

ORANGE COUNTY BOARD OF COMMISSIONERS

AGENDA

BOCC Work Session
November 13, 2012
Meeting – 7:00 p.m.
Southern Human Services Center
2501 Homestead Road
Chapel Hill, NC

- | | | |
|---------------|----|---|
| (7:00 – 7:45) | 1. | Whitted Building – Former Library Space Adaptive Re-use |
| (7:45 – 8:30) | 2. | Proposed Revisions to Energy, Water and Fuel Conservation Policies |
| (8:30 – 9:45) | 3. | Review the Concept of Establishing Three (3) New Fire Service Districts to Improve Property Insurance Ratings and Lower Homeowners’ Insurance Costs |

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 13, 2012

Action Agenda

Item No. 1

SUBJECT: Whitted Building – Former Library Space Adaptive Re-use

DEPARTMENT: County Manager's Office,
Asset Management Services

PUBLIC HEARING: (Y/N)

No

ATTACHMENT(S):

- A) Memo Dated February 6, 2012
Regarding Whitted Building
- B) Parking Analysis Illustratives
- C) Floor Plan Scenarios

INFORMATION CONTACT:

Frank Clifton, 919-245-2306
Michael Talbert, 919-245-2308
Jeff Thompson, 919-245-2658

PURPOSE: To receive an overview of site and space planning information and to provide guidance for the project.

BACKGROUND: Since the February 23, 2012 joint meeting between the BOCC and the Hillsborough Town Board, staff has worked with the County's design consultant, Corley Redfoot Architects, and a team of representatives of the Orange County Cultural Center ("OCCC") to analyze the former library space within the Whitted building and develop schematic site and floor plans that provide adequate facilities for the benefit of a variety of public meeting and event uses. Attachment A, dated February 6, 2012, includes background and was previously provided to the Board as an Information Item as part of the February 21, 2012 regular meeting agenda prior to the joint meeting.

Staff has incorporated several guiding principles in its work:

- 1) Parking availability to meet the diverse needs of the flexible meeting spaces as well as the recreation and other County functions on the site (Health, Dental and Housing, Human Rights and Community Development).
- 2) The incorporation of all of the necessary requirements and functionality necessary for an effective BOCC meeting space (egress, life safety requirements, acoustics, audio-visual infrastructure, event setup flexibility, small meeting area availability, etc.); and
- 3) Space planning flexibility for other public uses (OCCC, Orange County Schools, public and private events coordinated through the Orange County Visitor's Bureau, etc.);

The areas of focus for the Board are as follows:

- 1) Parking (Note Attachment B, "Parking Analysis Illustratives"): There are currently 219 parking spaces available on the site, including 22 on-street parking spaces. Assuming that the proposed meeting space and the recreational gym use is considered after hours

use, the existing parking is adequate based upon the current Hillsborough Unified Development Ordinance (“UDO”). Should all of these uses be considered uses during normal business hours, the site may require additional spaces that could be developed in various areas on the site.

- 2) Restroom Facilities and Fire Safety Egress (Note Attachment C, “Floor Plan Options” which illustrate a base BOCC meeting setup as well as a more intense performance setup): Staff worked with Orange County Building Inspections staff to determine the appropriate number of restroom fixtures that are illustrated.

Also depicted are the required fire safety egress requirements to the area north of the dais/stage area.

- 3) Space Planning Options: The Board’s guidance to date has confirmed staff’s emphasis in designing its meeting spaces with maximum flexibility. The illustrations depict a standard BOCC regular meeting setup with approximately 130 moveable chairs, along with adequate closed or executive session meeting space separate from the main meeting area. The space also accommodates a large assembly for such events as performances, speakers, and adequate “pre-function” space near the entrances.

This flexibility in space usage requires significant storage and logistics areas which are also depicted in the illustrations.

- 4) OCCC Provisions: Staff recommends that the County supply the necessary restrooms, egress, acoustic treatment, seating, storage, and audio-visual infrastructure for County, Schools, and Visitor’s Bureau coordinated functions. The OCCC is discussing its commitment to providing additional items such as additional seating for large performance events, modular stage units, theatrical lighting and related scaffold systems, moveable walls for small studio/lesson areas, and other related audio-visual components related to specific OCCC events.

FINANCIAL IMPACT: There is no financial impact at this time. The professional services agreement for the meeting room design is currently in force and is being utilized for this project. Should the BOCC decide to pursue this project, preliminary cost estimates for the upfit and related site work range between \$1.2 million and \$1.4 million. Additional elements required by the OCCC would be addressed by funds raised by the OCCC.

RECOMMENDATION(S): The Manager recommends that the Board receive the overview and provide guidance for the project.

FEBRUARY 6th, 2012

TO: BOARD OF COUNTY COMMISSIONERS - Chair Pelissier, Vice Chair Hemminger, Commissioners Foushee, Gordon, McKee, Jacobs and Yuhasz

FROM: Frank W. Clifton, Jr., County Manager

SUBJECT: WHITTED BUILDING FORMER LIBRARY SPACE REUSES ANALYSIS – BACKGROUND INFORMATION

OVERVIEW

In 2010 once the County moved its northern library operations to the new facility located off Margret Street in Downtown Hillsborough the former library space in the Whitted Building became vacant. Different approaches and considerations have been given to reuse of that space along with space in the Whitted Building that formerly housed the County's Department of Social Services.

Discussions with the Orange County School Board moved toward their evaluation of using 'all' of the vacated space in the Whitted Building for their use. However, State budget cuts led to a realization that much of the need for the use of that space and the cost of renovation was negated by our budget projections at the State level. (Note: the school system has since entered into an agreement with the County to reuse the former EMS headquarters located at New Hope and Highway 86.)

In the ensuing period, other County budget decisions and departmental needs for public services led to actions that reused portions of the Whitted Building and incurred building modifications and improvements to the County. The Community Development Department moved from its former offices on the ground floor to a location formerly housing DSS on an upper floor in the newer wing of the facility.

Additionally, based upon budget driven operational considerations, the Health Department expanded the Hillsborough dental clinic operations along with an extensive remodeling of the lower and second floor Whitted Building space for Health Department needs. During this process, improvements and building safety issues were addressed (inclusive of a fire sprinkler system installation).

The building is structurally sound. However, some uses may create added construction considerations associated with needs (i.e. major renovation to restroom facilities based on public attendance volumes).

NON COUNTY USE REQUEST – Orange County Cultural Center

A private (yet to be incorporated) non-profit group gained a \$10,000 seed money grant from the Town of Hillsborough to pursue a private/public partnership to develop a proposal for the reuse of the former Whitted Building library space as a community cultural facility. The group sought assistance from an architect and worked on a plan/proposal for it to become an active programmer of artistic and cultural activities within the Whitted Building (IF, the County would make the space available). The group's "Strategic Business Plan" (9/8/11) is Attachment 1 to this memorandum.

Based upon direction from the County Commission, County Staff analyzed these issues from several important perspectives including but not limited to:

- A. Compatibility with existing and future County uses/operations the proposed Cultural Center would create.
- B. Financial viability of a non-profit group given control of the facility would have to meet various aspects of creating a sustainable operation NOT requiring an on-going subsidy from the County.
- C. Viability and receptiveness of the Town to become a participant in this venture and assume some level of financial commitment and operational liability for the facility.
- D. The cost and type of modifications needed to bring the building into compliance with federal, state and local codes required for activities and who/how those obligations would be met
- E. The potential need for the County to use this space for governmental purposes in the future.

Without attempting to (within this memo) summarize each of the relevant points within the group's strategic business plan, it is our opinion that as proposed it is unlikely this group (regardless of how well intentioned their efforts) will successfully achieve their desired outcomes. The business plan depends heavily on assumptions that are likely to be difficult to accomplish. There are elements of the planned uses for the facility that would/could conflict with existing county operational functions at the facility. More importantly, the County has heavily invested in this asset and potential conflicts of use could place that investment at risk.

(These issues have been discussed with the group's leadership and they fully understand our concerns.)

TOWN INVOLVEMENT – Staff level discussions

Overcoming some of the financial and liability issues that the non-profit group's operational control of the former Whitted Library space presented was attempted to be addressed via some formalized agreement with the Town of Hillsborough. Although no formal discussions have occurred among the elected leadership of the Town and County on these issues, town and county staffs have discussed various elements (subject to elected leaders formal actions at some point in the future).

ISSUES:

It is apparent the Town does not have available financial resources it would be willing to allocate toward this project beyond the \$10,000 seed money given the non-profit group that brought forth the proposal.

There seems to be some doubt that the Town wants to accept any formalized responsibility or liability for the operational control of the allocated space. (Reminder, the initial assumption under which this process went forward was that the Town and County would enter into a formal agreement where the space would be leased to the Town under certain terms and the Town would then allocate use of the space to this non-profit (or another) BUT the Town would retain the liability and responsibility for the condition, use and upkeep within the walls of the space allocated via the terms of the County/Town agreement. At the Staff level, that does not appear to be a realistic option.

In addition and possibly more relevant, it appears the Town's parking regulations present a significant hurdle to the proposed uses envisioned by the non-profit group's efforts to develop a cultural center. The activities and participation generation sought by the non-profit and currently available parking spaces are in conflict and prevent occupancy as envisioned by the group. Suggestions to reduce County related activities or convert existing recreational fields into parking areas does not seem to mesh with the County's continued use of the facility and/or the visions held by the cultural center supporters. (Note: This effort initially gained financial support from the Town. If parking restrictions severely limit or eliminate most of the intended uses proposed in conceptual plans for the development of a cultural center at the Whitted site then the agreement between the Town and County is moot.)

FURTHER CONSIDERATIONS – A possible alternative

Assuming that the Town and County 'might' (**in some agreeable manner**) find a way to either mitigate or overcome the hurdle presented by the Town's parking regulations, there may be a method to address several community needs while addressing a continuing County need. (The following example is offered as an option and not aimed settle all elements of the issues discussed, but rather to stake out how the County, Town and non-profit might move forward to address common interests.)

- A. The County has a planned enhancement to the Link Center to construct a fixed meeting space for the BOCC and other community meeting needs including Orange County Schools along with the Town of Hillsborough. That project, although designed is on hold due primarily to the associated cost of upgrading restrooms to meet code requirements for large public gatherings.
- B. That project could be shifted to the Whitted Building former library space and accommodate many of the previous needs for public meeting space along with most of the activities imagined by the non-profit cultural center group. (We have discussed with the group's organizers this possibility and found them acceptable to pursuing the concept.)
- C. Shifting the public meeting facility (and associated expense) to the Whitted Building allows basic enhancements to move forward that would (with additional contributions by the nonprofit for up fits) allow multiple private and public uses of the former library space. The County's Tourism Staff prepared a brief report (Attachment 2) which outlines some uses/users and highlights how they might be involved in marketing the space. (The Town and County must still address the parking issues if any of the proposed uses outlined above are to move forward.)
- D. If this project moves forward, the County would have options it could choose associated with the Annex Building next to the Link Center. That building now houses only the Board of Elections (4 employees and equipment storage). Those functions could be relocated to former space in the Link Center planned for the meeting room. The area has ample space to accommodate all of their needs. Modifications to the building would be less expensive than the meeting space. Restrooms would not require the same upgrades as the meeting space option.
- E. If we proceed as proposed in D above, we could decide on how to deal with the Annex Building. (1) An option may be to deconstruct the building. If done, this option would assist in addressing parking issues with the Town in two manners. One the reduction in building floor space would reduce parking demand (town rules are based on building square footage). The 1968 building has one usable floor (main), some attic storage and a lower level that sits below flood level.

Removing the building reduces parking demand by 1 space per each 300 SF of building space and allows the area of the building to be expanded parking for the courts and Link Center.

(2) A second option could be to move some other governmental function to that space (state or county). This option further negatively impacts parking issues downtown.

(3). Third, we can continue the current activities as they are. However, the building space far exceeds the needs of the Board of Elections with utility and maintenance costs being duplicative of vacant space in the Link Center.

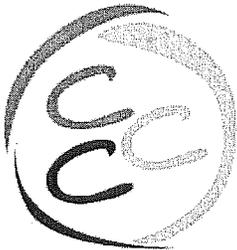
SUMMARY

It is difficult to look out into the future with any degree of certainty (especially, as the role of county government is in continuous change). We make effort to extract as many uses out of county buildings and facilities as possible (county needs as well as others). The Whitted Building appears to have a never ending lifecycle. Existing County uses and investments ensure the facility will continue to be a governmental asset for many years to come. Someday, it may move to other non-governmental use and ownership; that does not appear to be in the near future. However, if the County Commission sees merit in the proposals discussed within this report we can move that process forward.

Finally, it is recognized the Town of Hillsborough's parking requirements will play a key role to whatever future uses are employed at the Whitted Building. If the Town and County can find agreeable methods to address that issue, the future of Whitted's use to support cultural and community related activities will be brightened. Otherwise, those options remain elusive.

ATTACHMENTS

1. Orange County Cultural Center – Strategic Business Plan
2. Visitor Bureau Input: Whitted Building
3. Whitted Building Library Space Plan
4. Arts Commission Sprinkler and Structure Reimbursement Proposal
5. Notes From County Commissioners Building Walk Through (1-23-12)



ORANGE COUNTY CULTURAL CENTER

Whitted Building, 300 West Tryon Street, Hillsborough, NC 27278

STRATEGIC BUSINESS PLAN

09/08/2011

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EXECUTIVE SUMMARY

For years, many have been dreaming of creating a Cultural Center to serve the central and northern part of Orange County: a home for cultural events, plays, concerts, film, arts programming and classes for children and adults, community events, literary readings, and a gallery. There is currently no existing facility nearby Hillsborough that is large enough and still affordable for groups who have struggled to find space to host these types of events and classes.

The Orange County Cultural Center (OCCC) will successfully fill this void by providing a conveniently located facility, dedicated for cultural events. The proposed space will be walkable to historic downtown Hillsborough, with enough flexibility to allow for performance as well as conference space, providing additional rooms for classes, art-related events, and other cultural offerings. The Center will benefit the economic vitality of the region by not only providing the open space and infrastructure to foster artistic and historic enrichment, collaboration, and education, but also by serving as a cultural incubator to spark innovation.

The OCCC was formed by a core group of artistic, cultural, and educational organizations that recognized the need and banded together to create a new organization to address the lack of accessible and affordable space to fulfill the cultural needs of the community. Representatives from the Orange Community Players, the Hillsborough Arts Council, the Historic Hillsborough Commission (the Burwell School), the Historical Foundation of Hillsborough and Orange County (the Orange County Historical Museum), the Chapel Hill Orange County Visitor's Bureau, the Orange County Artist Guild, the Orange County Arts Commission, the Alliance for Historic Hillsborough, and the Orange County School System are all part of this 'dream team' and are committed to making the OCCC a huge success!

The OCCC seeks to lease 12,000 square feet of the historic Whitted building, the first floor of Building A, to provide long- and short-term rental space for cultural organizations that reside in Hillsborough and the central and northern portions of Orange County, and a performance space for both local and non-local cultural entertainment.

The Center will offer yearly rentals of 7 unique studio/office spaces for creative professionals such as visual artists, teachers, musicians, and writers, and/or other cultural organizations. Two large classroom rentals will be available to provide hourly rental space for mid-sized events, including after-school and adult programming, black-box theatre, rehearsal space, and off-site conferences and business meetings.

An auditorium that comfortably accommodates 250 to 300 seated people (200 at tables) will be available for hosting plays, lectures, dances, reunions, banquets, conferences, and other large gatherings. The OCCC will boast an on-site coffee shop and event bar, and offer gallery, exhibition and storage rental spaces as well.

The OCCC Board will create interest in the Center and continuously develop community awareness via a variety of marketing communications tools. An ongoing publicity campaign will be conducted by developing relationships with news media representatives, writers and editors of local newspapers, arts magazines, and industry publications. Additionally, Board members will actively build local

relationships by meeting with key community and government leaders and attending community group meetings to create an audience for events and to connect with potential funders.

