Benedict will talk with Mebane staff about potentials. Mr. Greene requested that Ms. Philipps and he, along with the rest of the Council, hear updates as well. Ms. Philipps noted that there were probably other parcels that are unsuitable for economic development and elected officials take some heat with the public when a parcel that was deemed unsuitable for industrial development is rezoned for residential.

Development, Transportation issues

Ms. Rich requested a list of developments that Mebane has adopted and approved when it looks like the building may affect Orange County. She added that as the Work Group is thinking regionally, it will be important to consider transportation and moving people around, considering what increased development might mean for traffic. Mr. Greene shared the place with the largest growth in Mebane is old Hillsborough Road where probably 1,500 houses are located near Jones Road.

Climate Mitigation

Ms. Philipps reflected that she wasn't sure what the climate mitigation plan is in Mebane, except she tries to be mindful about climate impact when approving subdivisions. Ms. Rich indicated that just mentioning the idea of a plan to your Board gets them starting to think about their policy. Ms. Price indicated when the planning/zoning Board was working on some projects in Mebane they identified issues dealing with climate, such as not paving the entire parking lot and having a tree canopy. Some of these items might already be included in ordinances.

Ms. Rich commented that Orange County has a Climate Action Intergovernmental Committee that has just started meeting. They're going to come back to the BOCC with suggestions and a quarter-cent sales tax that will help mitigate some of the problems. She reflected it would be good to have a representative from Mebane on the committee.

Ms. Philipps updated the Work Group on Mebane's transportation plan that incorporates multiple modes of transportation and ensures sidewalks are added when the Department of Transportation puts in new roads.

Mr. Greene shared concerns about recycling since China is no longer taking plastics and those that are recycled are going to a landfill somewhere. He also wondered if there were any initiatives to eliminate plastic bags. Ms. Price responded that it can't be mandated, but pressure has to come via public engagement campaigns and individual stores can decide to ban them. Ms. Rich let the group know that Weaver Street doesn't have any plastic bags.

Ms. Rich noted that there could be opportunities to partner on solid waste at some point in the future. She visited the ENTSORGA plant in West Virginia and learned how they take all solid

waste and turn it into a dust compact that gets used as fuel instead of coal. Orange County doesn't create enough trash on its own to support such a plant and would need regional partners to make it work. The ENTSORGA plant cost \$11 million on 12 acres.

Identifying next steps

Participants clarified the next steps coming out of the session.

Action step	Who will do what
1. Research new school site in the western part of the County	<ul style="list-style-type: none"> Travis Myren will follow up with Orange County Schools on the timeline for the student reassignment study which will identify an area near or around Mebane where students are generated Travis Myren will email both Orange County and Mebane staffs about findings Information will be shared out to the Work Group
2. Ensure the data for SAPFO is accurate and timely	Bonnie Hammersley and Travis Myren will consult with Craig Benedict and Ashley Moncado
3. Update the small area plan and Extraterritorial Jurisdiction	The County has funds in 19/20 budget to hire a consultant
4. Add a Mebane representative to the Orange County Climate Mitigation Committee	<ul style="list-style-type: none"> Identify a Mebane representative The County will keep Mebane updated
5. Share Economic Development District updates with Mebane	<ul style="list-style-type: none"> County will share information with Mebane
6. Include Mebane in transportation planning	<ul style="list-style-type: none"> County will share with Mebane Look at including Mebane in the planning to think regionally
7. Consider adding a bus stop at Perry Hills	Bonnie Hammersley and Travis Myren will talk with the Transportation Director

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. A confidential electronic evaluation was also distributed.

What worked well	What to change for the next session
<ul style="list-style-type: none"> - Free flowing conversation - Facilitation - Identifying topics beforehand - Advance work 	<ul style="list-style-type: none"> - Manager and assistant manager attend next meeting - Have maps available

Carrboro Work Group September 27, 2019, 11 am-1 pm

Session Goals

1. Define what effective collaboration looks like for this group.
2. Identify success factors for the group's work and the metrics that will be used to gauge progress.
3. Prioritize topics for discussion.
4. Clarify topics and confirm questions to be addressed.
5. Begin to jointly generate possible solutions.

Participants

David Andrews, Rebecca Buzzard, Bonnie Hammersley, Lydia Lavelle, Travis Myren, Renee Price, Penny Rich, Damon Seils, Annette Stone, Trish McGuire

Facilitator

Maggie Chotas, DSC

Session Notes

Welcome & Why we're here – Penny Rich & Renée Price

Penny Rich welcomed participants and provided context for the intergovernmental pilot project for the current year. Previously full Boards of the County and local jurisdictions would meet together. The feedback from those meetings was that staff members weren't getting clear directions on next steps. Travis Myren proposed trying something new based on the Schools Collaborative. Ms. Rich explained this is the second meeting of the pilot; the first meeting with Mebane was positive. Lydia Lavelle asked if the County had work sessions with Mebane in the past? Ms. Rich responded that it had been some time since they had met and had lost touch with what they were doing.

Renee Price said the Work Group setting provided an opportunity to come together to have deeper conversations that were harder to have in the larger meetings. She emphasized the importance of keeping full Boards in the loop so collaborative efforts are strong.

Hopes for the Work Group

Participants identified hopes they have for the Work Group:

Damon Seils expressed a hope the Work Group will be designed around the needs of staff and can send staff and citizens away from the meetings with something useful.

Ms. Lavelle hoped information or assignments get communicated back to Board members who aren't present so Boards know mutual priorities.

David Andrews said he hoped the process of the Work Group will establish systematic ways to continue to improve collaboration around policies and topics of joint interest in an ongoing way.

Annette Stone expressed hope for clear communication.

Ms. Rich said she hoped the Work Group would take advantage of the opportunity to have conversations and be honest with each other, which can be harder to achieve with a lot of people in the room.

Mr. Seils added he hoped Work Group members would try to be helpful to each other in pointing out those places where we see possible points of tension with our Boards.

Ms. Hammersley noted a hope to be able to bring back to staff what needs to be done and identify where they can assist elected officials with their goals.

Ms. Price emphasized the connectedness of the community – Carrboro is part of Orange County and vice versa. There are areas we can and need to make decisions together. The Work Group can help us move forward overall with mutual support and identify gaps that might not be as obvious in a larger group.

Trish McGuire reflected on a strong history of working together and hoped, whatever the framing is, it continues to strengthen the collaboration.

Rebecca Buzzard hoped for actionable items for staff to work on.

Articulating the vision for collaboration

Ms. Lavelle emphasized the importance of continually checking back in with Boards, as individuals don't reflect all opinions represented by Board members. By moving forward together and informing our Boards, noting where there is divergence, time won't be wasted.

Mr. Seils indicated the importance of being clear when we are talking from our own point of view or when we think we are representing the full Board. He noted staff are relied upon for their expertise and said success will be clarity for them.

Ms. Price said Boards represent different points of view and segments of the community. Success is when all voices are heard and considered.

Ms. McGuire wondered if it was possible to establish a structure where there is vetting of concepts and ideas in the smaller Work Group and then a check-in with Board members who weren't present before concepts and ideas go to staff.

Ms. Hammersley shared the plan to include Work Group minutes as an information item with the Commissioners, which means they will also be shared with the public.

Mr. Seils noted many topics on the list for possible discussion have been there for a while. A metric that will indicate success is when topics are either dropped off or moved along.

Prioritizing topics for discussion

Work Group members identified the following topics prior to the meeting:

1. Parking
2. Greene Tract strategy
3. Library
4. Zinn property - flex zone - future annexation
5. Old 86 Maker's Village property
6. Conservation easement for FLX
7. Transportation projects
8. Affordable housing
9. Economic Development, including in ETJs

10. Transit and Transportation Planning —e.g., NC 54
11. Historic Rogers Road Area Development
12. Continued partnership

Work Group members determined the priorities for discussion, which are reflected in the order outlined below.

Zinn Property

Ms. Rich initiated the Work Group’s discussion of the Zinn Property, noting there needs to be a coordinated response to assure community members in the ETJ they are heard. Ms. Lavelle shared the newspaper published a story today that indicated the developer is putting the project on hold. Ms. Stone emphasized the larger issue is economic development in the ETJ in terms of who is representing community members. Mr. Seils added the coordinated communications with residents is an issue. Ms. Rich agreed a coordinated response in the ETJ is important to avoid pitting Carrboro against Orange County. Mr. Andrews asked if written protocols would come out of the conversation to provide guidance on how to handle these kinds of issues. Ms. Hammersley added there are protocols for coordinated responses, even though these might not always be written. The County always checks in when it’s not their issue and won’t respond until there’s information from the jurisdiction that oversees it.

Working together on economic development

Ms. Lavelle transitioned the discussion to consider how Carrboro and the County work together on economic development. Underlying the conversation about the Zinn property, she said, are efforts to partner with the County on something economic. Carrboro is different than Chapel Hill or Hillsborough with its geography, opportunities and local focus and there is concerted focus on a vibrant downtown. Mr. Andrews shared a question that arises for the Town: “Do we want to go it alone or co-develop with the County?” He responded Carrboro would like to co-develop in the interest of regional collaboration. He indicated Carrboro isn’t as skilled navigating the climate in the ETJ and with the AAC. He brought up an experience in the last year or so where Carrboro attended a County meeting and a Commissioner had an issue with extending water and sewer. As a result of feeling like they received a negative response, Mr. Andrews added, Carrboro pulled back. Ms. Rich emphasized the importance of not thinking one Commissioner speaks for the whole Board. The broader question is how do the County and Carrboro collaborate more on economic development? What does this look like for Carrboro?