To further support the campaign, press releases will be submitted periodically to publicize newsworthy events, flyers and monthly newsletters will be distributed, and a fresh and exciting presence will be maintained through a dedicated website and social media outlets. The Center will focus on leveraging the influence of the OCCC Board of Directors and member organizations to network and publicize its offerings and activities.

The Center will be overseen by the OCCC Board of Directors and initially managed by the Chair, John Delconte. John will manage the organizational finances; move-in, purchases and space upgrades; and coordinate marketing, sales, and community networking with other Board Members. He will form a hiring committee responsible for interviewing, hiring, and managing both a part-time Coordinator and part-time Custodian.

The part-time Coordinator will be initially hired to work approximately 10 hours per week and will be responsible for day-to-day operation of the Center including space sublets, bookings, and coordination. He/she will maintain the OCCC website and social media accounts, handle accounts payable and receivable, and write grants to support the Center. The position will eventually become full-time when the center is at full capacity.

A part-time Custodian will be hired to initially work approximately 10 hours per week and will report to the Coordinator. The Custodian will be responsible for day-to-day upkeep of the Center, including weekly cleaning of rented studio space and common areas and post-event cleanup for classrooms and the auditorium.

Of the existing \$37,000 in startup funds approximately \$15,000 will be used for a fundraising feasibility study and \$3,800 will be allotted for combined legal, financial, and architectural fees. \$6,200 will be used for the initial purchases of office equipment, seating, tables, and stage. The remaining \$12,000 will cover the majority of the Coordinator and Custodial expenses for the first year.

Rentals will gross an estimated \$42,600, \$57,900, and \$81,900 for years 1 through 3, respectively. Expenses will run \$57,600, \$78,500, and \$107,296 for years 1 through 3, respectively. Negative results from operations will be offset with grants and fundraising over the 3 years, thus enabling the Center to end each year with a positive net asset position.

During Year 2, the Center will launch a capital campaign to cover the large-scale build out of a state-of-the-art theater, restroom upgrades, and to establish an endowment. The Board expects this campaign to continue over a 6- to 8-month time period and close during Year 3, at which point we will conduct the upgrades. However, since the architectural space plan is in process, and the cost of the upgrade has not been determined, the amount of capital that needs to be raised is a rough estimate (\$1,000,000).

The Board of the OCCC seeks to gain approval of occupancy by October 2011, and to begin operations in December 2011. The Board anticipates that Orange County and the Town of Hillsborough will agree that the OCCC will serve as a cultural landmark, drawing community members as well as

visitors from afar, while serving as a home for our cultural wealth and an incubator for future creative growth.

VALUES / MISSION / VISION

VALUES

- Build a thriving cultural community: Bring together artists, gallery owners, visual & performing arts organizations, educators, philanthropists, writers, business owners, community members, and visitors to share in cultural activities that raise public awareness and appreciation. Create teamwork through community collaborations and partnerships.
- Nurture artistic and educational creativity: Provide and manage an inviting, supportive, and inspiring venue to host quality creative artistic and educational offerings. Continuously pursue and expand the availability of creative opportunities. Strive to make learning fun, interesting, and increase curiosity.
- Preserve historic architecture: Invest in and maintain the auditorium and office spaces within the historic Whitted building, which once housed the Hillsborough High School and is owned by Orange County. Share and grow interest in the rich history of Hillsborough and Orange County by maintaining the structure as a cultural and educational destination.
- Promote professionalism and financial stability: Continuously provide high quality service to visitors and the local community. Offer enthusiasm and commitment to clients, be respectful and flexible, and promote ethical practices. Develop good financial habits and develop and implement strong financial, regulatory, and supervisory policies in the interest of financial stability.

MISSION

The mission of the Orange County Cultural Center (OCCC) is to promote the public understanding and appreciation of the creative arts and cultural history of Orange County and to stimulate the interest and participation of members and the community by providing affordable space for exhibitions, education, and professional endeavors.

VISION

The OCCC hopes to establish a cultural arts center on the first floor in Building A of the Whitted Building in the center of Hillsborough, NC. The Whitted Building is located within the boundaries of the Hillsborough Historic District and is listed on the National Register of Historic Places. It most recently housed the main branch of the Orange County library and also served as the Hillsborough High School.

The OCCC will fill a void by providing a conveniently located facility dedicated for cultural events in central and northern Orange County, where available space for artistic events is very limited. This space is walkable to the historic downtown, with enough flexibility to allow for performance as well as conference space, providing additional rooms for classes, art-related events, and other cultural offerings.

The Cultural Center will serve as a place of creative discovery, exploration, and enlightenment that bridges both cultural and economic boundaries. The Center will benefit the economic vitality of the

region by not only providing the open space and infrastructure to foster artistic and historic enrichment, collaboration, and education, but also by serving as a cultural incubator to spark innovation.

The Center is currently attracting the attention of stakeholders and funders, and has amassed a startup fund through individual donations and grants issued by the Hillsborough Tourism Board. We continue to seek out additional funding to round out our needs to cover the first 6-12 months of expenses.

The Cultural Center will be developed in three phases:

Phase 1 (months 1 - 12)

Hire a part-time coordinator, who will book the spaces in the building; maintain the website, newsletter, and social media outlets; manage the office and books; and perform general administration.

Hire a part-time custodian, who will conduct regularly scheduled upkeep of full-time rental spaces and other spaces on an as-needed basis.

Sublet the 6 of the 7 existing studio/office spaces to member organizations and outside creative groups (with priority to member organizations). Uses to include:

- Studio space for music teachers, visual artists, writers
- Incubator offices
- Administration

Rent out conference/creative spaces to member organizations and outside creative groups (with priority to member organizations) with a goal of 15 hrs/mo. Uses to include:

- After-school programs
- Dance, acting, movement classes
- Small conferences / meetings
- Black-box theatre

Begin booking the auditorium space (as is) to member organizations and outside creative groups (with priority to member organizations) with a goal of 4 events/mo. Uses to include:

- Plays, fundraisers, lectures, movies, musical acts
- Large workshops
- Large art classes
- Large gallery exhibitions

- Dances
- Reunions
- Conferences
- Weddings

Rent out the café space to a local vendor on an annual basis.

Establish monthly rentals for the art gallery, conference room events, and storage areas.

Generate interest and commitment from bar rental vendor to offer service during special events.

Develop a space plan and determine costs for a complete upgrade of the Center.

Phase 2 (months 12 to 24)

Launch a capital campaign to cover:

- Unfitting costs for restroom upgrades.
- Build out for a fully functional theatre (sound, stage, lighting, seating, concessions, room dividers, flooring, ceiling, etc) to allow for audiences of 250 to 300 persons seated in rows, or 200 seated around tables.
- \$100,000 endowment.

Increase Coordinator hours to 30/week and Custodian hours to 20/week.

Sublet the 1 remaining studio/office space and renew leases for the occupied 6 rental spaces.

Increase classroom bookings to 30 hours per month and auditorium bookings to 6 events per month.

Phase 3 (months 24 to 36)

Increase Coordinator to full time ~ added responsibilities include: fundraising and grant writing.

Complete capital campaign (raising \$1,000,000).

Contract out and oversee aforementioned upgrades and establish the endowment.

Book classroom and auditorium spaces with a goal of 60 hours/mo and 10 events/mo, respectively.

Expand efforts to collaborate with other cultural, civic, and educational organizations in bringing arts and culture to our greater community.

Create new partnerships with private and public funders for ongoing operational support (ie, Duke, UNC, UNC Hospitals, Durham Regional, Sports Endeavors, PHE, other local businesses and individuals).

Ongoing / Future

Design and offer in-house creative programming to increase earned income.

Partner with funders or existing groups to ultimately purchase the building so that further improvements do not become 'sunk costs'.

PRODUCTS & SERVICES

- Manage room sublets and coordinate booking of spaces to other cultural organizations and individual artists that reside in Hillsborough and Orange County;

1) 7 studio/office spaces ~ (minimum) yearly rentals for:

- Visual artists
- Music teachers
- Writers
- Incubator offices

2) 2 large classrooms/creative/conference spaces ~ for mid-sized events (max 80 persons)

- After-school programs for all types of art, including dance, visual, theatre, sculpture, etc.
- Adult programs for all types of art, including dance, visual, theatre, sculpture, etc.
- Small conferences or off-site business meetings
- Dedicated rehearsal space
- Black-box theatre

3) 1 large multi-use flexible auditorium/theatre ~ for larger events (max 250-300 persons)

- Workshops and classes
- Plays, musicals, theatrical performances
- Lectures and large conferences
- Fundraisers

- Reunions, weddings, dances, and other social events
- Artistic and historic exhibitions

4) Miscellaneous rental spaces

- Café ~ outside vendor to offer beverages and snacks
- Events Bar ~ to be rented out during larger special events to provide alcoholic beverages and light fare
- Art gallery
- Storage areas
- Provide superior operational, administrative and custodial service;
- Provide avenues to exhibit and sell the works of two- and three-dimensional art through a variety of juried and non-juried exhibitions;
- Provide housing for historical exhibits;
- Develop OCCC-dedicated artistic programs in the future to provide additional income;
- Generate job opportunities for Orange County residents by providing a first-class space for incubating the cultural, artistic, and historical visions of county residents and organizations.

MARKET RESEARCH

INDUSTRY ANALYSIS

Industry Overview

There is a wealth of cultural capital in our community. More than 1,400 artists of all kinds are listed in the Orange County Arts Commission's database. We have painters, photographers, filmmakers, poets, writers, musicians, dancers, and fine craft artists. Hillsborough was named the best literary town in the south this year by one recent publication (gardenandgun.com). As well, our community is home to many individuals and organizations that are making valuable efforts to archive our cultural history, protect our cultural artifacts, sites and buildings, and to preserve all of these precious resources for the benefit of the citizenry.

The arts/culture industry is dynamic in Orange and Durham Counties and growing as evidenced by the ongoing success of venues like the Carrboro ArtsCenter, Playmakers Repertory Company, Deep Dish Theater, the Durham Performing Arts Center (DPAC), Golden Belt, and the recent emergence of small art galleries. New art and performance venues have also come online in the nearby Chatham County communities of Saxapahaw and Pittsboro.

Hillsborough's thriving art scene has emerged within the last 10 years: the Hillsborough Arts Council's Last Friday event attracts thousands of patrons each month during the spring and summer, its winter Parlor Concerts sell out, and its giant puppet parades inspire both children and adults. The arts have helped to spark a renaissance in downtown Hillsborough, which has led to a strong merchant and restaurant presence. However, there is a perennial need in central and northern Orange County for space and venue for the expression of the arts and humanities.

Performance, rehearsal, gallery, and studio spaces that are specialized and affordable are very difficult to find, as are office, meeting, and teaching facilities. Locating multiple entities, with shared focuses on art, culture, history, and heritage, all in one physical location in the heart of a community (Hillsborough), would encourage a dynamic exchange of inspiration, ideas, and work, as well as an opportunity to share underpinning resources. The energy feeds back into the community, encouraging creative individuals and businesses to make this their community as well.

Arts and historical attractions serve as a cornerstone for Orange County tourism. The Chapel Hill/Orange County Visitors Bureau reported that 3 of the top 10 Orange County Attractions in 2009 were arts related (by reported attendance). Tourism in Orange County provides sales to local businesses, tax dollars to municipal governments and employment for residents. According to the Orange County Office of Economic Development, total visitor spending in the county was \$144.07 million in Orange County during 2010.

Challenges & Opportunities

The Cultural Center will be operating in a climate of economic uncertainty that is outside of its control. Personal income and leisure time drive demand for cultural and artistic programs. As a discretionary spending item, attending performances depends on personal income and competes for the consumer dollar with other entertainment and pastimes.

Additionally, the Center will partially depend on third-party sources for investment and supplemental funding, as revenue won't always cover expenses. Corporate and individual sponsorships, foundation and government grants, and gifts will help underwrite operations. This support will also hinge on the health of the economy; changes in corporate profits, the stock market, and government budgets will influence financial support from private and public sources.

However, a variety of opportunities are being pursued locally to develop new audiences. The Chapel Hill/Orange County Visitors Bureau is currently working in numerous ways to increase visitor traffic. It has added a Smartphone plan to their media schedule that will offer listings of Chapel Hill/Orange County restaurants, events and shopping in the area. Smartphone usage has increased significantly over the last 5 years and travel applications are some of the most used applications in the market.

The Visitors Bureau is also teaming up with the Greater Raleigh and Durham County Visitors Bureaus to promote local art throughout the Triangle. Arts in the Triangle will be the official arts site for visitors in North Carolina's Research Triangle Region. Visitors will be able to view upcoming events in visual and performing arts and plan a triangle arts getaway by downloading itineraries.

Visitors come to Orange County looking for authenticity, for the character of a place, and for unique attractions. The county is a blossoming cultural destination for those from near and far. A vibrant

cultural center would serve as yet another magnet for visitors, whether their visits are for leisure or for business.

BUSINESS-TO-BUSINESS CUSTOMER ANALYSIS

Member Organization Usage Needs

Orange Community Players ~ theatre, classroom, and dedicated rehearsal space

Hillsborough Arts Council ~ art classes, movement and drama programming, musical performances, after-school and summer programming

Historic Hillsborough Commission/Burwell School ~ historical programming, gallery exhibits, and fundraising

Orange County Historical Museum/Historic Foundation of Hillsborough ~ historical programming, gallery exhibits, fundraising events, off-site board/committee meetings

Orange County Artist Guild ~ gallery exhibits

Orange County Arts Commission ~ arts programming

Orange County School System ~ theatre, classroom and gallery exhibits for and by kids

Other Art / Cultural Organizations

Hillsborough Actors Theatre Company ~ has hosted an annual Christmas Carol for the past 9 years, featuring renowned authors Michael Malone and Allan Gurganus. They hope to host their 10th anniversary in the Cultural Center.

The Purple Crow Bookstore ~ often has authors in for “readings” when new books are published. A recent reading was held outdoors at the new Farmer’s Market Pavilion because it drew many more people than the small bookstore could house.

Handmade Parade ~ the auditorium floor would be an ideal space for producing the huge 20- to 30-foot puppets for the handmade parade as well our dedicated storage areas for works in progress.

Potential Future Users

Hillsborough Radio Station ~ local microstation is looking for a broadcast booth and 2 studios.

Symphony Orchestra ~ gives concerts at Cameron Park in the summer. They could offer a winter concert / series in the auditorium.

Local music teachers ~ could utilize office space for one-on-one lessons, the classroom areas for larger groups and the large theatre space for their students to perform recitals.

Gallery exhibition space ~ while there are wonderful venues in town for the display of art in commercial galleries, there are no places for amateurs to present their wares. The auditorium space could be a great place for mounting “juried” shows, where anyone could enter. We have resident in Hillsborough a premier landscape painter, John Beerman (who has paintings hanging in MOMA in New York City). He currently gives watercolor classes in a converted gas station. While he may not want to change his space for classes, he would be an excellent judge of a “juried” show (and has said

he would be interested in helping out in such a way). Such shows would help the local art galleries as well by bringing in more people interested in the visual arts.

Old 35mm Movie Buffs ~ currently old movies are shown in the Masonic Temple. Potentially more people would attend showings if the arrangements were a bit more comfortable than their rather cramped quarters.

Music Groups ~ there are numerous music groups in town from jazz orchestras to bluegrass groups who would be eager to play for dances and concerts.

Lecture series ~ we have many interesting scholars and collectors in town. It would be possible to run an interesting local lecture series to remove the need to travel to Chapel Hill or Durham for an “intellectual community”.

Funders

The OCCC will be seeking as much funding from program and sub-rentals as possible; however, it is likely, in order to keep costs affordable to the cultural organizations, ongoing support will be needed. Individual support will come from local Hillsborough community members including our great local authors, who have led fundraising efforts and will continue to do so.