Mr. Seils elaborated on opportunities for collaboration around specific projects such as the library, perhaps Makers Space and the Greene Tract. Other opportunities include participating with the County in determining how to spend economic development tax revenues. Still other opportunities for collaboration include investments in infrastructure, such

as a parking deck – noting that the Carrboro Board has different views on that particular topic. He reflected on the County’s help with the sewer line on Main Street, which was an important investment for infrastructure.

The 203 Project and Parking

Ms. Lavelle provided context for how the 203 Project has involved discussion around parking. While there are differences of opinions about parking, she emphasized everyone is committed to no net loss of spaces, although everyone would like to see less need for parking over time. Parking needs are so intertwined with discussions around the 203 Project that planning has been stymied for a year, especially after the Arts Center pulled out. She noted in order to move forward, the Carrboro Board must decide if it is going to take affirmative action or not. If plans do involve a parking structure, she suggested the County would need to be involved. She was hopeful something more definitive would be known in the next two weeks.

Mr. Andrews further elaborated, noting Carrboro is having conversations about parking deck placement along with what they’re willing to pay. He offered thanks to Ms. Hammersley and the County for their patience, explaining redevelopment in an old area with 6.4 square miles is a challenge, but progress is being made.

Ms. Rich asked when Carrboro anticipates starting to charge for parking. Mr. Seils responded if there is going to be a parking structure, it will be paid parking – in part because if payment is isn’t required, parking will push around into the unpaid spaces around it and also because the deck has to be paid for. For context it was added that the Town only controls about 16% of parking.

Mr. Andrews explained if there isn’t a decision from Carr Mill in 30 days, they will go back to designing the library site with enough parking to park the site. Elaborating, he informed the group that when the Town found out the Arts Center wasn’t in, architects were asked to build 750 parking spaces along the 203 side which would satisfy the library and the Town’s needs. At that point, he said, representatives from Carr Mill suggested taking a look at an opportunity for a deck behind Robeson.

Ms. Stone shared Carrboro Business Alliance’s stance to have no net loss in parking. She added other stakeholders want an increase the number of spots. The Town will need to figure out the overall parking needs long term.

Mr. Seils reflected on the significance of Downtown Carrboro as an economic development district for the County. It’s really important that we continue to work together to make sure it continues to thrive, he said, whether that’s by infrastructure, programming, business loans. Ms. Lavelle added landmark institutions such as the Arts Center and Cats Cradle want to stay in Carrboro just as new restaurants and businesses are coming in. She said there is concern about losing the 100 spaces in the lot and where replacement spaces will come from and the Board will have to work through differences of opinions on the matter.

Mr. Myren requested the Work Group consider an urgent matter related to the 203 Project involving finding replacement space for the Skills Development Center. He explained the need to determine a reliable timeline in order to move forward with the disposition of the property as soon as possible. Ms. Rich elaborated the County is considering selling the building and the Skills Development Center will need new space for 2020/21. Mr. Myren emphasized they will be feeling pressures about this soon, explaining it's an 18 month construction process. Ms. Hammersley added it's difficult for the County because they hear Carrboro wants something but they're never completely clear about what it is and the County hasn't seen any proposals.

Ms. Lavelle explained there's a lot of conversation, but depending on much a deck would be, she thought there would be majority support for it from the Board. Mr. Seils elaborated, speaking for just for himself, that he would rather see the funds invested in other ways. He acknowledged the majority of the Board, in reality, is looking down the road to a parking deck and will need help from the County.

Working together on economic development projects: Debriefing Old 86/Makers Village

Ms. Rich shared the County Board has had conversations about how to invest more economic development dollars for Carrboro, but the specifics haven't been determined. Mr. Seils noted decisions along those lines would be a productive use of conversations in the Work Group.

Ms. Hammersley emphasized if one Commissioner says something and Carrboro backs off from it because one Commissioner was unhappy, that's not the way it's supposed to work. The reality is you need a vote and Commissioners can't vote if they don't have anything in front of them. Mr. Andrews asked if the County is looking for is a written proposal from Carrboro for economic development projects.

Ms. Rich clarified it isn't just a written proposal that is needed. Carrboro needs to be 90% certain they want to go through with it. Using the Old 86 Village Project as an example, she said the Commissioners never had a clear direction except a concept plan. Ms. Hammersley elaborated it needs to be beyond a concept plan and the County Board needs to be convinced, just like Carrboro's Board needs to be convinced. If it's a deck, how much is it going to cost? What are the justifications behind it? Commissioners need the opportunity to vote it up or down.

Ms. Price added she didn't think it would be a bad idea to share concepts along the way as ideas are developed.

Mr. Seil reflected on the Old 86/Maker's Village idea. He said the concept was written up into a plan because Carrboro was asking for grant funding from the County for water and sewer. In his recollection it came up through general discussion about the concept plan and

then it got shot down, based on what some thought was erroneous information about the future of water and sewer. He noted it wasn't on anyone; the project just stopped.

Mr. Andrews added this is the way things work sometimes. At the staff level you know all the technical things that need to be done, but the elected officials have to muddle through it because they have to answer to their constituents who are giving them a hard time. Staff is doing up front planning including cost estimates, but haven't been able to get synergy because of unknowns for elected officials who aren't sure how much opposition they will get.

Ms. Lavelle said she wasn't sure the Maker's Village process got that far. Mr. Seils added the Carrboro Board didn't follow up that conversation with clear direction to staff.

Ms. Rich said because the follow up wasn't there, the narrative changed. Public input took us down a different path and the boards seemed not to be inline anymore. Ms. Lavelle said she didn't recollect the Board coming back to the issue and there was so much attention being put on other issues like the 203 Project.

Ms. Rich emphasized she's always been excited about the Maker's Village and invited Carrboro to come back at some point when they feel comfortable about starting up the conversation again. Ms. Price encouraged Carrboro to bring it back around because it will benefit everyone. Mr. Andrews thought staff might have the capacity to return to the topic once the parking deck issue is resolved.

Transit and Transportation Planning

Calavander – Intersection of Old 86 and Homestead

Mr. Seils reflected on the history over the last few years of the County and Town coordinating with potential transportation projects of mutual interest. Calavander at the intersection of Old 86 and Homestead is an area both jurisdictions have interest in improving in terms of safety. He stated his opinion that lately it feels like there's been divergence in what what's being proposed for the area and asked for a focus on better coordination between planning departments. Carrboro has been proposing improvements primarily for bicycles. Apparently a separate proposal from the County was submitted for the same intersection that was focused on traffic flow. This proposal resulted in the NCDOT presenting a high level proposal for a double lane roundabout. The different goals of the intersection reflect the need for staffs to keep focusing on the overall vision for the intersection, which for Carrboro is improving bicycle safety. Carrboro needs to better understand the County's interest. He asked for the Town and County to work together and not submit separate projects.

Ms. Hammersley asked if there wasn't an opportunity before requests are submitted to know what the other is requesting. Ms. McGuire replied that each jurisdiction can provide input. Ms. Rich asked when the County proposal was submitted. Ms. McGuire responded the County's proposal was submitted recently. Ms. Rich suggested there should be a process. Ms. Hammersley said she would talk with the County Planning Director about consulting with

adjacent jurisdictions whenever suggesting changes. If there are legs of the intersection shared between the County and Carrboro, Ms. Hammersley said, the County needs to talk with Carrboro before submitting requests to see if that will help them as well.

NC Highway 54

Mr. Seils raised the topic of NC 54 West and provided context about corridor studies, which Carrboro requested to better inform decision making about the implications of potentially widening Highway 54. He stated Carrboro's interest is in standing by its decades-long policy of not widening Highway 54 unless absolutely necessary. In the past, Carrboro and the County have been in partnership about not widening. He observed lately it seems there may have been divergence in opinions that seemed to happen without a lot of discussion between the two jurisdictions. Mr. Seils recommended a smaller group of staff and elected officials meet to focus on interests of both jurisdictions vis a vis widening/not widening Highway 54.

Ms. Rich noted there have been discussions among Commissioners about the issue and not everyone sees it as Carrboro does. There hasn't been a vote with the Commissioners, but there has been talk about widening 54 and putting in a park and ride. Ms. Price added there have been efforts to try to get signalization down the road. Ms. Hammersley said she would work with Mr. Myren to set the meeting.

Greene Tract strategy

Ms. Rich provided background information about the process of a government document for the Greene Tract, which is jointly owned by Chapel Hill, Carrboro and Orange County. When it was first established, she said there was general understanding about what to do with it, but there weren't any written agreements so it essentially became partnership on a handshake. The partnership has broken down a bit because Carrboro and Orange County are on the same page and the other partner isn't. Ms. Rich noted this has been going on 17 years and a number of different things have been done, including bringing water and sewer to Roger's Road, changing the speed limit, changing the zoning. Partners still aren't in agreement about affordable housing and how to develop the Greene Tract.

Ms. Lavelle added that this part of the process started 2 ½ years ago. Before Carrboro engaged, they called to question whether they wanted to move forward or pull out. Having decided to engage, Ms. Lavelle said for 2 ½ years partners were working toward the same goals until this summer when there was a reboot. She expressed frustration because she feels time has been wasted. She affirmed Carrboro wants to see the Greene Tract happen. Mr. Seils voiced disappointment in the process on this outcome, noting staff has spent a lot of time on this topic and there is much else that could be focused on. Ms. Price expressed frustration for

the community as well because they've been wanting some kind of development that will help their neighborhood.