We are planning to engage a professional fundraiser to conduct a feasibility study, assist us in targeting funders, and offer advice on communication strategies. There are a host of local businesses, institutions and foundations that we plan to target such as PHE Inc, Sports Endeavors, Duke University, UNC, and the Kirby Foundation. We expect that fundraising will also build on itself by bringing in more participants as well as enthusiasm for a shared effort.

COMPETITIVE ANALYSIS

General Overview of the Competitive Environment

For years, many have been dreaming of creating a Cultural Center to serve the central and northern part of Orange County: a home for cultural events, a place to host plays, concerts, film, arts programming and classes for children and adults, community events, literary readings, and a gallery. The Orange County Cultural Center was formed in response to this need.

The facility is needed to provide affordable performance space, gallery space, classrooms, studios, and arts programming near the center of downtown Hillsborough. The need has become apparent after several groups in this part of the county have struggled to find space to host events and classes. Groups like the Hillsborough Arts Council, the Orange County Historical Museum, and the Burwell School Historic Site regularly host events that could sell more tickets in a larger space.

There is no fully functional theater nearby Hillsborough. Arts and cultural organizations need the space to expand their offerings for classes and after-school programs. Local artists desire studio space, and local educational institutions such as Orange County Schools would make use of the space for their arts and cultural classes. This project has the chance to benefit everyone.

Competitors that offer Space

The Big Barn Convention Center

388 Ja-Max Drive, Daniel Boone Village, Hillsborough, NC 27278, 919-732-2361

(2 miles / 5 minutes from the OCCC)

- The Big Barn is a 9000-square-foot convention center with up to a 350-person seating capacity. It offers a large stage, lobby & bar, fireplace, full kitchen, tables & chairs, alcohol is permitted, and catering is available on request.
- Rental rates are Mon through Wed full day - \$800, 1/2 day \$500 and Thurs through Sun full day - \$1000, with a separate \$100 clean up deposit.
- The space is marketed as a rustic center ideal for meetings, parties, weddings, receptions and family reunions. They do not have a dedicated website, but can be found online through other websites like theshopsatdanielboone.com and visitchapelhill.org.
- This venue only offers the one rental space. They do not tend to attract artistic clientele as their space has more of a 'dark outdated feel'.

The Arts Center of Carrboro

300-G East Main Street, Carrboro, NC 27510, 919-929-2787

(13 miles / 25 minutes from the OCCC)

- <http://www.artscenterlive.org/>
- The Arts Center of Carrboro is a fully functioning artistic and creative center. They have their own in-house programs and also offer rental space as detailed below:
 - Earl and Rhoda Wynn Theater: a large theater that is approximately 6000 square feet and can accommodate from 250 to 500 persons depending on configuration. It features a 32'x28' thrust stage, a triangular 40'x30' dance floor, full P.A., and permanently mounted 12x12' film screen.
 - West End Theater: is a multipurpose room with 2400 square feet, a 15'x15' stage and a small attached kitchen that accommodates 75 to 100 persons depending on configuration.
 - Dance Studio: is a 20'x30' space that can accommodate up to 24 persons. It has a large full wall mirror, stereo system and wooden floors.
 - Miscellaneous Rooms/Capacity
 - Gallery - 2000 square feet, 125 persons
 - Studios 2, 5, 6 - 15'x30' to 20'x35', 10-18 persons
 - Jane Filer Studio - 30' x 18', 24 persons
 - Rates for all rentals are \$90 per hour / \$70 per hour for non-profits and schools. Discounted rates are available for lengthy or long-term rentals. Sound and light technicians, bartenders and other services are available at an additional charge.
- They provide a House Manager for the duration of each event, will recommend a caterer, provide bands/DJs of all genres, and offer beer & wine selections in a bar & concession area. Patrons are also welcome to bring in their own food, beer and wine.

- The Arts Center's markets their theater, practice spaces, dance and art studios, and galleries for all types of special events including wedding receptions, family reunions, holiday parties, birthday parties, bat mitzvahs, quinceañeras, memorial services, business meetings, seminars, rehearsals, and performances.
- The Arts Center is a viable competitor but logistically they are too far away and service mainly Carrboro and Chapel Hill.

Carrboro Century Center

100 North Greensboro Street, Carrboro, NC, 919-918-7365

(13 miles / 25 minutes from the OCCC)

- <http://www.carrboro.com/centurycenter.html>
- The Carrboro Century Center has five furnished rooms and a fully equipped kitchen available for rental as described below:
 - Century Hall: is approximately 4236 sq ft. and can accommodate 200 to 545 persons according to configuration. The stage is 21'x18' and they require a 3-hour minimum rental. Standard Fee is \$165 weekday/\$276 weekend, Public Fee (events free to the public) is \$87 weekday/\$138 weekend.
 - Activity Rooms (4 avail): the rooms range from 252-270 sq. ft. with a max capacity of 6-18 persons depending on set up. Rooms 2 & 3 can be combined to double the capacity. There is a required 2-hour minimum rental. Standard Fee is \$47, Public Fee is \$29
 - Kitchen: 200 sq ft., 1 hr min rental, Standard Fee is \$32, Public Fee is \$19
- A/V & Kitchen equipment, site license fees charged separately
- The Century Center hosts community events sponsored by a variety of area organizations such as Triangle Swing Dance Society, and the Triangle Country Dancers. They offer recreational classes and workshops for adults and youth, town sponsored events and programs, art exhibits, dances, dinners and reunions, business meetings, private weddings, parties, receptions, and bar mitzvahs.
- The Carrboro Century Center is a viable competitor, but too far away to accommodate Northern and Mid Orange County patrons.

Common Ground Theater

4815B Hillsborough Road, Durham, NC, 919-698-3870

(9 miles / 13 minutes from the OCCC)

- <http://cgtheatre.com/>
- The Common Ground Theater is a 2300-square-foot building that includes 960 square-feet of performance space, flexible seating for 55+, a lobby, box office and dressing room.
- Performance Rental Rates per Rental Period (as described below): Mon, Tues, Wed – \$100.00, Thurs and Sun – \$125.00, Fri and Sat – \$150.00. There is a minimum weekly rental fee of \$550 for theatrical runs that are longer than one week, monthly rates are negotiable.
- Rental Periods: Monday – Saturday – 6pm to 11:30pm, Sundays – 12pm to 5pm, other times are negotiable upon availability.

- Rehearsal/Class Rental Rates: Mon – Thurs & Suns – \$45.00 per day or \$55.00 with lights, Fri & Sat – negotiable, monthly rates are negotiable. Session lengths and times are determined based upon availability.
- The Common Ground is mainly marketed as a theater (rehearsals, auditions and performances) and local music venue, although they do host both physical and creative classes.
- This venue is a much smaller than the OCCC and offers only a theater space with no additional classroom or studio options.

Durham Performing Arts Center (DPAC)

The American Tobacco District, 123 Vivian Street, Durham, NC 27701, 919-688-3722

(15 miles / 21 minutes from the OCCC)

- <http://dpacnc.com>
- DPAC is a full service facility that offers numerous rentals spaces as detailed below:
 - Performance Theatre: a contemporary space with over 2,700 seats distributed on three levels (1,400 on the orchestra floor, 600 in the Grand Tier, and 700 in the Balcony). Pricing starts at \$7,500 for the full 2,700 seats and \$6,000 for reduced 2,000-seat configuration (plus staffing, clean-up, security, sound-lights and other expenses).
 - BlueCross BlueShield of NC Atrium: a three-story glass-walled lobby that offers over 15,000 square feet of event space for gatherings up to 1,000 guests. Pricing starts at \$4,500 (plus staffing, security, clean-up and other expenses).
 - Mildred and Dillard Teer Stage: a 6,000-square-foot stage that doubles as a meeting, reception or party space for groups of up to 500 guests. Pricing starts at \$3,000 (plus staffing, security, clean-up and other expenses).
 - Capitol Broadcasting Plaza: an outdoor space that can accommodate up to 1,500 guests for small festivals, outdoor performances, and pre-show gatherings. Pricing starts at \$1,500 (plus staffing, security, clean-up and other expenses).
 - President's Club Lounge: the only "closed-door" meeting space at DPAC. Used exclusively for VIP clientele/ Patrons/ guests on show nights or for business meetings or gatherings on off nights. Pricing starts at \$750 (plus staffing, security, clean-up and other expenses).
- The Durham Performing Arts Center markets itself as a state-of-the-art, full-service facility for receptions, meetings, conferences, new product launches, or other special events. They assist with catering services, audio/visual equipment, room setup designs, special-themed decorations and have access to specially qualified vendors that can provide tents, flowers, ice sculptures, and superstar entertainment.
- DPAC is a great venue but significantly more expensive than the OCCC rentals, and they give priority to in-house events / presentations.

Golden Belt

807 East Main Street, Durham, NC 27701, 919-967-7700

(16 miles / 23 minutes from the OCCC)

- <http://www.goldenbeltarts.com>
- The Golden Belt is a repurposed textile manufacturing ‘campus’ that offers art gallery and artist studios rentals as follows:
- The LabourLove Gallery: an 1800 sq ft privately managed space that sells original artwork, home decor and merchandise while also providing services for art rental, children’s art lessons, and art selection. Artists can rent gallery space in various ways: 3’ w x 8’ h Wall space – \$89/month, shelf space – 3 shelves 30” long totaling 7.5’ linear feet of display space – \$89/month, Clothing Rack Space – 3 linear ft – \$49/month. Artists have the option to apply for a six-month or twelve-month lease. Artists keep 90% of the retail sale from all items. LabourLove will use the other 10% to cover credit card processing and basic business expenses related to gallery operations including accounting and marketing costs.
- Artist Studios: 35 individual artist studios feature oversized, industrial sliding doors with inset glass window, ample natural light, electrical outlets, concrete floors, and 14-foot ceilings. Sizes range from 168–648 square feet and larger spaces can be shared. Artists have access to their space 24/7 and may sell work out of their spaces. Studios run from \$275 - \$800 per month and all utilities are included.
- The Golden Belt markets themselves as a venue with a sustainable design and a historic restoration that embraces the funky industrial aesthetic to forge a unique urban environment where creative people live, work and play.
- The Golden Belt is a larger venue that encompasses retail stores and apartments and their artist rental space is significantly higher in price than the OCCC.

The Depot

246 S Nash St, Hillsborough, NC 27278, 919-643-3768

(1 mile / 2 minutes from the OCCC)

- <http://hillsboroughdepot.com/>
- The Depot is a 3500-square-foot candy & ice cream store with a small performance area that offers light fare, beer & wine in the evening.
- The rental rate is \$20 per hour and you must use them for food & beverage.
- The Depot is basically a small live music venue with shows offered mainly on Fri & Sat eves, with the occasional open-mic night.
- This venue is for small performance groups or art showings only. There is no changing or practice area and has an estimated 50-100 person maximum capacity.

There are also various high schools, civic spaces , hotels, and other commercial venues that rent space, but they don’t have an artistic atmosphere, are generally just large one room auditorium-type spaces where you can only arrange one-time rentals with no available rehearsal spaces, storage areas, etc.

Competitors for Fundraising

We recognize that the OCCC is a new group that will fundraise to the same community as other artistic and cultural non-profit venues. However, the OCCC serves a distinct role to that of the member and other community organizations as ‘we are the building coordinator, and everyone else provides the programming’.

By providing space for other arts organizations we will be seeking operational support and will not be competing for art program dollars. This allows for continuity within the organizational brands, and strengthens grant-winning opportunities by running new programs through well-regarded organizations that are established with long track records.

In essence, we are providing the space in which all the other local cultural organizations and artists can effectively present their work to the public. That said, our operational fundraising will be on par with the smaller organizations in town.

MARKETING AND SALES PLAN

MARKETING STRATEGY

Brand Statement

The OCCC is a trusted, local, community-oriented organization that fosters local creativity and partnership by providing a home for affordable, high-quality art, history, and cultural events. We are the only local facility that can provide auditorium and classroom space for performances and classes that is affordable and accessible to our community.

Marketing Message

Is your artistic /cultural organization seeking affordable rental space close to home? Are you settling for venues that are too environmentally sterile or have limited offerings that don’t encompass all of your needs like a large theater, ample storage, rehearsal space, or attractive viewing areas?

The OCCC has repurposed what was once the central Orange County library in the historic Whitted Building in downtown Hillsborough into a 12,000 sq ft. artistic hub where all are welcome. Eight local artistic, cultural, and educational organizations formed the OCCC to create this accessible and affordable creative space.

The Center is an attractive, professionally managed venue that boasts a large theater & auditorium, classrooms, and artist studios/offices. It serves as a home for cultural events, plays, social gatherings, concerts, arts programming and classes, a café, and an art gallery. It draws local community members, families, and visitors alike to enjoy and support local creative offerings.

After all of the hard work that you’ve invested in developing your unique program, we understand that you desire and deserve an inviting space to host your spectacular event. Call our professional OCCC Coordinator today at 919-643-2500 and let us serve as your host for creative programming.

Strategy

Leverage the influence of the OCCC Board of Directors and the OCCC member organizations to network and publicize the center, our offerings and activities. Maintain a fresh and exciting presence on our website and in social media.

MARKETING COMMUNICATIONS PLAN

Marketing Communications Vehicles

Public Relations

1) The OCCC will conduct an ongoing publicity campaign by developing relationships with news media representatives, writers & editors of local newspapers, arts magazines, and industry publications, encouraging them to write articles focusing on the Center. We will also write and submit press releases publicizing newsworthy program interests and events, public interest and industry stories, and upcoming community events, and will actively use social media.

Our publicity will be conducted in phases:

- a) Create public awareness by letting the community know that we have officially signed a deal with the county, what we will offer, who is involved.
- b) Publish an interim article describing the build-out and an estimated opening date.
- c) Publish a grand opening article including quotes from organizing groups and how they are going to utilize the space, inviting community members to come and visit.
- d) Personally invite media contacts to special events hosted at the Center.
- e) Submit monthly articles describing activities for the upcoming month and future 'special events'. Additionally, write short 'personal interest stories' focusing on prior month's events and their success.

Potential Venues & Contacts:

Erin Wiltgen – News of Orange County, e.wiltgen@newsfororange.com

Dan Way – Chapel Hill Herald, DWay@heraldsun.com

Mark Schultz – News & Observer, Durham Section, mschultz@newsobserver.com

Our State Magazine, editorial@ourstate.com

Dan Shannon – Chapel Hill Magazine, danshannon@chapelhillmagazine.com

Elizabeth Shugg - 15/501 – eshugg@wakeliving.com

2) The OCCC Board Members will develop relationships with key community and government leaders. We will arrange to meet one-on-one with these individuals to spread awareness throughout the community. We will personally invite them to our grand opening ceremony, distribute marketing flyers describing our offerings, email quarterly newsletters, and periodically send invites to upcoming events.

Potential Venues & Contacts:

Margaret Cannell – Hillsborough/Orange County Chamber of Commerce

Elizabeth Read – Alliance for Historic Hillsborough

Katharine Paulhamus – Director of the Burwell School

Bernadette Pelissier – Chair; Orange County Commissioners

Tom Stevens – Mayor of Hillsborough

Mark Chilton – Mayor of Carrboro

Mark Kleinschmidt – Mayor of Chapel Hill

Kay Hagan - US Senator

David Price - US House Representative

Ellie Kinnaird - State Senator

Verla Insko - State Representative; District 56; Orange Co.

Bill Faison - State Representative; District 50, (Caswell, Orange)

Joe Hackney - State Representative; District 54; (Chatham, Moore, Orange)

Pat Rhodes – Superintendent, Orange County Schools

Thomas A. Forcella – Superintendent, Chapel Hill/Carrboro City Schools

3) OCCC Board Members will be visible at community events, distribute flyers to a targeted customer base, invite Chamber of Commerce for after-hours events, and offer to speak to civic groups, rotary clubs, senior centers, schools, and other organizations that will be potential customers.

4) Member organizations will cross-promote each others' events to their own organizations, taking advantage of their mailing lists.

5) After the Grand Opening, we will host periodic (quarterly) public open houses and invite the local Chambers of Commerce, School Board Members and the public at large to ensure that local community members will become and remain familiar with the Center and its offerings.

6) The Center will also host significant cultural performances from out-of-town bands and theatrical groups. Outside acts will be solicited by partnering with local booking agencies, such as Time and Tide Productions. In addition, the Center will pursue partnerships with other nearby arts centers, such as the Arts Center of Carrboro and the Ballroom in Saxapahaw, to share leads for acts.

Advertising Media

Flyer: We will create an attractive 1-page color flyer/ sales sheet that describes our various rental spaces, high lights our unique features, and includes photographs of the space. Flyers will be distributed at meetings and wherever there is community presence.

Website: The OCCC will have a dedicated website that will be updated, at a minimum, on a weekly basis by the Coordinator. Our mission and marketing message will be prominently displayed and will include detailed information about our rental spaces. Event updates will be made periodically to ensure a fresh and interesting presence and to keep visitors informed and interested in returning to the site. We will include customer testimonials, write ups of past events, and event photos. The website will have the option for customers & patrons to sign up for email notifications and newsletters.

Social Media: We will take advantage of the customary social media outlets including Facebook and Twitter. The Coordinator will post, at a minimum, engaging weekly messages to keep users informed about current events and keep the OCCC fresh in their minds.

Newsletter: The Coordinator will send out a monthly electronic newsletter.

Networking

Board members and the Coordinator will maintain ongoing dialogue with community and government members. They will build local relationships by attending community group meetings, Chamber of Commerce events, school meetings and other events hosted by local church, civic clubs and groups. The focus will be to get our name out, create an audience for events, and connect with potential funders.

SALES PLAN

Member organizations that sit on our board will be a large part of our customer base, therefore it will not be necessary create a sales plan for this group. However, for non-member organizations, our plan is to identify & research prospects and determine which services we offer that they would be interested in. We will research each potential customer individually, understand their needs, and arrange one-on-one meetings with the decision makers. Our presentation will include an in-depth explanation of our offerings, details of how the client will benefit, and distribution of flyers and business cards. We will follow up with them via a quarterly sales call to continue to encourage them to use our facilities and email them a newsletter and sales flyer quarterly.

OPERATIONS, PERSONNEL, AND MANAGEMENT

MANAGEMENT

The OCCC will be overseen by the OCCC Board of Directors and initially managed by John Delconte, the Chairman of the Board.

John D. Delconte

Cofounder and Chair, Mr. Delconte brings to a strong background in organizational development, arts administration, and entrepreneurship. He has served as a medical writer in the pharmaceutical industry since 1993. In 1999, he joined the Hillsborough Arts Council (HAC), and served as Chair from 2003 to the 2007. He extended the HAC's very successful Last Fridays program from 6 months per year to year-round. Also in 1999, he began volunteering with the Orange County Dispute Settlement Center of Orange County, NC, and became a certified divorce mediator and large-group facilitator. In August 2001, John founded Compass Communications, Inc. to offer organizational development services. He

taught courses of personal finances and finding employment at Alamance Community College, and holds an MS in behavioral neurobiology from Rensselaer Polytechnic Institute (Troy, NY). John combines backgrounds in science, non-profit business, and industry.

The following competencies will be provided by Mr. Delconte for overall management of the OCCC:

- Manage the financial position of the organization.
- Manage move-in, purchases and space upgrades.
- Personnel management, in conjunction with a hiring committee: interview, hire and manage a part-time Coordinator, and part-time Custodian.
- Oversee rentals and space management.
- Oversee facility maintenance and coordination with Orange County as required.
- Coordinate marketing, sales, and community networking with other Board Members.

Day-to-day operations will be gradually transferred to the Coordinator after that position is filled.

Additional competencies required for the success of the Center to be provided by various Board Members:

- Community outreach to increase presence and facility usage utilizing sales and marketing strategies.
- Community networking to maintain ongoing community involvement and support.
- Fundraising efforts for the various phases of the project as well as ongoing operational support.

PERSONNEL PLANNING

Part-time Coordinator

A part-time Coordinator will be hired by December 1, 2011 to work approximately 10 hours per week at a starting salary of \$17 per hour. The Coordinator will be responsible for day-to-day support of the Center and will report to the OCCC Board of Directors. The position will eventually become fulltime when the center is at full capacity.

Responsibilities:

- Sublet the available spaces within the center, including the artist studios (monthly), classrooms (hourly), auditorium (hourly), cafe (monthly and per event), and gallery (monthly).
- Liaise with third parties, such as promoters, to fully book the auditorium.

- Maintain the OCCC website.
- Regularly maintain Twitter and Facebook accounts.
- Write & distribute monthly newsletter.
- Write grants to support the center.
- Field phone calls and email queries within a business day.
- Handle accounts payable/receivable through accounting software.

Qualifications:

- Interest in and knowledge of the arts, history, and local culture.
- Office skills, including word processing, internet, email, and bookkeeping.
- Ability to use bookkeeping software, such as Quickbooks
- Strong interest and ability to use social media.
- Ability to adhere to a budget.
- Ability to work under pressure.
- Ability to develop and adhere to deadlines.
- Demonstrated integrity and honesty.
- Creativity and ideas.
- Ability to communicate effectively.
- Strong organizational skills.

Part-time Custodian

A part-time Custodian will be hired by December 1, 2011 to work approximately 10 hours per week at a starting salary of \$9 per hour. The Custodian will be responsible for day-to-day up-keep of the Center and will report to the Coordinator.

Responsibilities:

- Weekly cleaning of rented artist studios including garbage removal, floors, windows, and spot cleaning as required.
- Cleaning of common areas including bathrooms, hallways, and entrances.

- Post-event cleanup for classrooms and auditorium.

Qualifications:

- Flexibility: available to work both a weekly schedule and on call as required according to usage.
- Work independently without consistent supervision.
- Honesty and integrity.

RISK MANAGEMENT

The OCCC will carry the following insurance coverage:

- Property insurance to protect the Center's contents.
- General Liability insurance to cover any injury or damage to other people, their reputation, or their property.
- The OCCC will require organizations hosting on-site events to carry their own liability insurance. The event bartender will obtain liquor liability insurance.

HOURS OF OPERATION

- The Center will be opened for limited office hours for the first year (approximately 10 hours/week). Once fully operational, the Center will be opened during normal office hours (9 to 5, Monday through Friday).
- Renters of studio spaces will be issued their own set of keys, or electronic key fob, and will have 24-hour access.
- Organizations that rent the classroom and/or auditorium spaces will be allowed access by the Coordinator or the custodian on an as needed basis.

REGULATIONS, COMPLIANCE & REPORTING

We understand that opening a facility like this will have public gathering regulations and we will, as a follow up to this business plan, set up processes to ensure that we are in compliance with all regulations that affect our business, including ADA accessibility and health department regulations for the café. We will ensure that our staff is aware of all regulations, policies & processes and hold them accountable if they do not comply.

LICENSES, PERMITS, REGULATIONS & TAXES

The OCCC will be a registered 501(c)(3) non-profit organization exempt from Federal and State taxes. No goods will be sold by the Center—the Café will be responsible for their sales. The café will obtain a permit from the Orange County Health Department, if food will be prepared on site.

COMPUTERS, BUSINESS & FINANCIAL SYSTEMS

The Coordinator will require a computer to perform daily operations including scheduling, bookkeeping, marketing, website/social media maintenance, and general correspondence. We will utilize Google Apps for scheduling, web sites, newsletters, and other needs. The Coordinator and Board of Directors will have shared access. The calendar of events and classes will be maintained by the Coordinator. Quickbooks will be utilized for general bookkeeping purposes.

BILLING, CREDIT TERMS & COLLECTION PROCESS

- Studio renters will be required to submit monthly rental payments to the Coordinator on the first day of each month.
- Classroom and auditorium renters will be charged a 50% deposit to secure rental space and must pay the remaining 50% two weeks prior to their scheduled event. Cancellations within two weeks prior to the event or class are fully refundable less a transaction fee, with no refunds permitted within two weeks of an event or class.

PROCESSES

Artist Studio / Office Rentals:

- Rentals will be available on a first come first served basis.
- Individual rental agreements will be signed by each renter and renewed on an annual basis.
- First month's rent, security deposit, and references will be required before move-in.
- One set of keys or key fob will be provided to renters on the first day of occupancy.
- The OCCC will provide weekly custodial services.
- The OCCC will coordinate with the County for necessary building maintenance issues as they arise, including HVAC, electrical, roofing, etc. The Center will be responsible for plumbing, stage, sound, seating, and other interior maintenance issues.

Classroom / Auditorium / Gallery Rentals:

- Rentals will be available on a first come first served basis.
- Member organizations will be given first priority on space rentals, but they will be required to follow the same rental agreements as non-member organizations.
- Daytime use of the auditorium space (from 9 am to 5 pm) will be available for booking for member organizations in exchange for in-kind volunteer time, on a 1:1 basis.
- Individual rental agreements will be signed by each organization for every event.
- Organizations will be required to present an insurance certificate at the time of deposit.

- The OCCC will provide custodial services.
- Organizations will be allowed access to the rental spaces via the Coordinator.

Access to Professionals/Counsel

- The OCCC will hire a Certified Public Accountant to review the books and file required tax forms on an annual basis
- David Harris of Linck, Harris Law Group, PLLC has been hired to file for incorporation and nonprofit status.

START UP PLAN

Phase 1

- Present Business Plan to Orange County and the Town of Hillsborough
- Discuss the plan with the town planning department to make sure the property is zoned for the proposed use, and that there is sufficient parking
- Discuss and agree upon rental terms with the County, sign lease
- Obtain a certificate of occupancy from the county building inspectors
- Submit article to local papers about the signing
- Set up 501(c)(3)
- Purchase necessary insurance coverage
- Connect utilities: telephone/internet
- Clean space in preparation for rentals
- Purchase folding chairs and tables
- Build simple stage
- Purchase computer and printer/fax for Coordinator
- Purchase office & operating supplies: toilet paper / paper towels / cleaning supplies / computer/paper / misc. office supplies /other
- Interview and hire part-time Coordinator
- Interview and hire part-time Custodian

- Create a scheduling calendar
- Set up Quickbooks/spreadsheet for finances (with assistance from CPA)
- Create marketing flyer
- Create website, social media sites
- Create signage
- Pre-opening advertising, promotions, and articles in newspapers
- Network with community & government folks
- Speak at civic clubs, chamber meetings and other community meetings
- Host a Chamber After Hours event at the new facility soon after the opening
- Initiate fundraising feasibility study

FINANCIALS: YEARS 1 -3

OCCC Statement of Activities

	YEAR 1	
	MONTHLY	ANNUALLY
BEGINNING NET ASSET BALANCE		\$12,000
REVENUE		
Studio Rentals (7 units - assume 6 rented @ \$175/mo ea)	\$1,050	\$12,600
Classroom Rentals (15 hrs/mo @ \$20/hr)	\$300	\$3,600
Auditorium Rental (4 events/mo @ \$300/event)	\$1,200	\$14,400
Conference Room Events (1 event/mo @ \$100/event)	\$100	\$1,200
Gallery Rental (\$300/mo)	\$300	\$3,600
Café Rental (\$300/mo)	\$300	\$3,600
Bar Rental (\$50/event, 4 events/mo)	\$200	\$2,400
Storage Rental (\$100/mo)	\$100	\$1,200
Rental Subtotal	\$3,550	\$42,600
Hillsborough Tourism Grant		\$12,000
General Fundraising		\$4,200
TOTAL REVENUE		\$58,800
EXPENSE		
Whitted Building Rental (Includes Utilities)	\$2,333	\$27,996
Part-time Coordinator (10 hrs/wk @ \$17/hr, 48 wks/yr)	\$680	\$8,160
Part-time Custodian (10 hrs/wk @ \$9/hr, 48 wks/yr)	\$360	\$4,320
Insurance		\$4,000
Tax Preparation / Review Books		\$3,000
Phone/Fax/Internet		\$3,000
Postage		\$1,500
Printing		\$1,500
Office Equipment / Supplies		\$2,000
Contingency		\$2,124
TOTAL EXPENSE		\$57,600
ENDING NET ASSET BALANCE		\$13,200

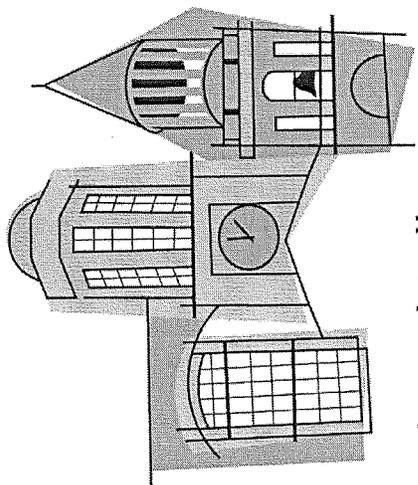
Notes:

The more acts and classrooms are booked, the more we can pay the coordinator. At full capacity, we would earn about \$100,000, and that extra money would go mostly toward making the coordinator a fulltime position.

OCCC Statement of Activities	YEAR 2	
	MONTHLY	ANNUALLY
BEGINNING NET ASSET BALANCE		\$13,200
REVENUE		
Studio Rentals (7 units @ \$175/mo ea)	\$1,225	\$14,700
Classroom Rentals (30 hrs/mo @ \$20/hr)	\$600	\$7,200
Auditorium Rental (6 events/mo @ \$300/event)	\$1,800	\$21,600
Conference Room Events (2 events/mo @ \$100/event)	\$200	\$2,400
Gallery Rental (\$300/mo)	\$300	\$3,600
Café Rental (\$300/mo)	\$300	\$3,600
Bar Rental (\$50/event, 6 events/mo)	\$300	\$3,600
Storage Rental (\$100/mo)	\$100	\$1,200
Rental Subtotal	\$4,825	\$57,900
Hillsborough Tourism Grant		\$12,000
General Fundraising		\$7,500
TOTAL REVENUE		\$77,400
EXPENSE		
Whitted Building Rental (Includes Utilities)	\$2,333	\$27,996
Part-time Coordinator (30 hrs/wk @ \$17/hr, 48 wks/yr)	\$2,040	\$24,480
Part-time Custodian (20 hrs/wk @ \$9/hr, 48 wks/yr)	\$720	\$8,640
Insurance		\$4,000
Tax Preparation / Review Books		\$3,000
Phone/Fax/Internet		\$3,000
Postage		\$1,500
Printing		\$1,500
Office Equipment / Supplies		\$2,000
Contingency		\$2,384
TOTAL EXPENSE		\$78,500
NET ASSETS		\$12,100

OCCC Statement of Activities

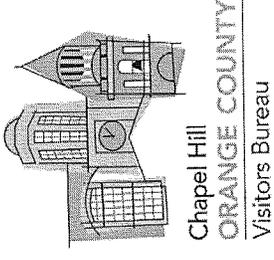
	YEAR 3	
	MONTHLY	ANNUALLY
BEGINNING NET ASSET BALANCE		\$12,100
REVENUE		
Studio Rentals (7 units @ \$175/mo ea)	\$1,225	\$14,700
Classroom Rentals (60 hrs/mo @ \$20/hr)	\$1,200	\$14,400
Auditorium Rental 10 events/mo @ \$300/event)	\$3,000	\$36,000
Conference Room Events (2 events/mo @ \$100/event)	\$200	\$2,400
Gallery Rental (\$300/mo)	\$300	\$3,600
Café Rental (\$300/mo)	\$300	\$3,600
Bar Rental (\$50/event, 10 events/mo)	\$500	\$6,000
Storage Rental (\$100/mo)	\$100	\$1,200
Rental Subtotal	\$6,825	\$81,900
Hillsborough Tourism Grant		\$12,000
Capital Campaign for Build-out		\$1,000,000
General Fundraising		\$0
TOTAL REVENUE		\$1,093,900
EXPENSE		
Whitted Building Rental (Includes Utilities)	\$2,333	\$27,996
Full-time Coordinator (40 hrs/wk @ \$17/hr, 52 wks/yr)	\$2,947	\$35,360
Part-time Custodian (20 hrs/wk @ \$9/hr, 48 wks/yr)	\$720	\$8,640
Employee Payroll Taxes (est 25%)	\$917	\$11,000
Insurance		\$5,000
Tax Preparation / Review Books		\$3,000
Phone/Fax/Internet		\$3,000
Postage		\$1,500
Printing		\$1,500
Office Equipment / Supplies		\$2,000
Contingency		\$1,000
Fundraising Consultant		\$7,300
Build-out Costs		\$890,000
TOTAL EXPENSE		\$997,296
NET ASSETS		\$8,704
ENDOWMENT		\$100,000