Mr. Seils wondered if Carrboro's involvement is useful in moving partners forward in meeting the goals outlined in Mapping our Community's Future report. If it's not helpful in moving to getting to that end, Mr. Seils said he is ok not being part of it. At the same time, he expressed a desire to remain in the partnership if it is helpful.

Ms. Lavelle noted that whatever comes out of the conversation, Carrboro needs assurance they won't be blindsided again. Ms. Rich said it would be part of the government document. Mr. Myren explained there isn't an ownership document, which has resulted in not moving forward together or unilaterally because there isn't an understanding for which part of the 104 acres the County might own. Ms. Rich reflected on the limitations of the handshake agreement from 17 years ago. The Work Group will be kept informed about the process.

Identifying next steps

Participants clarified the next steps coming out of the session.

1. Ms. Hammersley and Mr. Myren will set up meeting for joint staffs and elected officials regarding Highway 54.
2. Carrboro will share updates with the County by November 1 regarding parking.
3. The Perkins Will addendum will be executed.
4. After the 203 Project is resolved, move forward with discussions regarding Old 85.
5. Keep the Work Group informed of conversations with the Greene Tract.
6. Meet again as a Work Group in Spring 2020.

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. A confidential electronic evaluation was also distributed.

What worked Well	What to change for the next session
- Facilitator manner.	Work through scheduling with the Town Clerk – want managers and staff to attend.
- Background information shared ahead of time.	
- Staff being frank and letting elected officials where action is needed.	
- Jointly developed agenda.	
- Thank you to the County leadership for this process.	
- Clear next steps.	

Hillsborough Work Group
October 3, 2019, 9:30-11:30 am
Location: Link Government Services Building, Large Conference Room

Session Goals

1. Define what effective collaboration looks like for this group.
2. Identify success factors for the group's work and the metrics that will be used to gauge progress.
3. Prioritize topics for discussion.
4. Clarify topics and confirm questions to be addressed.
5. Begin to jointly generate possible solutions.

Participants

Bonnie Hammersley, Margaret Hauth, Travis Myren, Eric Peterson, Renée Price, Penny Rich, Tom Stevens, Jenn Weaver

Facilitator & Notetaker

Maggie Chotas, DSC

Session Notes

Welcome & Why we're here – Penny Rich & Renée Price

Penny Rich welcomed participants to the meeting and provided history about the intergovernmental pilot project for the current year. Previously full boards of the county and local jurisdictions would meet together. The feedback from those meetings was that staff members weren't getting clear directions on next steps. Travis Myren proposed trying something new based on the Schools Collaborative. The hope is the Work Group format will provide more opportunities for clear next steps and follow up. Ms. Rich shared how Mr. Stevens and she met a year and a half ago to develop the agenda for the full boards meeting. When they pulled up the agenda from the prior year, nothing had changed. Via the Work Groups, the hope is items will move forward and the format will be a better way of communicating with the boards, which could receive the minutes electronically once they are finalized. Managers are suggesting after minutes are final they go into the agenda packet for the public where they will also be posted on websites.

Ms. Price added there are many areas where the town and the county overlap and intersect. Keeping the dialogue open and collaborating is positive because Hillsborough and Orange County affect each other. It's important to see where the town and the county come together on projects and help each other.

Hopes for the Work Group

Participants identified hopes they have for the Work Group:

Mr. Stevens expressed a hope the Work Group will identify specific actions for moving forward.

Ms. Price said she hoped the group can resolve any obstacles and perceived barriers to achieve action steps.

Ms. Weaver expressed the hope for using this space to maintain a good relationship between the town and the county, which we have now but it's not always like that. It works better when it is.

Ms. Rich noted her hope is that coming out of all these meetings we as elected officials are giving staff the right kind of direction and if staff feel like we're not doing that they feel free to follow up in between meetings.

Ms. Hammersley said she hoped to get clear indication as a Manager of what direction we're going.

Ms. Weaver said she hoped for clear answers to take out to communicate to the public – not in an over-promising kind of way. She reflected there are items on our list that are important to the community and she hoped the town and the county would communicate the same thing.

Articulating the vision for collaboration

Ms. Price emphasized the importance of working together to communicate with the public to quell rumors, let people know the facts and show we are collaborating.

Ms. Rich expressed appreciation for staff and how much elected officials rely on their expertise to do the work. She highlighted the need for elected officials to give staff clear direction so they can do their job. She asked staff if that's what they need.

Mr. Peterson encouraged board members to challenge staff and follow up, noting we all have tunnel vision to an extent and that's why we have lots of people working together: to see the whole field at play.

Mr. Stevens added the more we communicate, the more we miscommunicate. There are always a number of items that need to be checked out and followed up on. Ms. Rich said that can be a problem. Sometimes as elected officials, she said, we can send staff down too many different paths that uses a lot of time that could have been spent on something else. When that happens she asked for staff to let elected officials know.

Mr. Stevens added elected officials need staff to challenge them sometimes too. Ms. Weaver agreed.

Mr. Peterson added having dates or deadlines are very helpful to get things done.

Mr. Stevens asked for clarification on what the Work Group means by collaboration in a larger sense. What is specific beyond working together? We're partners and will have joint ownership of some things, but not everything should be collaborative. At times we need to cooperate, communicate or coordinate but doesn't mean we're taking joint ownership of everything we do. Collaboration always takes a lot of effort, gets more people involved and there's a cost for doing that. We should collaborate when $2+2=4^2$. If $2+2=4$, don't necessarily need to collaborate. As the town and county work together, he continued, we need to practice discernment about the level of collaboration with partnership. Ms. Price agreed, adding some projects require just checking in with each other.

Ms. Hammersly elaborated the model being used for the Work Group is similar to the one used with school collaboration, as Ms. Rich described earlier. One of the important reasons the county and the schools have those meetings is to identify what we collaborate on and what we don't. There might be barriers to certain issues or maybe the schools don't need the county's help on something and that is fine.

Mr. Stevens continued with recognition for the constraints the town and the county are under. Ms. Hammersley added if we can't collaborate, it's not a bad thing. Mr. Stevens said sometimes he thinks the town isn't appreciated for how small the bandwidth is and the county isn't appreciated for the possibility of precedence if one town does something the others might too.

Ms. Hauth reminded the group about the importance of doing a good job in carrying the messages back to everyone else who isn't in the Work Group meetings. She reflected everyone in the Work Group will hear things straight from the person we wanted to hear them from and it will be up to us to translate what is said so everyone hears it with the same authority and certainty with which it was intended.

Ms. Rich shared in the Carrboro Work Group meeting one member was specific in identifying when he was sharing his personal opinion versus the opinion of the board. In sharing his personal opinions, it didn't mean he wasn't going to bring the conversations back to the board. Ms. Hauth added it's important to let the Work Group know which of our multiple roles we are speaking from at a given time.

Ms. Chotas asked if there was anything specific to be added to ensure communication is carried back to board and staff members who aren't present – beyond what has already been described in terms of adding verbatim notes to the public docket. Ms. Hauth responded we will have to see what comes up in the meeting. Ms. Chotas emphasized the pilot nature of the meetings and the desire to extract lessons learned along the way and make changes as needed to ensure action steps and an effective process.

Prioritizing topics for discussion

Work Group members identified the following topics prior to the meeting:

1. Valley Forge Road
 - Bridge and road repairs

- Annexation of county property
- 2. Minimum housing inspections
- 3. Extension of water/sewer to EDD across interstate
- 4. Sidewalk/connectivity to schools and areas outside of town limits
- 5. Event management coordination (town/county; courthouse/park)
- 6. Affordable Housing
- 7. Transit
- 8. Economic Development

Other/Updates

- Transportation - expansion of public transportation, circulator route, train station, S Churton expansion
- Collins Ridge
- Jail/OC campus construction
- Census
- Other economic development/tourism; museum

Ms. Chotas asked Work Group members if there were similar items to be grouped together. Ms. Hauth reflected Affordable Housing, Transit and Census have their own committees and unless there's something specific for us to take action on, those have their own paths and their own groups driving them and would be more of a check in. Mr. Stevens agreed. Ms. Rich added the jail and the Orange County campus are more information items and don't need to go in much detail there. Ms. Hauth added Collins Ridge is as well, unless there's a question from the county. The Work Group agreed the top priorities for the discussion in the meeting would be the Valley Forge Road and sidewalk/connectivity to schools and areas outside town limits.

Minimal Housing Inspections

Ms. Rich asked for clarification on this issue. Ms. Hauth responded it is a simple request that was made to the former Housing Director to see if the county has the capacity for the town to contract and pay them to assist on the 2-3 complaints the town gets every year. The county has the staff with the technical knowledge to do the inspections and work with the property owners. Ms. Hammersley asked for further information about when the request was made. Ms. Hauth said she sent the former Housing Director an email, noting she was supposed to follow up with a draft agreement and didn't. Ms. Hammersley said the item can be taken off the list – the new Housing Director started last week. Ms. Hauth will pick up the conversation with the new Housing Director.

Valley Forge Road

Mr. Stevens provided context for this topic by referring Work Group members to Ms Hauth's letter to Mr. Myren dated September 18, 2019. This letter, which was distributed prior to the meeting, gives background information, construction options, funding options and ways the county could help. Mr. Stevens elaborated there has been talk for some time about whether these properties should be annexed and the town has also talked with its legislators because

federal monies are attached to named storms and the storms doing the damage aren't named storms. Ms. Rich provided more context, noting the county doesn't build roads or sidewalks and Hillsborough owns part of the road that collapsed. The county owns the property to get to the road. The county owns the only parcel that requires using the collapsed creek crossing for access (i.e. the county parcel is the only one damaged by the collapse).