Chapel Hill
ORANGE COUNTY
Visitors Bureau

Visitor Bureau Input: Whitted Building

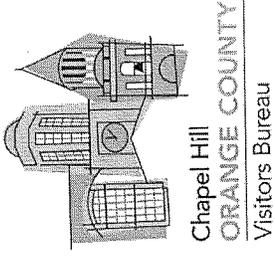
January 2012



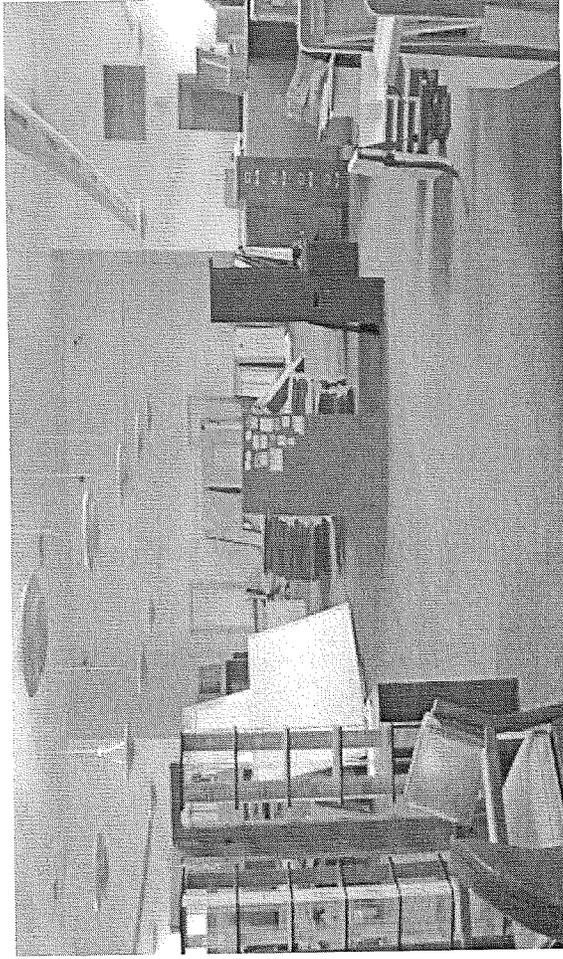
Whitted Building

- Meeting space in Northern Orange County has long been sought-after by internal county clients, external meeting planners and local government and industry.
- The Whitted Building offers attractive space that could be used in a multitude of ways.
- The building will require some budget for upkeep, design and fine-tuning for ANY options selected for the space.

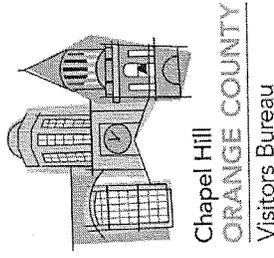
Primary BOCC Meeting Room



- The primary, “Large Room,” is being considered for commissioners who desire a permanent space for standard business meetings, school board meetings and others.



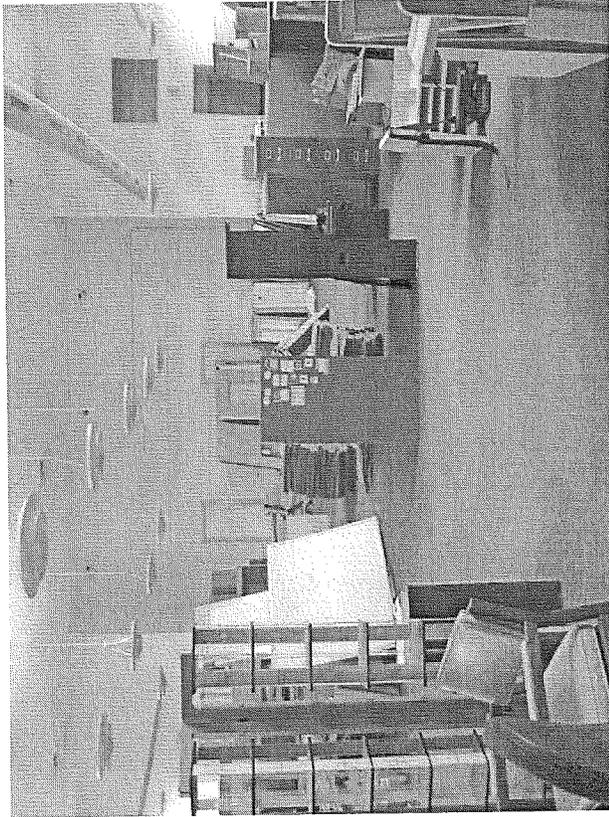
Visitors Bureau Recommendations

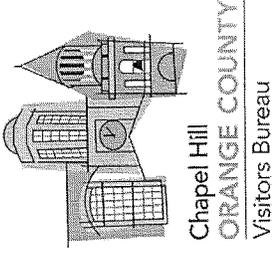


- Raise floor area in back for BOCC.
- Partition that area off from the rest of the room– allowing it to be both protected; and used for concurrent events.
- Would not have permanent seating, leaving the options open for other functions.

Recommendations (...cont)

- Place large doors across the large open area in back, sectioning the entire main room off from the rest of the building; allowing all other rooms to be used without access to the main area and keeping that space private.

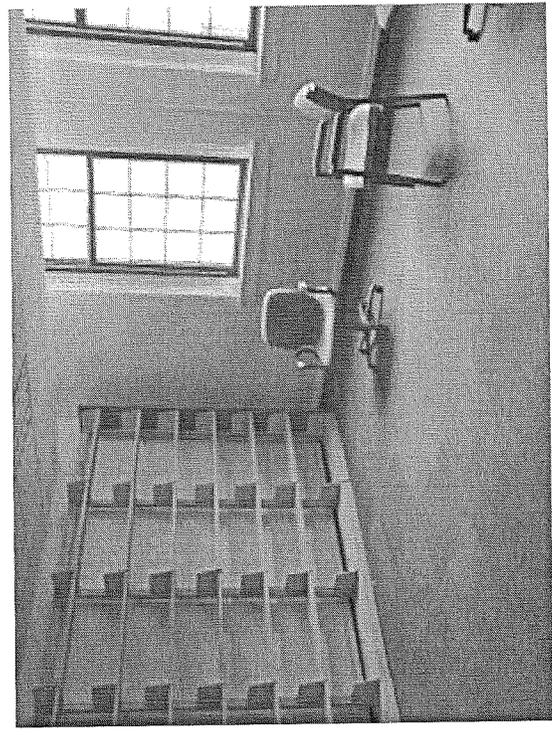




Side Rooms off Main Area:

- Great space for meeting breakout rooms, training, committee meetings etc.
- On the left- side, room could be turned into two (2)separate rooms.
- Room on the right is a good size room for up to 40/50 people depending on room set up.

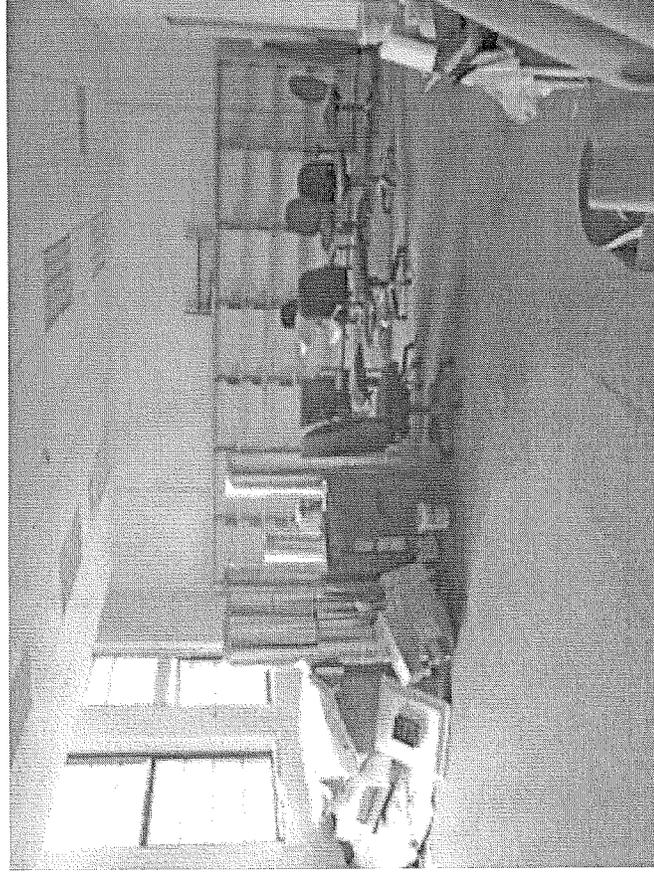
Left Side of Large Meeting Room



- Great space for meeting breakout rooms, training, committee meetings etc.
- On the left side could be turned into 2 separate rooms.

Right Side/Room Functionality

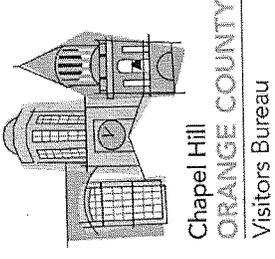
- Large Room to the right, off entrance:
- Great meeting room space, good lighting etc.
- Has private entrance from front door.
- Access to rest of the first floor from back of room and bathrooms.
- Can use hallway for pre function space.
- Closet area in room good for storage for tables and chairs.



Office rooms

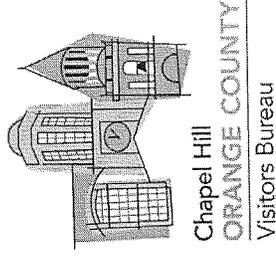
- Good space for person/department responsible for handling the space.
- Good storage space.
- Enlarge and upgrade kitchen area to allow caterers to prep food for different events.

Market Segments to Consider for Usage



- County Government
- State Government – Hillsborough is centrally located and easy access off I-85 and I-40.
- Civic Groups
- Social/Wedding Groups – Could be a big draw since there is no space available in Hillsborough for groups over 100/150 ppl.

Market Segments to Consider for Usage (...cont)



- Some Corporate – would have to work out better hotel selections for many corporate groups and address location. Perceptions of distance will be a stumbling block. A good area to explore would be west of Hillsborough.



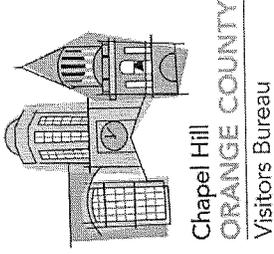
Whitted building challenges

- Parking – Limited but possible
- More and larger bathrooms
- Storage space – tables, chairs, AV equipment.
- Who will be responsible to book space should it be used for meeting or other events.
- Who will be responsible for room set ups and cleanups.
- Who will be responsible for space during evening hours.
- All this is a full time position for more than one person.

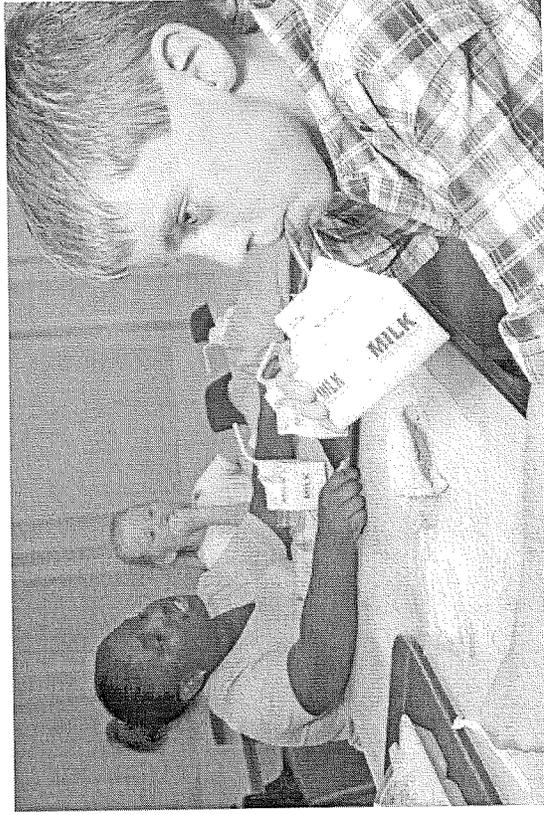
Visitors Bureau Recommendations

- VB would love to see good meeting space in Hillsborough.
- Currently agency cannot even suggest Hillsborough as an option due to lack of space.
- Most calls are for social events and the Big Barn is dated and not attractive to many groups. Also their cost is extreme for the condition of the facility.
- VB has worked with some government groups and distance to meeting space is a concern.
- However price is a driving factor in making a selection. A marketing campaign could help promote the facility and the location. The Visitors Bureau could supply this.

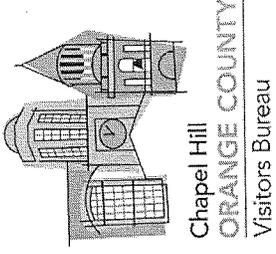
Orange County Arts Commission Recommendations



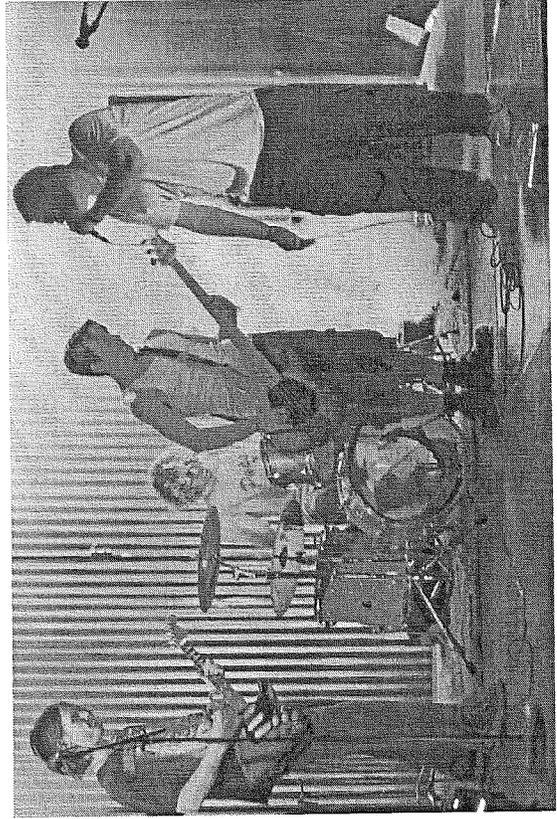
- Depending on the rental rate/agreement, Hillsborough's arts groups and public schools could be interested in an upgraded meeting/performance space on the 2nd floor of the Whitted Building.



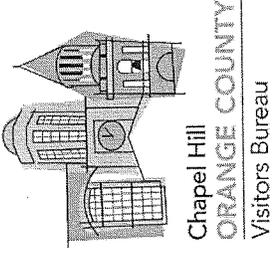
Orange County Arts Commission Recommendations



- In addition to public meeting space, this space could be used for performances, concerts, presentations, lectures, exhibits, etc. in various arts disciplines.