Mr. Stevens elaborated it's a gravel road that has a temporary repair from the NCDOT; since it's a temporary fix, the concern is what happens when another storm comes through. Mr. Stevens continued the cost of doing the repair is such that the town has considered abandoning the road altogether, but even to abandon it is upwards of \$200,000. Mr. Stevens stressed the town wants to do the right thing and take responsibility. At the same time he emphasized it feels like the county has a stake in it since it's county property and the properties could be annexed which could generate some of the revenue to support the cost of the road. Mr. Stevens stated he realized a decision wouldn't be able to be made at the Work Group session and would have to go to the boards for further consideration.

Ms. Rich indicated Ms. Hauth's letter was shared with the board and she didn't recall if conversations with board members have brought points forward. She shared the board has talked about what annexation looks like and how the company would be responsible for Hillsborough taxes. She asked if anyone has spoken to the company about that possibility. Ms. Hauth responded the town's communication with the company has been focused on if they were interested in participating in fixing the roads and they have said they aren't. She wasn't aware if anyone talked with them about the possibility of being annexed. Ms. Rich asked about the boundary lines and how the road is partly owned by the town. Ms. Hauth reflected she couldn't explain how or why the town took over the road, noting the decision predates her. She speculated perhaps the town took over the road from the state because someone didn't realize the road wasn't wholly in the city limits.

Ms. Rich asked for more information about what's wrong with the road now. Mr. Stevens said it's a temporary fix that won't last to which Ms. Hauth elaborated the next big rain storm will probably wash it out. Mr. Peterson said Summit Engineering is being paid to come out and measure the road regularly to make sure it's stable. Ms. Hauth added it would be between two-six weeks or more to fix the road, depending on how much funding is devoted to the project. The town has been advised it is next to impossible to keep a traffic lane open, which will mean the company will take a significant hit. Mr. Peterson said the solution estimate is for \$500,000 for around the clock work, which is significantly better than the early estimates of \$1,000,000. Even the lesser estimate of \$500,000 is significantly higher than the town's budget for road maintenance and enhancement.

Ms. Price wondered if the NCDOT could be cajoled to take the road back. Ms. Hauth added they won't take it back in its current condition. Ms. Price continued even if the condition of the road was better, was there enough right-of-way for the road? Ms. Hauth said it was her understanding the right-of-way wasn't a concern.

Mr. Peterson added design work is going on now and has been working on it for a few weeks. Ms. Hammersley said the county would look into annexation and would contact the owner of Builders First Source to gauge their reaction to the possibility. If they were to say they weren't going to rent after this year, that would be a significant loss because they lease the land from the county. She clarified if they were annexed, the company would only pay on the improvements since the county-owned land is tax exempt. Ms. Hammersley asked what the figure would be. Ms. Hauth responded it would be \$23,000 a year, which would be on the improvements, not on the value of the land. Mr. Stevens clarified if this is the amount that would go to the town and Ms. Hauth affirmed, noting the county is already receiving their tax. Ms. Hammersley indicated the county will do more work on this and she will ask the new Director in Asset Management, who manages the leases, to talk to Builders First Source.

Ms. Hammersley noted the county will also look into the gap for improving the road which would come from the county's capital budget if that were to happen.

Ms. Hauth added whoever approaches Builders Source to remind them annexation is forever so they might want to do a cost-benefit analysis of financially participating in this project for 1-2 years versus paying the \$23,000 a year for as long as they are there.

Ms. Rich asked about the status of other parts of the road. Mr. Stevens noted the rest of the road is in good shape and was recently repaved. He clarified the town has a 20 year cycle of repaving (for comparison, Raleigh's is a 40-50 year cycle). Mr. Stevens added the repaving policy is one the town is proud of as they are staying on top of infrastructure needs and setting a good example. He emphasized how this one road is setting off that cycle and for a business that isn't in town. While the company benefits us all via sales tax, it's hard to justify the cost of the road for what it benefits the citizens. At the same time, we don't want to lose the company. If they indicated they were considering leaving, it could make sense to help them move and keep them in the county.

Mr. Stevens reflected on the possible downsides of closing the road in terms of the \$200,000 expense and also the significance of maintaining an option for possibly getting over the railroad tracks in the future, noting this road is one of the few places it could happen.

Ms. Rich asked if all the properties are zoned as industrial and Ms. Hauth answered yes and there are small businesses on them.

Ms. Hauth connected PFAP to this topic. Since it is currently outside city limits, she said, if you wanted to partner the two and get some benefit back to the county, having that property annexed will save you whatever the water bill is. Could be a benefit back to the county general fund not having to pay that water bill. Ms. Rich suggested this might be a next step to look at the difference in water bills in town and out of town. Mr. Peterson said he would find out who was paying the water bill and report back.

Sidewalk/connectivity to schools and areas outside of town limits

Ms. Rich provided context for this topic, explaining it is an ongoing safety issue for students who walk to school. Recently a child was hit on his way to school and suffered a broken arm.

Ms. Hammersley let the Work Group know there is funding in the 19/20 budget for a feasibility study to see what could be done along Orange Grove Road. She has asked staff to release the RFP for a consultant. She said they will be looking at bike/pedestrian paths which wouldn't have to have curb and gutter. Once the study is complete, she outlined her plan to talk with the town, the schools and the NCDOT about what to do. She emphasized it's not as simple as parents calling and saying the county needs to do something – the cost will be significant.

Ms. Hauth added at the end of the day, the NCDOT rests on the fact that there isn't an existing network of pedestrian facilities in the vicinity so they don't want to spend the money to improve the bridge. If there can be a way to bring a network to the bridge it would apply pressure and help it score better than it has in the past.

Ms. Rich emphasized it's important to get the study done and wondered about what to say to some concerned parents. The response from the principal was don't let them walk to school, but that's not necessarily a good response because they will walk to school. She suggesting crafting a communication to let the community know the study is occurring.

Ms. Hammersley emphasized the need to manage expectations. The results of the study could indicate a fiscal solution that couldn't be taken on without raising more taxes. The county is looking at it and cares about it, but can only do so much.

Ms. Price indicated there have been many studies and Ms. Hammersley asked if there were studies on this particular topic. Ms. Hauth said she didn't think so. Ms. Hammersley expressed hope the consultant would offer suggestions for funding sources. Ms. Hauth added if a sidewalk or path is added, it will also need to be determined who will maintain it because it's outside the city limits. Ms. Hammersley said the issue of maintenance wasn't as big of a concern for the county – their concern is the cost and also easements. She emphasized the timeline is unknown.

Mr. Peterson agreed with Ms. Hammersley that there can be complicating cost factors of sidewalks. The town hasn't completed many sidewalks, but one it did do was Nash Street ten years ago, which was 1.4 miles and cost \$1.4 million. Unexpected finds under ground increased costs 40%. He explained retrofitting sidewalks is a tough nut to crack.

Ms. Hammersley added it is a complex issue and maybe someone saying they should ride the bus is insensitive but maybe for safety for right now, that's the best approach because we want students to be safe.

Ms. Rich said she would like to see a unified message, even if it is we're studying it. Mr. Stevens said the town can help manage expectations and reference the connectivity plan.

Ms. Chotas asked if in terms of next steps the group wanted to set any action steps around sending a unified message. Ms. Rich asked if the town was still hearing concerns from parents. Ms. Weaver said the concerns have died down, but the issue will keep coming up and it will be helpful to say the county is doing a study. She expressed how everyone has been trying to stay consistent about who can do what and who is responsible for what even though that can come across as "it's not us, it's them – we don't really care." Reflecting her own perspective, she said she's been saying it's a failure of government to keep people safe by not funding big projects like this and not attributing particular responsibility to the county.

Ms. Hauth emphasized the need to take these considerations into account the next time a school is being built. Hindsight being 20/20, that wasn't a great place to put a high school, though there must have been reasons for the school siting. From this perspective, she continued, it wasn't a great choice.

Ms. Hammersley said she will keep Mr. Peterson informed when the RFP goes out, noting she is anticipating a 3-6 month study. Ms. Hauth wondered about putting the town and county public communication officers preparing a joint statement for the future when it's needed, such as when RFP goes out. Mr. Peterson emphasized from a climate change perspective more connectivity will be important.

Mr. Stevens offered a success example – the sidewalk section along the Visitor's Center to the school, which filled in the missing link. The county funded it and the town took over the maintenance.

Event management coordination (town/county; courthouse/park)

Ms. Rich asked for more information about what's involved with the topic. From a tourism point of view, Mr. Stevens responded, coordinating with the county can be complicated. He suggested it seemed like the town and county could do a better job of coordinating. Ms. Hauth added the town has a special permit process for events on public or private property so town services are cued in and they know there will be a crowd. The town requires the property owner being ok with the events happening on their property and most events are on county property. The county has its own process rightfully to vet the request. The process is convoluted, she said, and nonprofits aren't used to it. She wondered if there is a possibility to streamline the process.

Ms. Hammersley explained River Park is under Parks and Rec and the Courthouse is under asset management because they're in charge of county facilities. Ms. Price interjected the importance of coordinating so the town knows what to expect with events. Ms. Hammersley responded she would talk with both department directors to see what can be done.

Ms. Hauth reflected on special circumstances of serving alcohol and how the town works with law enforcement to prevent underage drinking. The town gets a fair amount of feedback about

servicing too much alcohol and not being family friendly. Law enforcement want to see strict beer gardens with double fencing so a beer can't be passed out. Staff needs to work through the finer points and hoped elected officials would make a push that it needs to happen.

Ms. Hammersley reiterated she will talk with department heads as a next step about streamlining the process of notification. She said she has to sign off on any event that serves alcohol, but she's not policing them.

Ms. Hauth said event organizers are saying if you want these events that bring money into our community, lighten up because attendees want to be able to wander around the Courthouse with a glass of wine. Mr. Stevens added, speaking for the board, they are divided on this topic and the community is divided on it.

Ms. Hammersley said she didn't remember signing for alcohol at Courthouse events. Ms. Hauth noticed some alcohol service seems to happen spontaneously.

Ms. Hammersley closed out the topic by saying the most important thing is all notifying each other and if there's a problem to bring it to her attention.

Updates

Participants shared brief updates on the following topics.

Collins Ridge

Ms. Hauth said they were hoping to deliver lots to the builder in August, but the weather and other issues have made it so they're not ready and there isn't a revised date, noting the utilities aren't in the ground.

Jail

Ms. Hammersley reported it is under construction, with a groundbreaking to occur later this month. In next 6-12 months, will need to talk about the current jail site.

South Churton Street expansion

Mr. Stevens said Ms. Hauth and the planning staff have done a good job giving the board updates on what the project really looks like which is different from what community envisioned 15 years ago. The town is doing a deep dive on the issue now and will communicate as they move along. He noted it is surprising how little it will benefit the town, given the costs of the project.

Identifying next steps

Participants clarified the next steps coming out of the session.

Valley Forge Road

1. The county will contact the leasee affected by the road issues to explore potential annexation.
2. The town will keep the county informed about where they are in the design process and if there are any changes to the road.

3. The town will look at water bills for PFAP and Mr. Peterson will follow up with the county.
4. The town and the county will have a conversation after steps 1-3 to determine what to do next. If anything is to be included in a capital investment plan, the county needs to know before April 2020.

Sidewalk/connectivity to schools and areas outside town limits

5. Ms. Hammersley will keep Mr. Peterson informed about the connectivity feasibility study and when the RFP is released.
6. Public information officers will work together to develop joint responses for relevant steps along the process with the feasibility study (eg., when the RFP is released, study completed). The county and town will co-post communications.

Event management

7. Ms. Hammersley will talk with relevant department directors about opportunities to streamline the event management coordination and notification process.

Other

8. Next time the Work Group meets, discuss the Museum in context of the jail site and Downtown.

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. A confidential electronic evaluation was also distributed.

What worked well?	What to consider changing?
Talking through prioritized confidential, complex issues.	We'll have to see if the detailed minutes and reporting them out is sufficient in terms of information items or if there's a need to develop a quick report out for the larger boards on updates.
Having clear next steps. Probably have more clarity than if we had two full boards.	
Identifying specific projects to address.	
Quickly prioritizing topics.	

Orange County/Chapel Hill Work Group
October 11, 2019 11 am-1 pm
Location: Solid Waste Administration Office, Chapel Hill

Session Goals

1. Establish positive, productive agreements for working together.
2. Define what effective collaboration looks like for this group.
3. Identify success factors for the group's work and the metrics that will be used to gauge progress.
4. Prioritize topics for the group's work.
5. Clarify topics and confirm questions to be addressed.
6. Beginning to jointly generate possible solutions.

Participants

Jess Anderson, Loryn Clark, Bonnie Hammersley, Pam Hemminger, Judy Johnson, Maurice Jones, Travis Myren, Renee Price, Penny Rich

Facilitator

Maggie Chotas, DSC

Session Notes

Welcome & Why we're here – Penny Rich & Renée Price

Penny Rich welcomed participants to the meeting and provided history about the intergovernmental pilot project for the current year. Previously full boards of the county and local jurisdictions would meet together. The feedback from those meetings was that staff members weren't getting clear directions on next steps for municipal staff or county staff. Travis Myren proposed trying something new based on the Schools Collaborative. The hope is the Work Group format will provide more opportunities for clear next steps and follow up. Ms. Rich shared how Mr. Stevens and she met a year and a half ago to develop the agenda for the full boards meeting. When they pulled up the agenda from the prior year, nothing had changed. Via the Work Groups, the hope is items will move forward and the format will be a better way of communicating with the boards, which could receive the minutes electronically once they are finalized. Managers are suggesting after minutes are final they go into the agenda packet for the public where they will also be posted on websites.

Renée Price added there are many areas where the town and the county overlap and intersect. Keeping the dialogue open and collaborating is positive because Chapel Hill and Orange County affect each other. It's important to see where the town and the county come together on projects and help each other.

Hopes for the Work Group

Participants identified hopes they have for the Work Group:

- Loryn Clark expressed a hope to learn about partnership opportunities with the county.

- Judy Johnson said she hoped to have actionable items with clear direction.
- Maurice Jones said his biggest hope is to continue to look for partnership opportunities with Chapel Hill and Orange County and have open lines of communication on important issues affecting residents.
- Pam Hemminger noted her hope is to find those pathways forward where we can collaborate. She emphasized how helpful it is to know parameters of collaboration – including where the county is interested and wants to do, as well as what the county can't do.
- Jess Anderson hoped ideas and opportunities for collaboration come up and helpful next steps are identified. She said she would love to come away with a procedure to bring information back to respective boards and to the community.
- Renée Price said her hope is to be able to work together. Chapel Hill is such a major force in the county, it is critical to do as much as we can together and be able to leverage more opportunities for prosperity.
- Bonnie Hamersley said her hope is the same for all the work groups: to have open lines of communication and be able to bring information back to staff from the meetings to provide direction.
- Penny Rich said she hoped we find we can come to some sort of conclusions and have next steps.

Reviewing the goals of the meeting

Ms. Chotas walked through the goals of the meeting and asked if there were any questions. Ms. Hemminger asked if by prioritizing the agenda items that meant we wouldn't get to all of the items. Ms. Chotas responded the decision about what to discuss would be made as a group. She recommended making sure the most important and the most urgent items are addressed first in the depth needed.

Articulating the vision for collaboration

Participants identified the following aspects of the kind of collaboration they would like to see in the Work Group:

- Ms. Rich noted sharing information and goals.
- Ms. Hemminger added sharing where we are in relationship to our goals, recognizing timelines might be different.
- Mr. Jones added, when appropriate, understanding what barriers to collaboration have been in the past.
- Ms. Hammersley added identifying what we can collaborate on – not all topics require collaboration.
- Ms. Price noted if we can't actually collaborate, see how we can support one another and share the same narrative when possible.
- Ms. Hemminger observed we represent constituencies, not just ourselves. Ms. Rich added if you are representing your opinion, say that; if you are representing your board, say that.

Ms. Chotas asked work group members to consider how they want their conversations to look and feel. Participants responded:

- Ms. Rich said as we do in school collaboration, one person should talk at a time, follow up and ask what is meant. Don't be afraid to ask. It's an open communication.
- Ms. Hemminger added not interrupting.
- Ms. Price said respecting each other's opinions, even if we don't agree.
- Ms. Chotas noted her role as facilitator is to help the group fulfill what they want to do.

What success looks like

Participants identified success factors for the Work Group:

- Ms. Hemminger said a list of next steps and follow through.
- Mr. Jones added movement on projects and initiatives.
- Ms. Rich said clear messages to staff so they understand what elected officials needs are.
- Ms. Hammersley noted continued support from the boards so they see this as a value and they are getting information to understand.
- Mr. Jones added an understanding from the public that we are working together. In order to get that to happen, we need to message it out to the community.

Ms. Rich said when it gets back to the Assembly of Governments meeting, we're all on the same page. She continued there will still be issues we need to work through because the towns haven't met together, but we are all know what we are moving towards. Ms. Anderson asked for clarification about the goals of the Assembly of Government meeting in January and wondered what would be able to be accomplished between the Work Group meeting and the Assembly of Government meeting, given the need to engage the public. Mr. Jones said it would be helpful to know what will happen at the Assembly of Government and asked is there going to be a presentation about the Work Group's decision to focus on certain issues.

Ms. Rich described the purpose of the Assembly of Governments meeting as having discussion about topics of shared interest -- for example about transportation. Individual towns and the county have already been talking about it -- some of these issues have been discussed in the Work Groups and will have already gone back to the boards, hopefully with clear directions to staff. At the Assembly of Governments meeting, hopefully we can offer some solutions, though nothing is set in stone or voted on at the meeting itself. Ms. Price emphasized the solutions coming forward will still need discussion and there still may be some issues to iron out because of differences of opinions.

Ms. Hammersley shared an example of how this process works. The Solid Waste Advisory Group had the idea of one fee across the county and that was brought up for discussion at the Assembly of Government meeting. Everybody on all the groups didn't agree, but the Solid Waste Advisory Group brought it forward and, coming out of the meeting, the issue went to boards and the boards engaged the public afterwards. Ms. Anderson summarized the purpose of the Assembly of Government is we are on the same page as to what we bring forward. Ms. Rich said she hoped there are some things that are already in motion, with decisions already made.

Ms. Hemminger reflected on effective Assembly of Governments meetings in the past as those when we had some shared topics we all wanted to discuss such as economic development, the need to change EMS response times and strategies and co-locating EMS and Fire together. She identified animal control as a topic of shared interest that hasn't been discussed previously in that format.

Prioritizing topics for discussion

Work Group members identified the following topics prior to the meeting:

1. Economic Development
 - UNC start-ups
2. Transit & Transportation
 - Voting structure and Orange County Transit Plan
3. Climate Action Plan, Committee & Tax
 - Materials Recycling Program
4. Affordable Housing
 - Update on Town's efforts (2200 Homestead, Public Housing)
 - Partnership Opportunities?
 - Residential Development & Gentrification
5. Greene Tract
 - Next Steps, Resolutions and MOU
 - What does Partnership look like to the Town?
 - Governance Document
6. 2020 Census
7. Library Funding

Informational Updates: Mobil Parks, Wegmans, BRT

Ms. Chotas asked if there were other items to add to the list and Ms. Hemminger added the possibility of a 611/non-emergency number in addition to 911 so people can call in for non-emergencies to get more information.