Orange County Arts Commission Recommendations

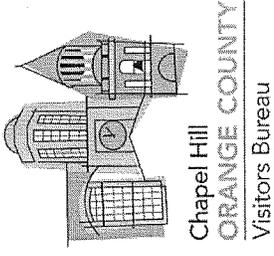


- If planning for a combined meeting/performance space, consultation with local theatre consultant Robert Long is recommended
- (Theatre Consultants Collaborative, Inc., www.theatrecc.com, phone 919/929-7443, fax 919/929-4519, rlong@theatrecc.com).

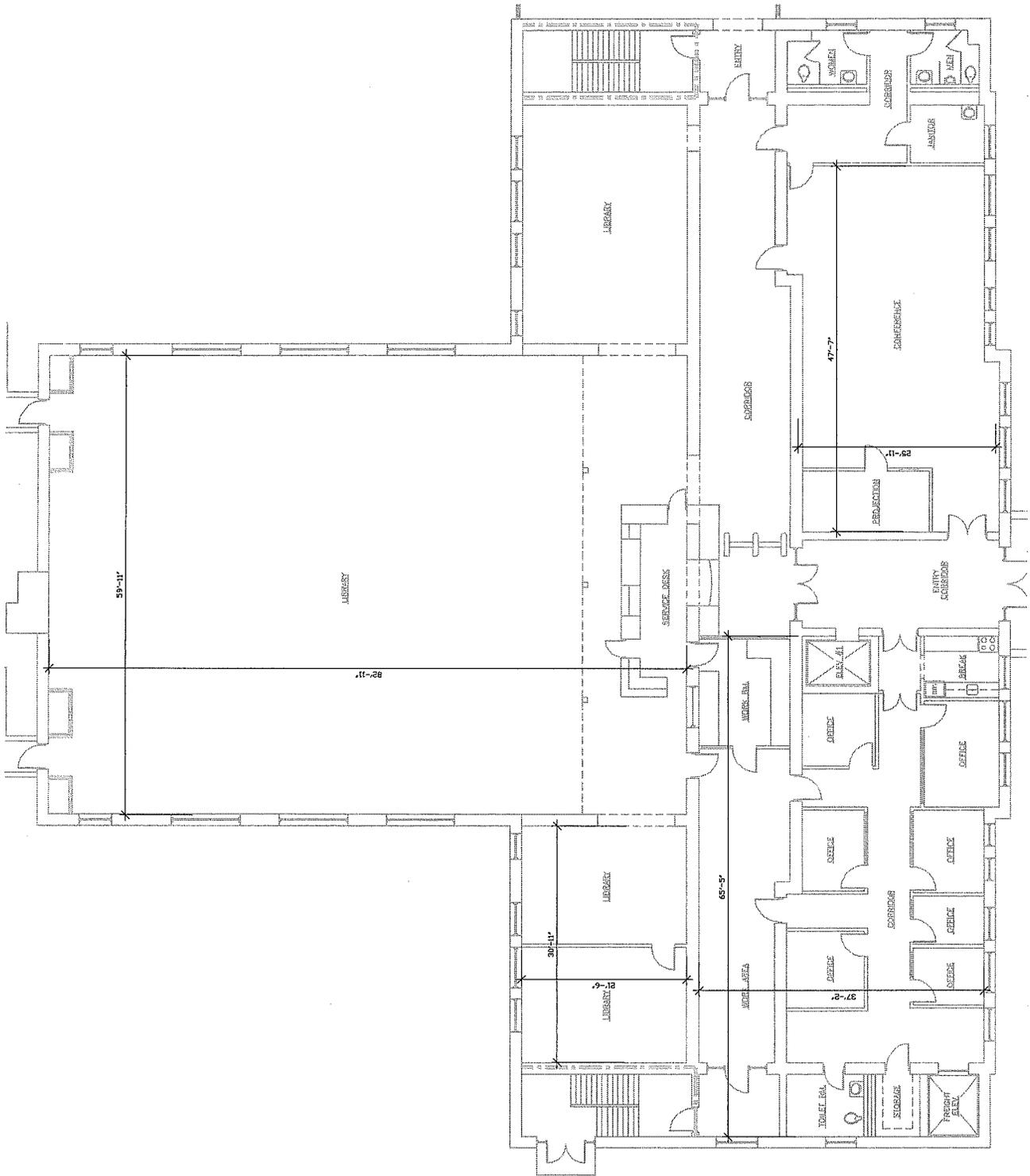
Summary

- Whitted Building would provide viable, alternative meeting space in Hillsborough—a part of Orange County that does not currently house enough meeting space.
- Whitted Building would be useful for both Visitors Bureau, Arts Commission and Orange County Commissioners.
- Whitted Building would create modest demand for social events such as reunions, school planning meetings and government groups.
- Rental price is a driving factor.
- A marketing campaign would be necessary.
- Facility upgrades would be required.

Orange County Arts Commission Recommendations



- Lighting, sound, acoustics, size and flexibility of performance area/stage, size and comfort of audience area, etc. are all legitimate concerns.
- The rental rate/agreement and quality of the performance space will either increase or decrease arts bookings.



Arts Commission Sprinkler and Structure Reimbursement Proposal		
Whitted Bldg A GSF	34,149	
1st Floor GSF	13,282	
Arts Comm. GSF Proportion	38.89%	
Sprinkler \$/SF ¹	6.88	
Sprinkler Cost Share (based on % GSF)	91,397	
Arts Comm. Sprinkler Reimbursement		91,397
1st Floor Structural Steel Reimbursement		27,300
Total Reimbursement		118,697

1. \$224,988 Sprinkler Cost, plus \$20,000 Sprinkler Design Cost, less \$10,000 credit for avoided ground rated corridor/code costs.

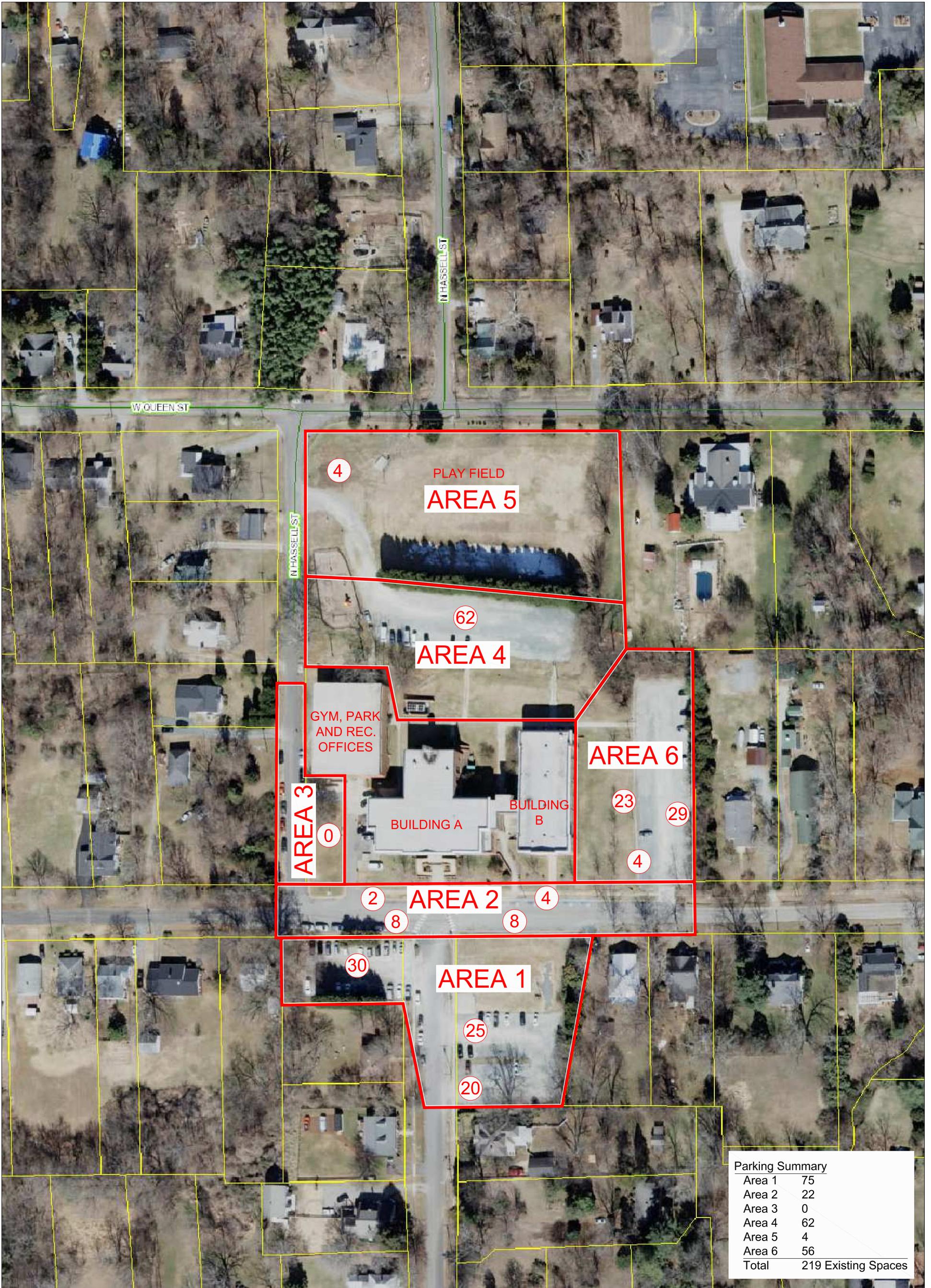
Notes from the County Commissioners walk through of the old Library space at Whitted 1-23-2012

Present:

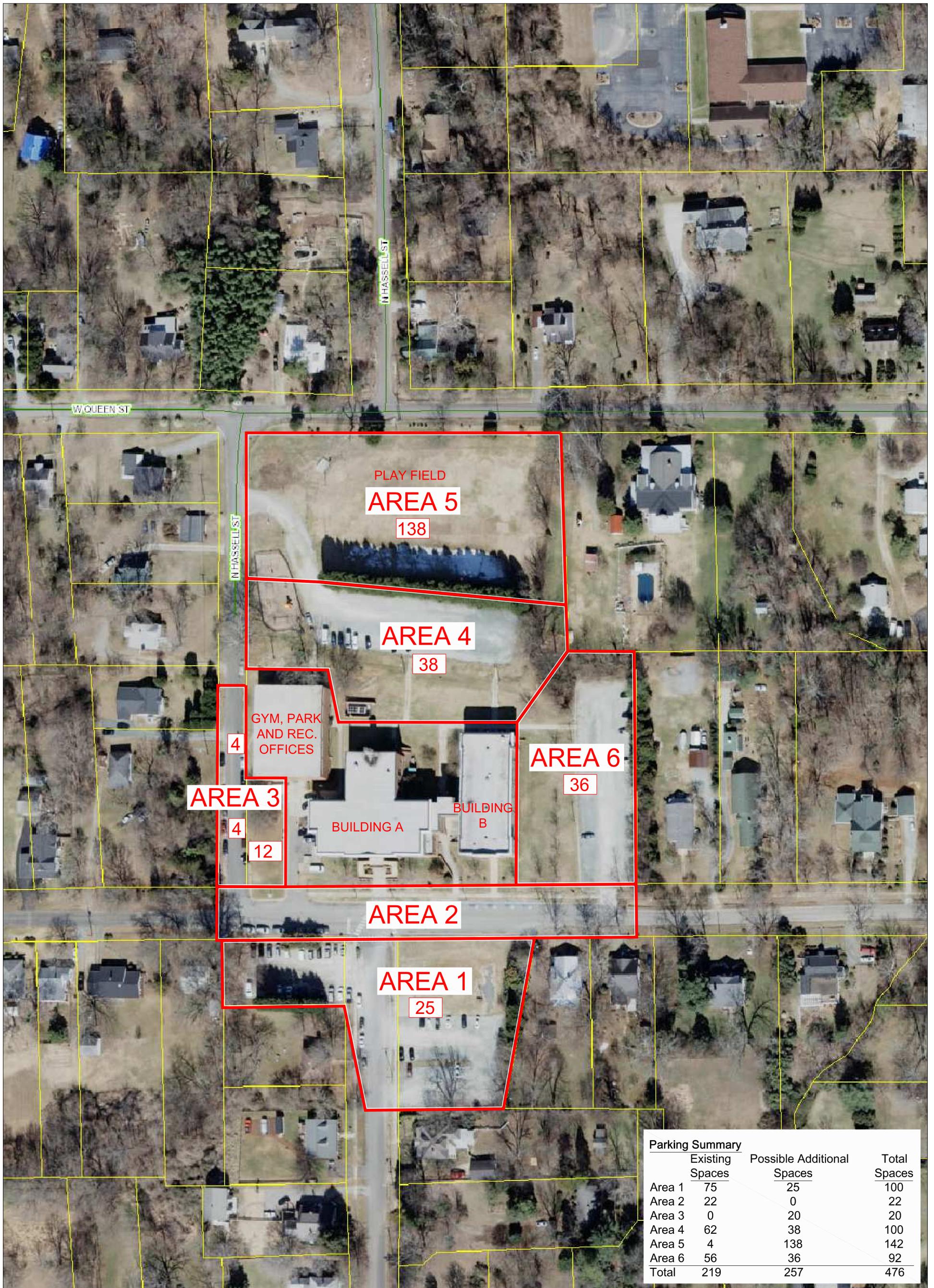
- Alice Gordon
 - Eric Hallman—Town Commissioner
 - Pam Hemminger
 - Barry Jacobs
 - Earl McKee
 - Steve Yuhasz
 - Donna Baker
 - David Hunt
 - Pam Jones
-

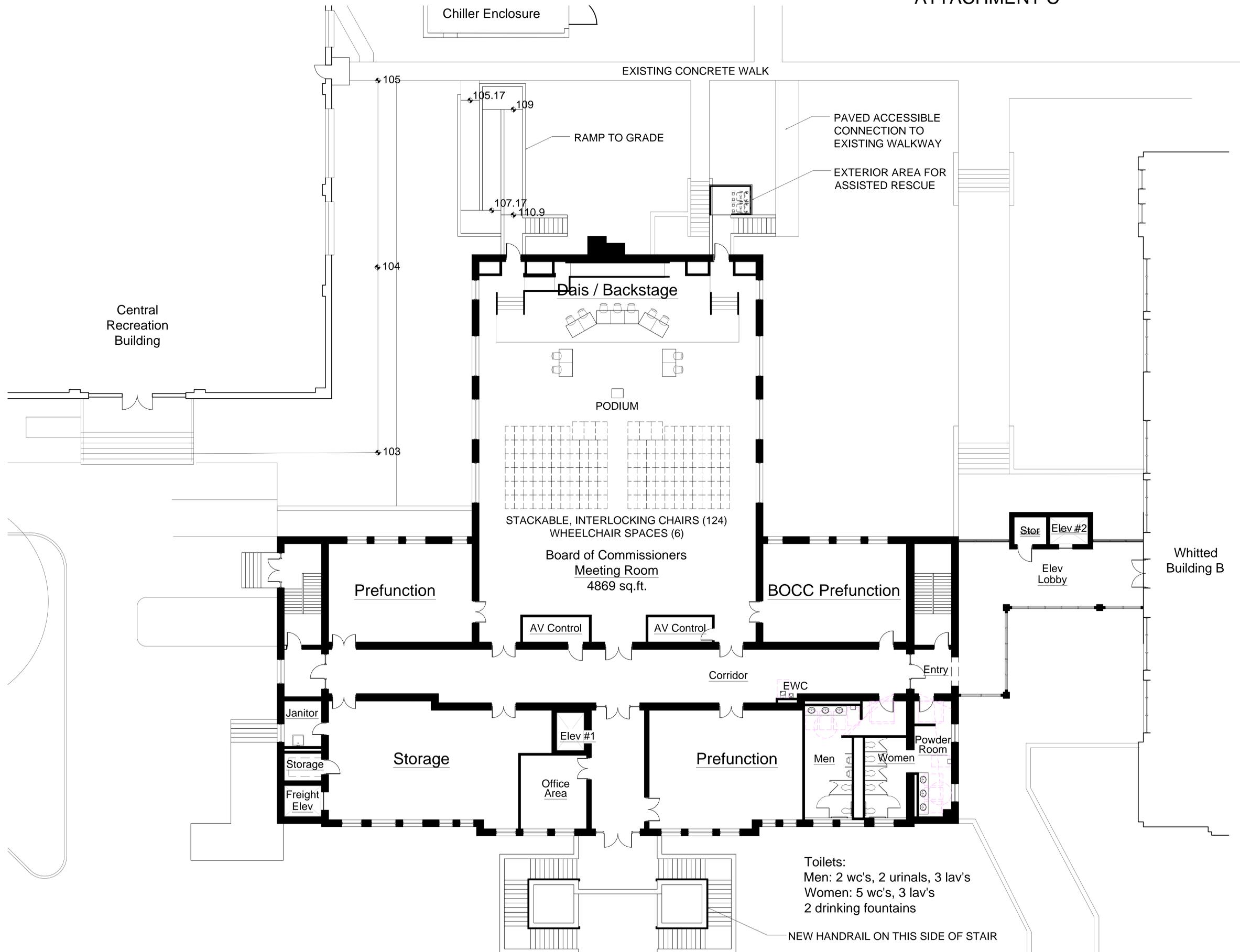
Comments:

- Generally liked space and saw merit as a Board meeting room;
- Acoustics will need to be addressed;
- Desire to offer to Town of Hillsborough and Orange County School Board for meetings;
- Marginal interest in sharing with OCCC. Concerned the dais will be difficult to manage if it becomes part of the performance stage the OCCC would need;
- Some concern that the space may be oversized for the purpose;
- Interested in creating a smaller meeting room in the “children’s area” for closed sessions and perhaps work sessions;
- Debated fixed vs. movable seating—no clear winner;
- Discussed long-term possibility of creating a TV studio in the area previously known as the North Carolina Room (David Hunt)
- Clerk’s staff expressed desire to bring cablecasting equipment from Southern Human Services Center (SHSC) to this location (only the equipment needed to update the bulletin board and other postings on the public access channel—would not affect equipment used to televise meetings from SHSC). Currently they must physically go to SHSC to accomplish this work.
- Ensure the meeting room is viewed in context with the overall long-term space needs for the County. Commissioner Gordon wants to update the space study (or create a whole new one, since the old one is basically completed at this time)
- Concerned about parking and how we get past that hurdle;
- Concerned about the impact on the neighborhood.
- Site security would need to be enhanced;
- Gave assurances that the area was now structurally sound.



Parking Summary	
Area 1	75
Area 2	22
Area 3	0
Area 4	62
Area 5	4
Area 6	56
Total	219 Existing Spaces



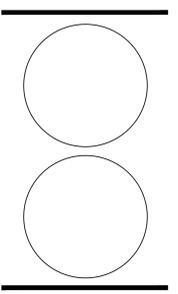


**Whitted Building A- First Level
Scenario 1: BOCC Meeting Room**

Gross Floor Area:
13,286 sq.ft.

1
A1.1

Scale : 1/8" = 1'-0"



Whitted Building A
First floor Renovation for
Orange County Board of Commissioners
Meeting Room

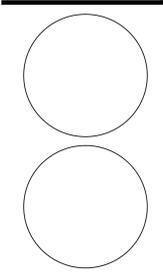
no.	revisions

The use of these plans and specifications shall be restricted to the original site purpose for which they were prepared and publication thereof is expressly limited to such use. Review, reproduction, modification, or publication by any method, in whole or in part is prohibited and the recipient shall defend, indemnify and hold the architect harmless from and against any claims and losses arising therefrom. Title and all ownership rights in the plans and specifications remain in the architect unless otherwise specified. It is to be returned upon request to the architect. Any use, including email delivery, with these plans and specifications shall constitute prima facie evidence of the acceptance of the terms.

drawn checked

sheet

Concept Drawing



Whitted Building A
 First floor Renovation for
 Orange County Board of Commissioners
 Meeting Room

no.	revisions

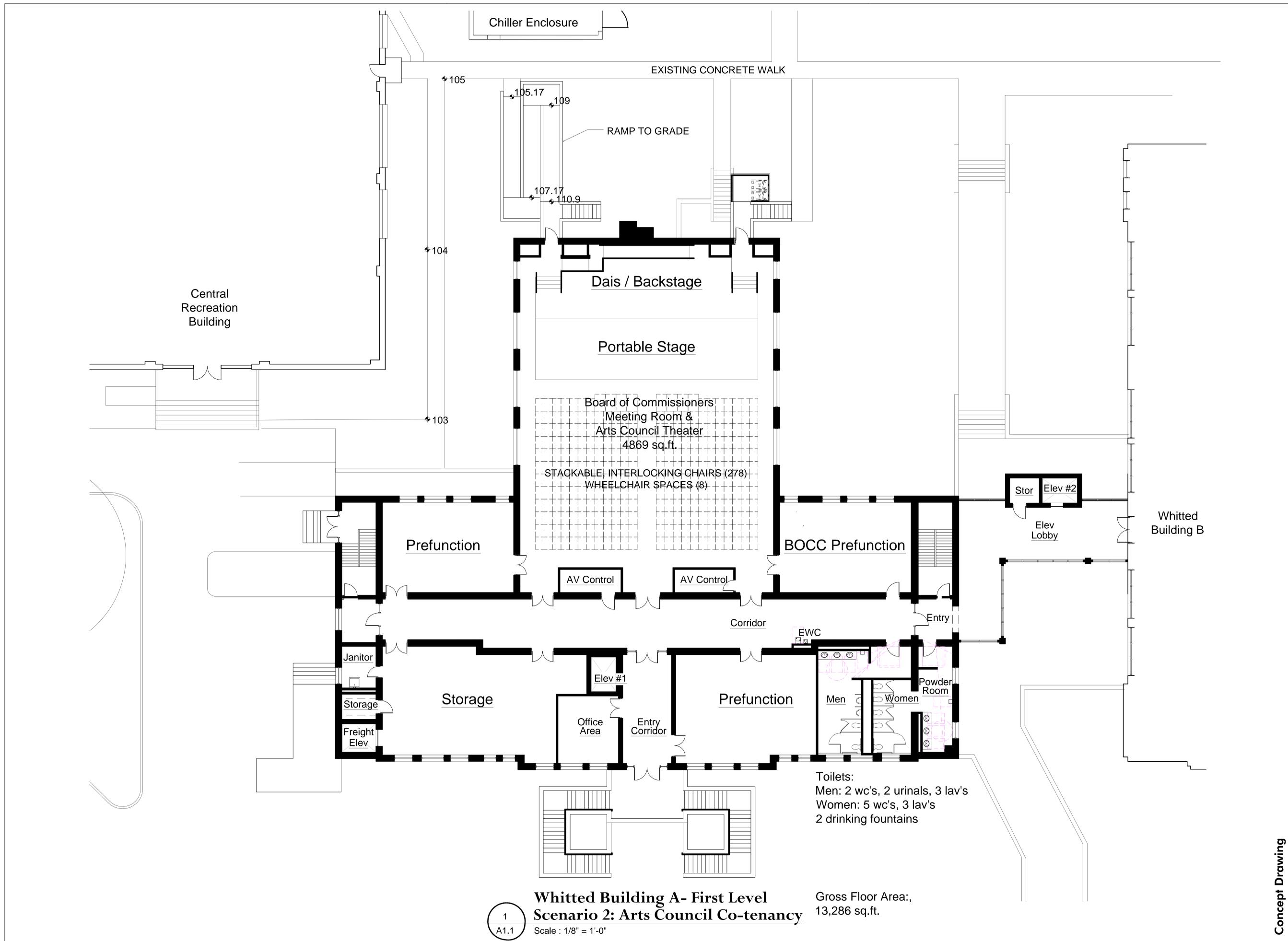
The use of these plans and specifications shall be restricted to the original site purpose for which they were prepared and publication thereof is expressly limited to such use. Review, reproduction, modification, or publication by any method, in whole or in part is prohibited and the recipient shall defend, indemnify and hold the architect harmless from and against any claims and losses arising therefrom. Title and all ownership rights in the plans and specifications remain in the architect unless otherwise specified. It is to be returned upon request to the architect. Any use, including email delivery, with these plans and specifications shall constitute prima facie evidence of the acceptance of the terms.

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date _____ project no. _____
 3/6/12 1115

Concept Drawing



Whitted Building A- First Level
Scenario 2: Arts Council Co-tenancy

Gross Floor Area:
 13,286 sq.ft.



Scale : 1/8" = 1'-0"

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 13, 2012

**Action Agenda
Item No. 2**

SUBJECT: Proposed Revisions to Energy, Water and Fuel Conservation Policies

DEPARTMENT: Asset Management Services
(AMS), Department of
Environment, Agriculture,
Parks and Recreation
(DEAPR)

PUBLIC HEARING: (Y/N)

No

ATTACHMENT(S):

- A) 2005 Energy, Water, and Fuel Conservation Policies - Redline
- B) Proposed 2012 Utility and Fuel Conservation Policies - Clean
- C) Presentation for Work Session

INFORMATION CONTACT:

Wayne Fenton, AMS, (919) 245-2628
Jeff Thompson, AMS, (919) 245-2658
David Stancil, DEAPR, (919) 245-2522

PURPOSE: To receive and provide comments on proposed revisions to the 2005 Energy, Water and Fuel Conservation Policies.

BACKGROUND: The Board adopted Energy, Water and Fuel Conservation Policies in 2005 in support of the "Environmental Responsibility in County Government" goal also adopted at the December 5, 2005 Board meeting.

FINANCIAL IMPACT: There are no financial impacts directly associated with receiving and providing comments on proposed revisions to the 2005 Energy, Water and Fuel Conservation Policies. Sustainable environmental practices and reduced energy, water and fuel use results in avoided costs for utilities and fuels, as well as the less obvious benefits of resource conservation, higher air and water quality, and less greenhouse gas emissions.

RECOMMENDATION(S): The Manager recommends that the Board receive and provide comments on proposed revisions to the 2005 Energy, Water and Fuel Conservation Policies.

Attachment A

Orange County
Effective: January 1, 2013,

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Utility Reduction and Conservation Policy for County Facilities

Deleted: Energy

A. General

Orange County's "Environmental Responsibility in County Government" goal includes the objective: "Initiate policies and programs that conserve energy, reduce fuel/utility/resource consumption..." In support of this goal, the County has adopted this Utility Reduction and Conservation Policy for County Facilities.

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Utility costs for electricity, natural gas, propane and fuel oil and water for County facilities is a significant County cost. Beyond this, energy and water consumption has significant environmental impacts, including direct local impacts. As a result, it is both necessary and beneficial for the County to adopt a policy of energy and water reduction, conservation and efficiency.

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Vehicle fuel conservation is addressed in a separate policy.

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B. Purpose

The purpose of this policy is to reduce the County government's energy and water consumption, wherever possible, and improve efficiency for that energy and water that must be used throughout Orange County government buildings, consistent with the need for safe and secure County facilities.

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C. Policy Goals

The policy addresses both short and long term goals.

1. Short Term (One to Two Years)

- Establish the policy foundation of responsibilities, planning, programs, standards, performance measures and the like to manage the County government's energy and water use and conserve energy and water.
- Manage energy and water consumption to minimize use to the greatest extent possible while maintaining safe and acceptable work conditions.
- Achieve a reduction in average energy and water consumption per square foot annually.

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2. Long Term (Three Years or More)

Attachment A

Orange County
Effective: January 1, 2013,

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- Incorporate energy and water conservation and efficiency systems, techniques and design in all major renovations, system replacements and new construction.
- Support change to State utility budgeting and public utility commission policy that fosters monetary incentives to make energy and water conservation and efficiency efforts economically attractive and streamline program justification requirements so that projects can be executed within a timely interval and savings quickly realized.

D. Scope

1. Facilities

This policy applies to County owned and leased buildings, whether occupied by the County, the courts or other agencies.

2. Equipment

This policy applies to County owned or leased equipment, including computer equipment.

3. Energy and Water Sources

This policy applies to use of electricity, natural gas, propane and fuel oil and to water from municipal sources and wells.

E. Responsibilities

1. Energy, Water and Fuel, Conservation Management Team

The Energy, Water and Fuel Conservation Management Team,

- Includes staff from:

1. Asset Management Services Department (AMS)
2. Department of Environment, Agriculture, Parks and Recreation (DEAPR)

Provides direction, counsel and oversight as to implementation of the Energy and Water Conservation Policy. As necessary, the Conservation Management Team, addresses questions of policy interpretation and adherence.

2. Asset Management Services Department

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 <#>Assistant County Managers¶
 <#>Chief Information Officer¶
 <#>Cooperative Extension Director¶
 <#>County Engineer¶
 <#>Energy Conservation Manager¶
 <#>Environment and Resource Conservation Director¶
 <#>Personnel Director¶
 <#>Public Works Director¶
 <#>Purchasing and Central Services Director¶

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Attachment A

Orange County
Effective: January 1, 2013,

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- The Asset Management Services Department provides leadership, analysis, monitoring, coordination and communication support to the energy conservation initiative. Among other things, the Asset Management Services Department:
- Coordinates development and implementation of the County's annual energy and water conservation action plan including associated costs for inclusion in the annual budget process.
- Tracks and assesses the County's energy conservation performance and progress, including building data collection and analytical tools.
- Working through the departments involved, identifies and appoints a volunteer "Building Energy and Water Representative" for each County facility.
- Conducts spot check energy audits after normal business hours to assess the County's adherence to policies and standards.

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3. The Asset Management Services Department is responsible for:

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- Up fitting as authorized and maintaining County facilities in accordance with the requirements of this policy, including installation of energy and water conserving equipment and verification of correct equipment settings and operation.
- Identifying situations above and beyond those envisioned in this policy that may require individual analysis and action to provide a comfortable, functional work environment.

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4. Building Energy and Water Representatives

The appointed volunteer Building Energy and Water Representatives serve as:

- A resource to building occupants about policies and responsibilities.
- "Energy conservation champions" to support awareness of energy and water conservation and goal achievement.
- Field representatives to the Asset Management Services Department, observing and reporting to AMS, on building conformity during normal business hours with energy and water conservation standards such as those for heating and air conditioning thermostat settings.

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The Public Works Department is responsible for: .
¶
<#>Up fitting as authorized and maintaining County facilities in accordance with the requirements of this policy, including installation of energy conservation equipment and verification of correct equipment settings and operation. .
¶
Identifying situations above and beyond those envisioned in this policy that may require individual analysis and action to provide a comfortable, functional work environment. .
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5. Department Heads

Attachment A

Orange County
Effective: January 1, 2013,

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Department heads are responsible for:

- Communicating the County's energy and water conservation goals and policies to staff, providing guidance and promoting adherence.
- Working with the Asset Management Services Department to identify energy and water reduction techniques or systems that can be implemented without affecting service delivery to the department's customers as well as bringing to their attention any areas that require further action to address.

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6. Employees

County employees are responsible for:

- Becoming knowledgeable about the County's energy and water conservation policies and initiatives and complying with these policies.
- Advising their supervisor of any circumstance that prevents adherence to the County's policies.
- Bringing forward ideas and suggestions for energy and water conservation and efficiency that may not have been identified to them.

F. Energy and Water Conservation Action Plan

1. The Conservation Management Team, Asset Management Services Department and others involved, coordinates the development of an annual "Energy and Water Conservation Action Plan."
2. This annual plan identifies specific actions to be implemented, proposed or estimated time lines, and responsibilities for implementation.
3. The action plan is submitted to the Board of County Commissioners for review and approval, as part of the annual budget process.
4. The action plan is reviewed and updated annually along with evaluation of the previous year's performance, during the annual "Update and Scorecard Results" report.