Ms. Chotas asked the group to consider what's most important and what's urgent about the items on the list to prioritize discussion topics and make the best of the small group space and time. The Work Group decided to sort the agenda into items that would require shorter discussion time, those that would be more involved and quick discussions for next steps:

Shorter discussion items:

- Transit and transportation
- 2020 Census
- Library funding
- Economic development
- Affordable housing

Longer discussion item:

Greene Tract

Quick discussions for next steps:

- Climate Action Plan
- Consider 611

Transit and Voting Structure

Ms. Hemminger provided context for the transit agenda item based on her discussion with the mayors of Hillsborough and Carrboro. She noted she doesn't talk with the mayor of Mebane about transit issues. Currently, the structure is staff driven and there are only three voting members who make recommendations that go to the Orange County Commissioners for decisions. The three voting members are Orange County Planning, the MPO and GoTriangle. She informed the Work Group the three mayors will be making a request for towns to have representation as votes for recommendations are made.

Ms. Hammersley noted this was brought up when she was first brought in as County Manager and at that time the county wasn't interested. She said she didn't know if they were interested now, but they are familiar with it. What she was told was towns were represented through the NPO. It will be up to the Orange County board if they want to give voting rights away to the towns. Ms. Rich added this is something we would have to bring to the board. Ms. Hammersley shared the mayors can make a formal request. Ms. Price added she thought Wake County has moved in that direction, with weighted votes reflecting the size of the towns. Ms. Hemminger concluded she would write the letter to the board and the other mayors have asked to be included.

2020 Census

Ms. Hemminger opened the conversation by stating she is delighted to work on this project together and it is hugely important to count the numbers. The next steps are to figure out what the towns and counties are doing together to make it happen which will require resources.

Ms. Price, who is on the Census Committee, noted the critical thing is financial resources. The federal government and NC are not giving any assistance besides materials. Ms. Hemminger identified the need for a coordinated effort and messaging plan to be reaffirmed at the Assembly of Governments, which happens in January, and Census date is April 1. Ms. Rich asked if Chapel Hill has representation on this group. And Ms. Hemminger said they did.

Ms. Rich asked when will the report from the committee be delivered? Ms. Price responded there hasn't been a request for a formal report. Ms. Rich said a formal report will be important for communicating and coordinating the committee's plans and next steps and identifying financial support needed. Mark Dorosin was involved during the last census in 2010 and there was a lot of coordination in the community.

Ms. Hemminger requested a formal report before the Assembly of Governments meeting so it can be presented. Ms. Rich requested a timeline for the report to be delivered in December or Early January.

Library Funding

Ms. Hemminger reflected the Chapel Hill Library hasn't had an increase in funding for many years and there is a desire in the town to make a specific ask for the county budget cycle. She asked what the request should look like, should the town decide to make it. Ms. Hammersley

responded the last time this funding request was considered was 2014/ 2015. She indicated it would be helpful to the county to receive data that showed a breakdown of Hillsborough and Carrboro users. Ms. Hemminger added we have the data right now about how many non-Chapel Hill users who are from Orange County and will work to break that down further.

Ms. Rich asked if charging non-Chapel Hill residents for a library card had been considered. Ms. Anderson responded that was not a part of the conversation, adding the orientation of the board is to make the library as accessible as possible and move towards an equity-model where individuals aren't charged.

Ms. Hammersley said she has heard from some commissioners they would like to wait and see the impact of the Southern Branch Library because the county will be funding that as well.

Mr. Jones asked when the Southern Branch Library was to open. Ms. Hammersley responded hopefully the groundbreaking will occur in the spring, once Carrboro resolves some parking issues.

Ms. Hemminger said a formal letter of request will be submitted once the library board collects the data needed.

Economic Development

Ms. Hemminger described the desire to continue to partner with the county. There are a lot of projects going on at the moment and as much as possible strong communication will help. She recognized closed session discussions make open communication challenging.

Mr. Myren gave an update on real estate, noting appraisals have come in totaling about \$5.2 million on the three parcels: Visitor's Center, Skills Development Center and the parking lot. The expectation is the sales price will be the appraisal figure. What we are struggling with now is finding space for the Skills Development Center to move into before the Southern Branch library is built. Long term it will go there, but the process has been stalled because of Carrboro's parking questions. What we would want help with is some appropriate location for the Skills Development Center for 12,000-15,000 square feet with access to transportation and parking. The appraisal indicated the highest and best use is for demolition of existing buildings and mixed use.

In terms of a new place for the Skills Development Center and the Visitor's Bureau, Mr. Myren indicated University Place had been approached and the county had received some push back because University Place indicated they were only looking for retail. Mr. Myren said the county was preparing additional information to share about foot traffic.

Ms. Hemminger said the town would love to keep the Visitor's Bureau in downtown Chapel Hill.

Ms. Price added she wanted to make sure UNC start-ups are able to stay in Orange County. Ms. Hemminger added this is a top goal of the town as well: keeping start-ups and helping them

grow. Ms. Price described this as a culture of collaboration – working together to help companies find a good fit with the amenities they are looking for when they are thinking to relocate or expand.

Ms. Hemminger noted not everyone might know how we work together to move quickly on economic development opportunities. When an opportunity arises, manager, chair, economic development directors and the mayor meet to see if there is a consensus on a path forward and then we take it to our boards. She suggested making the joint statement the town and county are working together on economic development and we support start-ups coming to all Orange County. We are all working together to keep those and attract new ones. Ms. Price said when they do come here, she would like to make it public and celebrate the collaboration between town and county.

Ms. Hemminger asked if the thinking is the property will be sold by the end of the year. Mr. Myren shared that a letter of intent hasn't been negotiated yet. Ms. Hemminger requested notification as early as possible for public hearings, noting the importance of being prepared. She shared the information the town is trying to get the parking deck voted on in November.

Ms. Chotas asked for other items related to the topic area of economic development.

Mr. Jones and Ms. Clark shared handouts of the town's new affordable housing dashboard data, noting long-term, the more we can look at affordable housing as partners, the better. We're all facing this issue of new affordable housing – there needs to be more of a regional approach to it.

Ms. Hemminger asked if there were similar stats the county could provide. Ms. Hammersley said the information will be shared with the new Housing Director who will also share the county's data.

Ms. Hemminger reflected the affordable housing dashboard approach came out of the trip to Boulder where similar information was shared. We developed our own version and it was very helpful in setting the stage for the bond. The reality was we were always talking about affordable housing, but we had no clue where we were. We wanted to be able to quantify it, talk about it in the same terminology and make it so anyone could access the information. She expressed a hope for Carrboro, Hillsborough and the county to all have similar ways to share so we can see how we are all doing collectively.

Ms. Clark noted at the most recent meeting with the Coalition and the Collaborative, both Carrboro and Orange County provided information in a similar format and it's being identified as a priority with the Collaborative itself so joint measures will be available to track what the Collaborative is doing county-wide.

Ms. Hemminger asked if the topic of affordable housing with joint statistics could be on the agenda for the Assembly of Governments. Ms. Clark said the data could be packaged, if that's helpful.

Greene Tract, Resolutions, MOUs, Documents, What does Partnership look like for the town?

Ms. Rich provided context for this discussion topic, noting the County Commissioners are concerned about what the town thinks the partnership looks like. She asked the town to identify what partnership on the Greene Tract looks like to them, noting we met for two and a half years and we thought we were on the same page, and turns out we weren't.

Ms. Hemminger responded from her perspective, elaborating we thought we were on a path together to do affordable housing on the Greene Tract, and we had certain steps in working through all the things that had happened in the Rogers Road community. Ms. Rich clarified that this wasn't about Rogers Road, but the question from the board is what does our partnership look like for the Greene Tract?

Ms. Hemminger responded it's not separate for the town because we had to spend a lot of staff time working with steps for the zoning compliance and not gentrification. We stopped to do a market analysis because the community was telling us one thing and we wanted to see if that was viable. We brought a consultant in and did community meetings to tell us what could go on the Greene Tract. We agreed to move the headwater lines around to preserve the sensitive areas. We were on that path as well and we voted to move those lines, but we didn't have the same agreement about what the blobs meant after that because we've had other things come up with the schools and the community saying we didn't notify them and that we haven't done an environmental impact study to see if the blobs are the size they're supposed to be. We've been on this path that we want to work on this together, but we ended up not being on the same timeline because we had more work to do that had to be done by our staff with the community.

Ms. Rich asked again for Chapel Hill to answer the question what does our partnership look like? What does the town of Chapel Hill partnership look like with Orange County and Carrboro? What does our partnership look like because it doesn't feel like we are partners right now – that's what the board wants to know. Ms. Price said to not include her with the board and asked Ms. Rich to indicate if she was representing herself or the board. Ms. Rich responded she was not representing herself, she was representing a majority of the board who wants to know what the partnership looks like.

Ms. Hemminger indicated it's two things and the town wears two hats. One hat is as joint owners of the land, which includes the fact that we want to offer affordable housing there together with our partners. We are also regulators of the land and we have to wear another hat at times where we want community input and certain standards met before we can move forward with partners on the site. Because of all of the things going on in our community, it is taking a longer time than what our developer partners want.

Ms. Rich said the question is how do we move forward together, being honest with each other and understanding we are partners? We met for two and a half years, we discussed something, we bring it forward and it was killed. We don't understand what partnership looks like.

Mr. Jones added an important component is making sure we are all operating with the same information. One of the concerns we've had recently is the question as to whether the Council voted to preserve the headwater reserve and also the joint preserve. They've done that twice now – in January and in July. That wasn't up for discussion, yet continues to come up. The one big question mark between where we are now and where we were before July is the Council has said we are in agreement with many issues, including: school site, public recreation, housing mixed use. The biggest difference seems to be where these will be.

Ms. Rich responded when we moved that resolution forward, nothing was binding as to where things were going to be. We weren't talking about affordable housing even though it was on the map and where it was suggested to be. The resolution was to move us to the next step to make sure we all could be involved in the environmental study and we all could be involved in community meetings. And we haven't – that has not happened.

Ms. Hemminger responded the Chapel Hill board felt having labels on a map predetermined what was going to happen there and they wanted a resolution – with help from the community – that said we have the same goals, but we are not willing to put labels on those goals in specific places on the map.

Mr. Jones reflected, by your account, we're even closer than I thought.

Ms. Rich agreed, but wondered what a partnership looks like and how to move forward together as partners. We were all involved in creating the environmental impact study and moving forward -- that was the whole part of meeting for two and a half years, but then it fell apart.

Mr. Jones noted the environmental study is supposed to be moving forward. At this point we have to figure out how to get our staffs to work together on it. We've reached out, but staff, understandably so, feel they haven't been directed to work on this yet because the new resolution hasn't been approved by the boards. Ms. Hammersley affirmed that is true. Mr. Myren added a staff level environmental study has been done. Mr. Jones said that the internal study doesn't seem to be what the boards are looking for. Mr. Myren added a whole staff team working through the exercise determined how the headwaters may be reconfigured.

Mr. Jones noted a good step is the deliverance of a draft MOU that is being reviewed. Ms. Hemminger said she thought the MOU sends a conflicting message and hasn't shared it with the whole board because she found it very negative. She said she thought we were going forward together and in the document the message is the county wants to divide it all up. We thought we were going toward affordable housing together. Ms. Rich interjected thank you for sharing that and explained it came out of the majority of County Commissioners not feeling like the conversations at the MMC were respected because there was an agreement that no community meetings would happen without all of the partners there.

Ms. Hemminger said we all did ourselves a disservice by not publishing the next steps out of the MMC meetings. Because the steps weren't published, the community didn't know about them and the community demanded this meeting in July. We were not prepared staff-wise for it and it disrupted our trajectory.

Ms. Rich added the town also had a community meeting and the partners weren't there. County staff and some stakeholders were present, but the town didn't have any elected officials [from the county].

Ms. Hemminger elaborated she didn't call the meeting, but got invited because she was bringing some stakeholders who had come in to talk. She said she was sorry that whole meeting happened – she indicated she didn't know what she didn't know about the rules of engagement on these things. At the MMC meetings, we need to document the steps we've agreed to and share with boards and the public so they know what the plan is. She noted she feels like what we are really disagreeing about is the timeline. I think we have the same goal list, but it might not happen in the time frame, but it will happen. We all want it to happen. Ms. Rich added she disagreed and didn't think it was just about the timeline.

Ms. Price reflected she would like the group to think more positively and assume we are all trying to do something good. She said positive thinking will help dispel suspicions and conspiracy theories.

Ms. Hammersley added in response to the draft of the governance document the county provided, it was her understanding the reason for it was because this isn't the first time there have been challenges. This has also happened back in the 2000s when we were moving forward and it stopped because we couldn't get in agreement. With the governance document, if we can't move forward, there's a way for us to turn our back on it and not just leave it. I don't know how you put that in a positive light when it's more or less a mediation document. It's also a draft and if it can be written in a more positive manner, make a proposal. We were asked to put it together by the group so that's what we did. As Travis said a number of times during that meeting, it's fine if you want to throw this draft away, but we do ultimately need a document. The first agreement doesn't give anybody information about what to do if we all don't agree. We're sorry if we offended anybody by it being negative. We hope it's going to work out, but if it doesn't, what do we do as partners?

Mr. Jones reflected that was why he thought it was a good first step, noting even if we disagree with some elements of it, this is an opportunity to respond back. Ms. Hammersley added it's up to the attorneys to work it out.

Ms. Rich elaborated it's important to remember when the collaborative started, the Greene Tract was not in the ETJ. The history of the Greene Tract was Ralph Karpinos would not let Chapel Hill spend any money on Rogers Road or the Greene Tract, unless it was in the ETJ. No one wanted it to happen, but it got put in because that was the only way Chapel Hill could spend money on sewer, the community house and on affordable housing on the Greene Tract.

Ms. Hammersley added it was very recent – 2015. Ms. Rich stated she understood the town had to wear different hats, but emphasized ultimately the town also has to work with what the partnership looks like because we were partners way before the Greene Tract was in the ETJ.

Ms. Hemminger said the town still wants to be partners and disagreed with Ms. Rich's statement. From her perspective, the MOU stopped the town from moving forward on the environmental impact study because they said they wanted that first. If we were to stop doing everything we wanted to do to move the housing part forward, she said she felt that was a roadblock. Mr. Jones added technically the town stopped because we weren't getting the cooperation needed.

Ms. Chotas shared her observation it seemed there was common ground being identified throughout the conversation and she saw some openings for building the partnership back up and strengthening the collaboration. She advised you can do both: plan for worst case scenarios while working toward your vision.

Ms. Rich added it's important to have these conversations with the other partner and we could take the notes from this Work Group meeting to the MMC meeting in November.

Ms. Anderson said it seems like another next step is to have foundational information so everyone is operating from the same facts. In watching the county meeting last night, she observed folks were asking for the differences between the resolutions and other foundational information. There seemed to be a lot of misconceptions and misinformation. To move forward either way, people need to operate with the same information.

Ms. Hemminger emphasized the importance of having information at the MMC meetings and producing next steps to share back with boards and the public.

Ms. Rich added the topic needs to be on the Assembly of Governments agenda, no matter where things stand, so we can discuss it together.

Mr. Myren described how in the introduction to the governance document, he tried to lay out the differences in the resolutions. He asked if the Work Group would be comfortable sharing just that part of it to the boards, with the attached resolutions. If so, everybody would know what everybody else does. Mr. Myren requested Work Group members look at the introduction in that light and let the county know if they are comfortable sharing the information with the boards.

Climate Action

Ms. Hemminger asked for more information about the parameters with the new tax to have an understanding of what it can be used for. Ms. Rich responded the group just had their first meeting and Chapel Hill has a representative on the committee. She further elaborated the county is relying on countywide groups for recommendations about what to spend the tax on and County Commissioners will have it as an agenda item.

Identifying next steps

Participants clarified the next steps coming out of the session.

Topic	Action Step
1. Transit	Along with Hillsborough and Carrboro, Ms. Hemminger will send the county a formal request for representation on the voting structure for transit.
2. 2020 Census	The Census Committee will be asked to develop a report to be made available before the Assembly of Government meeting.
3. Library Funding	The town will make a formal request by February/March that includes data beyond Chapel Hill users of the library.
4. Economic Development	Continue working toward a culture of collaboration by: <ul style="list-style-type: none"> - Communicating as soon as possible when public hearings are scheduled – before actual agenda comes out; - Sharing affordable housing information gathered by the town with the new county housing director and other towns; - Working toward parallel data regarding affordable housing in the county.
5. Greene Tract	<ul style="list-style-type: none"> - Bring relevant parts of the Work Group minutes to the MMC meeting. - Share foundational information – including background information from the MOU draft, if Work Group members are comfortable with that approach – let the county know.
6. Materials Recycling Program	<ul style="list-style-type: none"> - Refer to the Solid Waste Advisory Group and the Commission on the Environment.
7. 611	<ul style="list-style-type: none"> - Continue to gather information and revisit at a later time.
8. Assembly of Government agenda items	<ul style="list-style-type: none"> - Affordable housing. - Greene Tract.

Informational Updates

Mobil Parks: Efforts are ongoing.

Wegmans: Limited SUP. Staff can have a conversation if there's an interest in reducing parking spaces.

BRT: Close to finishing up 30% design, still some traffic considerations Council will review. Had community engagement activities in September. Waiting to hear back from the federal government in January/February. Talked to David Price about this.

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. A confidential electronic evaluation was also distributed.

What worked well?	What to consider changing?
<ul style="list-style-type: none"> - Got through a lot of ideas. - Listing next steps is helpful. - Identifying what we want to bring to the Assembly of Governments meeting. - Good that we could actually talk about our differences – that’s where trust and honesty comes out. 	<ul style="list-style-type: none"> - Have materials to talk about ahead of time. - Consider including Carrboro for relevant discussions, such as transportation and the Greene Tract.

FINANCE *and* ADMINISTRATIVE SERVICES

Gary Donaldson, CTP, Chief Financial Officer | gdonaldson@orangecountync.gov | 200 S. Cameron Street, Hillsborough, NC 27278 | 919.245.2453

To: Board of County Commissioners

From: Gary Donaldson, Chief Financial Officer

Date: November 19, 2019

Re: FY 2019-20 First Quarter Financial Report

Please find attached a summary of FY 2019-20 first quarter financial report for the General Fund, Enterprise Funds, and Special Revenue Funds. The notes at the end of each table provide variance explanations. The variance compares the current fiscal year year-to-date results with the prior fiscal year.

Based on three-months of fiscal year reporting and our financial model, the General Fund, Enterprise Funds, and Special Revenue Funds first quarter financial performance are consistent with the adopted budget. A summary of our investment balances and yield is included as well.

Finance continues to monitor any material variances not attributed to timing and will provide updates as necessary.

cc: Bonnie Hammersley, County Manager

Enclosures



Orange County Finance and Administrative Services
FY 2019-20 First Quarter

	GENERAL FUND	FY 2020				FY 2019		FYs 2020 vs 2019	
		Original Budget	Revised Budget	YTD Actual*	Percentage	YTD Actual*	Percentage	YTD	% Variance ⁺
Revenue	Property Tax	\$165,153,931	\$165,153,931	\$23,516,712	14.24%	\$23,096,306	14.57%	\$420,406	-0.33% ● 1
	Sales & Use Tax	\$25,372,861	\$25,372,861	\$0	0.00%	\$0	0.00%	\$0	0.00% ▬
	Licenses and Permits	\$313,260	\$313,260	\$630	0.20%	\$478	0.15%	\$153	0.05% ●
	Charges for Services	\$12,704,833	\$12,704,833	\$2,644,895	20.82%	\$2,122,415	17.04%	\$522,480	3.78% ● 2
	Intergovernmental	\$18,278,612	\$18,719,854	\$1,557,262	8.32%	\$1,533,742	8.82%	\$23,520	-0.50% ●
	Transfers In	\$4,034,600	\$4,034,600	\$0	0.00%	\$0	0.00%	\$0	0.00% ▬
	Investment Earnings	\$415,000	\$415,000	\$153,117	36.90%	\$165,355	39.84%	-\$12,238	-2.95% ● 3
	Miscellaneous	\$3,040,769	\$3,243,827	\$181,787	5.60%	\$154,808	4.87%	\$26,979	0.73% ●
	Appropriated Fund Balance	\$7,808,006	\$7,859,141	\$0	0.00%	\$0	0.00%	\$0	0.00% ▬
	Total	\$237,121,872	\$237,817,307	\$28,054,403	11.80%	\$27,073,104	11.93%	\$3,455,055	-0.13% ●
Expenditure	Community Services	\$14,421,090	\$14,675,219	\$3,214,346	21.90%	\$2,807,628	21.27%	\$406,718	0.63% ●
	General Government	\$10,556,767	\$10,726,427	\$3,313,916	30.89%	\$3,297,130	33.33%	\$16,786	-2.44% ●
	Public Safety	\$26,643,096	\$26,969,195	\$5,731,541	21.25%	\$5,164,425	20.41%	\$567,116	0.84% ●
	Human Services	\$40,822,906	\$41,573,165	\$8,869,548	21.33%	\$8,999,005	22.89%	-\$129,457	-1.55% ●
	Education	\$93,508,573	\$93,508,573	\$22,404,745	23.96%	\$21,421,953	23.22%	\$982,792	0.74% ●
	Support Services	\$12,465,362	\$11,400,650	\$4,009,451	35.17%	\$3,803,650	28.85%	\$205,801	6.32% ● 4
	Debt Service	\$30,754,428	\$30,754,428	\$12,036,931	39.14%	\$10,107,390	33.75%	\$1,929,541	5.39% ● 5
	Transfers Out	\$7,949,650	\$8,209,650	\$0	0.00%	\$0	0.00%	\$0	0.00% ▬
		Total	\$237,121,872	\$237,817,307	\$59,580,478	25.05%	\$55,601,182	24.50%	\$1,647,875

Notes:

* - Actual amounts include Encumbrances.

+ - Based on percentage.

1 - Decreases in property tax are attributed to timing of payment receipt.

2 - Fee collections at Register of Deeds, Health Department, Planning and Inspections, Sheriff, and Emergency Services are up from FY 2018-19.

3 - Investment earnings are down slightly from FY 2018-19 due to slightly lower interest rate environments.

4 - Finance Department is reviewing material variances with affected departments.

5 - Based on increased Debt Service payments in FY 2019-20.



Orange County Finance and Administrative Services
FY 2019-20 First Quarter

	OTHER FUNDS	FY 2020				FY 2019		FYs 2020 vs 2019	
		Original Budget	Revised Budget	YTD Actual*	Percentage	YTD Actual*	Percentage	YTD	% Variance ⁺
Revenue	29 - Annual Grants Project Fund	\$141,464	\$141,464	\$22,360	15.81%	\$28,066	20.5%	-\$5,706	-4.67% ● 6
	30 - Multi-Year Grant Projects Fund	\$129,765	\$427,012	\$46,306	10.84%	\$126,459	54.3%	-\$80,153	-43.43% ● 6
	32 - Multi-Year Community Development Fund	\$1,724,544	\$1,724,544	\$5,655	0.33%	\$19,997	1.9%	-\$14,342	-1.55% ●
	33 - Housing Fund	\$4,422,324	\$4,422,324	\$1,180,228	26.69%	\$1,177,698	26.2%	\$2,530	0.47% ●
	35 - Emergency Telephone Fund	\$768,078	\$768,078	\$95,538	12.44%	\$53,977	5.9%	\$41,561	6.57% ● 6
	37 - Visitor's Bureau Fund	\$1,924,380	\$1,928,580	\$421,944	21.88%	\$393,166	20.8%	\$28,778	1.04% ●
	38 - Spay/Neuter Fund	\$71,726	\$79,021	\$10,177	12.88%	\$9,615	14.1%	\$562	-1.19% ●
	50 - Solid Waste Enterprise Fund	\$11,884,383	\$11,884,383	\$1,710,296	14.39%	\$1,645,524	16.4%	\$64,772	-2.00% ●
	51 - Efland Sewer Operating Fund	\$480	\$480	\$1,892	394.17%	\$50,618	32.3%	-\$48,726	361.87% ● 7
	53 - Sportsplex Fund	\$4,025,654	\$4,025,654	\$928,467	23.06%	\$804,481	20.7%	\$123,986	2.35% ●
70 - Employee Health & Dental Fund	\$17,114,072	\$17,114,072	\$2,748,394	16.06%	\$2,686,183	15.0%	\$62,211	1.05% ●	
	Total	\$42,206,870	\$42,515,612	\$7,171,257	16.87%	\$6,995,785	17.16%	\$175,472	-0.29% ●
Expenditure	29 - Annual Grants Project Fund	\$141,464	\$141,464	\$46,116	32.60%	\$47,371	34.6%	-\$1,255	-1.97% ●
	30 - Multi-Year Grant Projects Fund	\$129,765	\$427,012	\$116,093	27.19%	\$94,147	40.4%	\$21,946	-13.22% ●
	32 - Multi-Year Community Development Fund	\$1,724,544	\$1,724,544	\$262,929	15.25%	\$137,432	12.9%	\$125,497	2.33% ●
	33 - Housing Fund	\$4,422,324	\$4,422,324	\$1,071,048	24.22%	\$1,108,355	24.7%	-\$37,307	-0.45% ●
	35 - Emergency Telephone Fund	\$768,078	\$768,078	\$146,420	19.06%	\$123,584	13.4%	\$22,836	5.62% ● 8
	37 - Visitor's Bureau Fund	\$1,924,380	\$1,928,580	\$847,487	43.94%	\$871,683	46.2%	-\$24,196	-2.26% ●
	38 - Spay/Neuter Fund	\$71,726	\$79,021	\$7,605	9.62%	\$3,222	4.7%	\$4,383	4.91% ●
	50 - Solid Waste Enterprise Fund	\$11,884,383	\$11,884,383	\$4,123,318	34.70%	\$3,581,917	35.7%	\$541,401	-0.98% ●
	51 - Efland Sewer Operating Fund	\$480	\$480	\$130	27.08%	\$55,392	35.3%	-\$55,262	-8.25% ● 7
	53 - Sportsplex Fund	\$4,025,654	\$4,025,654	\$901,831	22.40%	\$865,384	22.3%	\$36,447	0.12% ●
70 - Employee Health & Dental Fund	\$17,114,072	\$17,114,072	\$3,706,465	21.66%	\$4,397,432	24.6%	-\$690,967	-2.91% ● 9	
	Total	\$42,206,870	\$42,515,612	\$11,229,442	26.41%	\$11,285,920	27.68%	-\$56,478	-1.26% ●

Notes:

* - Actual amounts include Encumbrances.

+ - Based on percentage.

6 - Based on timing of receipt of funds.

7 - Efland Sewer System operations transferred over to the City of Mebane starting in FY 2019-20.

8 - Finance Department is reviewing material variances with affected department.

9 - FY 2018-19 included Run Out Claims during the transition from United Health Care to Blue Cross Blue Shield

Investment Summary
FY 2019-20 | First Quarter Report

Period Ending September 30, 2019

**North Carolina Capital Management Trust
(NCCMT)**

Government Portfolio

30-Day Yield	1.98%	Represents investments to meet County operating requirements
7-Day Yield	1.83%	
Weighted Average Maturity	28 days	Represents the maturity life of the securities in the portfolio

Term Portfolio

30-Day Yield	2.03%	Represents investments to meet County operating and capital improvement requirements
1-Year Yield	2.36%	

Sun Trust Bank

Earnings Credit Rate	0.70%	Represents amount earned on cash deposits Finance Department negotiated increase from .35% to .70%
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Average Daily Balances

NCCMT Government Portfolio	\$78,885,231.76
NCCMT Term Portfolio	\$20,530,803.66
Sun Trust Bank	\$16,189,526.00
Total	\$115,605,561.42

Portfolio Composition

N.C. Statute permitted investments primarily composed of U.S. Treasuries, U.S. Agency backed debt and Corporate Commercial Paper