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G. Reporting, Benchmarking and Performance Measurement

Reporting

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1. The Asset Management Services Department:

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- Ensures information for all billing periods for each energy and water utility (electricity, natural gas, fuel oil and propane gas) is accurately recorded each month and assesses progress, by building and/or department where feasible as well as for the County as a whole, in reducing energy and water demand. This includes analysis of the information and assessment of trends and identification of billing errors.

- Presents reports to department heads and the County Manager to aid in determining if conservation efforts are meeting goals or additional efforts are required.

- Leads development and delivery of the annual reports to the Board of County Commissioners to advise them of progress in conserving energy and water.

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2. Benchmarking/Performance Measurement

The Conservation Management Team uses reporting information to benchmark and measure performance:

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- From year-to-year (aggregate and by individual building) adjusted for heat and cooling degree days, and any other significant factors, in keeping with accepted industry practices, and
- Compared to results for organizations located in similar geographic areas.

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H. Energy Use Standards

1. General

The intent of the energy and water conservation policy and program is to achieve reductions in energy and water consumption while maintaining reasonable comfort levels for building occupants.

Initial temperature set points were based upon ASHRAE comfort chart for 50 percent relative humidity, and employees at light work.

2. Heating and Air Conditioning Standards

Except as otherwise noted, temperature set points are based on the standards (Attachment) of the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE) and are as follows:

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Cooling Season Set Points	75° F – 78° F
Heating Season Set Points	68° F – 72° F

Occupied air conditioning temperature settings are not set below 75 degrees and heating settings are not set above 72 degrees, except for operations which require other settings based on function such as Health Department examination rooms, medical laboratories, computer equipment rooms, library stacks, recreation rooms, animal quarters or the like.

3. Use of Windows

Windows are to be kept closed, unless specifically authorized such as when the HVAC system is disengaged, because open windows throw the HVAC system off balance, and interfere with providing uniform heating or cooling in large buildings.

4. Auxiliary Heating and Cooling Sources

Personal portable space heaters are not allowed because of their excessive energy consumption, fire code and safety issues. If a room is not consistently within the heating/air conditioning set-point range, Asset Management, should be notified through the established work order system so that the problem can be addressed. If building conditions are such that acceptable temperatures cannot be achieved by the HVAC system, Asset Management Services, takes necessary measures to resolve/rectify. If auxiliary heating or fans are required, Asset Management Services will provide these.

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5. Night, Weekend and Holiday Temperature Set-backs

The heating temperatures are set to 60 degrees for all buildings for periods when buildings are not normally occupied. The air conditioning temperatures are set to 80 degrees when buildings are not normally occupied. Normal occupancy for most buildings is from 7:30 a.m. to 6:00 p.m. This means that from 7:30 a.m., until 6:00 p.m., the temperature will be within the set points defined in Item H2 above.

Note: Exceptions to the set backs are made for those functions that must remain operational during these periods such as for night meetings, Emergency Management and the Jail. Also some buildings have unique requirements for longer start up times to reach heating or cooling set points.

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If a building has complete digital control, and individual zone or office temperature control, occupants will be able to override the schedule to provide heating/cooling for their office at any time, for a limited period (typically two hour intervals).

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I. Lighting Policy

1. Office and conference room lights are to be turned off whenever rooms are likely to be unoccupied for more than 15 minutes.
2. Each department or agency shall assign an employee to turn off common area lighting other than corridor lights at the end of the business day. Lights are to be turned off even if it is anticipated that cleaning staff will soon be in the area.
3. Cleaning staff are responsible for turning on lights on an "as needed" basis while working; that is, turning on lights only while an office or room is being cleaned, and turning lights off as soon as cleaning has been completed. Cleaning staff turns off corridor and related lighting prior to leaving the building at the completion of cleaning.
4. Parking lot lights and streetlights located near buildings are typically owned by power companies such as Duke Energy, and are controlled by photocells or timers. Costs for this lighting are on a flat rate basis, and turning them off does not result in cost savings regardless of usage.
5. Athletic Field lights are to be operated only as needed. They should not be in operation during daylight hours. Lights generally will not be operated on weekends, except for special events.

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J. Refrigerators, Microwaves, and Similar Devices

As a longer-term goal, the County will assess the use of refrigerators, microwaves and similar devices and possible replacement of less energy efficient equipment with more energy efficient equipment and approaches.

K. Computer Equipment

The Chief Information Officer assesses energy consumption of personal computers, printers and related devices and recommends to the County Manager guidelines for turning on or off and setting the "sleep" modes that reflect the technology in place. The County Manager issues guidelines for such equipment that apply to all County departments. As experience is gained this will be issued as policy.

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L. Water Use Standards

General

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The intent of the Energy and Water conservation policy and program is to achieve

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reductions in water consumption while maintaining reasonable comfort levels for building occupants.

1. Waterless or low-flow fixtures are used for any replacement fixtures, unless technically impractical.

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2. The County gives preference to drought-tolerant plants when new or replacement plants and/or trees are required for landscaping. Large areas of grass are avoided in favor of alternative plantings and landscaping techniques, whenever possible.

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3. Irrigation is limited to critical needs to support survival of plants, and if allowed by local watering restrictions. Permanently installed irrigation systems are preferred to provide most efficient distribution of water.

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4. Vehicle washing is performed only as permitted by local watering restrictions. If performed, it is done only with water conserving spraying devices rather than an open garden hose. Rain collection for vehicle washing is pursued as feasible.

M. Programs

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To support the Energy and Water Conservation Policy and initiative, the County implements a variety of programs including:

1. Employee Awareness

The County conducts communications programs to promote employee awareness of the need for energy and water conservation. This includes such activities as distribution of this Energy and Water Conservation Policy, reminders via pamphlets, e-mails, Orange Alive, coverage in new employee orientation, and opportunities at employee events to reinforce the conservation ethic.

2. Incentives

Incentive programs will be developed to improve compliance and acceptance by County employees, and other building occupants. These may include building-versus-building contests, department-versus-department contests, financial incentives, preferred parking and the like.

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3. Preventive Maintenance

Preventive Maintenance procedures are used to obtain optimal Energy, and Water-efficient operation of equipment, systems and devices.

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4. Repairs

Repairs/replacement of equipment take into consideration the most cost effective solution over the life of the repair/equipment. Considerations shall include future maintainability, improved operation, improvements to energy or water efficiency, requirement for additional or reduced Preventive Maintenance, and the like.

5. Energy Efficiency Retrofits

The County bases energy efficiency retrofitting project priorities upon the availability of capital improvements plan funds and maintenance needs such as the condition of existing equipment. The County develops and maintains a priority list of retrofit needs.

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6. Renovations

Renovations to County facilities, whether major or minor, are to meet standards for energy and water-efficient equipment and design.

7. New Construction

New construction is required to follow energy and water efficient standards as set forth by the Guidelines for Sustainable Public Facility Design and Development. Life-cycle cost analyses are required, and energy and water efficient designs, including Passive and Active Solar systems, natural lighting, cogeneration and thermal storage, among others are considered and evaluated.

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8. Equipment Selection

The selection of all equipment procured for Orange County, to include computer equipment, printers, copy machines, equipment, refrigerators, and so forth is to consider carefully the anticipated energy use and available energy saving devices.

9. Automation

With the direction and leadership of the Energy Management Team, each County department pursues automation solutions, as feasible, to replace travel-intensive, paper-intensive or other energy consuming activities.

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From American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE) Standards

1. Thermal comfort is that condition of mind that expresses satisfaction with the thermal environment. There are large variations, both physiologically and psychologically, from person to person, which makes it difficult to satisfy everybody in a space. The environmental conditions required for comfort are not the same for everyone. However, extensive laboratory and field data have been collected that provide the necessary statistical data to define conditions that a specified percentage of occupants will find thermally comfortable.
2. This standard specifies the combinations of indoor space environment and personal factors that will produce thermal environmental conditions acceptable to 80% or more of the occupants within a space. The environmental factors addressed are temperature, thermal radiation, humidity, and air speed; the personal factors are those of activity and clothing.
<http://www.constructionbook.com/xq/ASP/ProductID.3695/id.402/subID.636/qx/default2.htm>
3. ASHRAE Standard 55-1992 Thermal Environmental Conditions for Human Occupancy, recommends the following acceptable temperature ranges at relative humidity (RH) of 50% and air speed less than 0.15 m/sec. (30 fpm).

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Acceptable Temperatures		
Season	Clothing	Temperature
Winter	Heavy slacks, long sleeve shirt and/or sweater	20-23.5°C (68-75°F)
Summer	Light slacks and short sleeve shirt	23-26°C (73-79°F)

http://www.ccohs.ca/oshanswers/phys_agents/hot_cold.html

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Vehicle Fuel Conservation Policy

A. General

Orange County's "Environmental Responsibility in County Government" goal includes the objective: "Initiate policies and programs that conserve energy, reduce fuel/utility/resource consumption..." In support of this goal, the County has adopted this Vehicle Fuel Conservation Policy.

Costs for gasoline and diesel fuel for County vehicles and motorized equipment are significant. Beyond this, fuel consumption for vehicles and motorized equipment has significant environmental impacts. As a result, it is both necessary and beneficial for the County to adopt a policy of fuel conservation and efficiency.

Energy and water conservation for County buildings are addressed in a separate policy.

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B. Purpose

The purpose of this policy is to reduce the County government's vehicle fuel consumption, wherever possible; improve fuel efficiency; and maximize the use of alternative fuels for that fuel that must be used to operate Orange County vehicles and motorized equipment, consistent with the need for safe, and reliable County vehicles and motorized equipment.

C. Policy Goals

1. Establish the policy foundation of responsibilities, planning, programs, standards, performance measures and the like to manage the County government's vehicle fuel use and conserve fuel.
2. Manage vehicle and motorized equipment fuel consumption to minimize use to the greatest extent possible while maintaining safe and reliable vehicles and motorized equipment.
3. Provide for the use of alternative fuel (which may include compressed natural gas, bio-diesel, hybrid gas/electric, or the like) vehicles and motorized equipment, unless service needs cannot be met with an alternative fuel vehicle or motorized equipment – as determined by the County Manager.
4. Purchase vehicles and motorized equipment that meet service delivery needs with the greatest fuel efficiency possible whether alternative or traditional fuel.
5. Achieve a reduction in average fuel consumption per mile annually for vehicles and per hour of operation for motorized equipment.

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- 6. Support change to State agency policies that fosters monetary incentives to make fuel efficiency and alternative fuel efforts economically attractive and to streamline program justification requirements so that projects can be executed within a timely interval, and savings quickly realized.

D. Scope

This policy applies to all County owned and leased vehicles and motorized equipment and the operators of these vehicles and equipment.

E. Responsibilities

- 1. Energy Water and Fuel Conservation Management Team

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The Energy, Water and Fuel Conservation Management Team ("Management Team") provides direction, counsel and oversight as to implementation of the Vehicle Fuel Conservation Policy. As necessary, the Management Team addresses questions of policy interpretation and adherence.

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- 2. Finance and Administrative Services Director

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The Finance and Administrative Services Director manages the vehicle acquisition or replacement process as provided in this policy.

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- 3. County Manager

The County Manager's advance approval is required for purchase of any new or replacement vehicle or motorized equipment.

- 4. Asset Management Services Department

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The Asset Management Services Department is responsible for:

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- Performing preventive and corrective maintenance for County vehicles and motorized equipment to ensure maximum fuel efficiency is achieved.
- Preparing the annual vehicle replacement report as part of the annual budget process.

- 5. Department Heads

Department Heads are responsible for:

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- Communicating the County's fuel conservation goals and policies to staff, providing guidance and promoting adherence.
- The assignment of departmental vehicles to departmental staff.
- For vehicles not assigned to a single individual, designating one operator and one backup operator to monitor use and schedule preventive maintenance service as needed.
- Communicating and justifying any request for new and replacement vehicles and motorized equipment as part of the annual budget process.
- Monitoring employee conformance with requirements for vehicle and motorized equipment maintenance, including scheduling of preventive maintenance service.

6. Employees

Employees who operate County vehicles and motorized equipment are responsible for ensuring that:

- Tire and fluid inspections for vehicles are performed (by self, or by Motor Pool staff) according to published directions from the Asset Management Services Department.
- The assigned vehicle is scheduled and delivered to Asset Management Services for preventive maintenance service within time and/or mileage intervals identified by Asset Management Services.
- Corrective maintenance is scheduled with Asset Management Services as soon as possible when a problem with the vehicle is encountered or identified.
- Vehicles are operated according to all applicable laws and rules of the road. This increases fuel conservation and safety.
- Fuel for County vehicles and equipment is acquired through a card system operated by the Asset Management Services Department. Information about fuel transactions is provided by operators of County vehicles according to Asset Management Services Department, identified procedures.

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F. Vehicle Operation

1. Vehicles are to be operated in keeping with manufacturers' recommendations and specifications, and applicable County policy.

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2. To maximize fuel efficiency, vehicles are to be serviced at intervals identified by the Asset Management Services Department.
3. To meet department specific service levels while achieving the highest fuel economy, departments, where applicable, use geographic information systems (GIS), global positioning systems (GPS) or other industry tools and standards to design and implement efficient vehicular routes/schedules and deployment strategies/schedules.

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G. Fuel Conservation Action Plan

1. Asset Management Services, in consultation with the Energy, Water and Fuel Conservation Management Team, and others involved, coordinates the development of an annual “Vehicle Fuel Conservation Action Plan.” The annual action plan includes recommended charge back rates to departments for vehicle operation costs and recommendations for the annual “Vehicle Replacement Report.”
2. The annual plan identifies specific actions to be implemented, proposed and estimated time lines and responsibilities for implementation.
3. The action plan is submitted to the Board of Commissioners as part of the annual budget process.
4. The action plan is reviewed and updated annually along with evaluation of the previous year’s performance during the annual update and scorecard report.

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H. Charge Back Rates

As part of the annual budget process, vehicle cost charge back rates to departments are set each year. Among other things, these take account of fuel and repair costs and are designed to promote the use of alternatively fueled and fuel efficient vehicles.

I. Vehicle Acquisition

1. The Asset Management Services Department, develops, communicates and maintains a written process for the systematic consideration of vehicle acquisition needs (whether additional, or replacement vehicles) and the decision-making as to the type of vehicle to be purchased, including whether it is an alternative fuel vehicle (which may include compressed natural gas, bio-diesel, hybrid gas/electric, etc.). Among other things, this process provides for the following:
 - Determination as to whether the vehicle needs to be acquired or replaced.

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- Determination as to whether an alternative fuel vehicle will meet the service needs.
- Whether an alternative fuel vehicle that will meet the needs is available on State contract; or if not available on State contract otherwise available; or whether a retrofit of a standard fuel vehicle is an option.
- Analysis of the purchase and operating costs of the alternative vehicle versus standard fuel vehicle.
- Report and recommendation to the County Manager on vehicle acquisition and replacement.
- County Manager decision as to the specific vehicle to be acquired.

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2. As part of the Item 1 process, Asset Management Services prepares an annual "Vehicle Replacement Report" which includes recommended priorities for vehicle replacement. This report considers the following factors in prioritizing vehicle replacements:

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- Miles driven to date (odometer reading).
- Mileage (miles per gallon) compared to baseline/industry standards for comparable vehicle.
- Repair and maintenance cost per mile for most recent 12 months, compared to baseline/industry standards for comparable vehicles.
- Vehicle use (front-line emergency response vehicle versus passenger transportation vehicle).
- Overall mechanical assessment by Asset Management Services staff.

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3. Vehicles identified for replacement are removed from service within one month of the replacement vehicle being placed in service, except with the written approval of the County Manager for the vehicle to continue in service.

J. Monitoring and Reporting

1. The Asset Management Services Department fuel management system provides records of all fuel transactions, whether at the County's fuel station or retail outlets. These data are used to create performance reports.

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2. Information is used to benchmark performance:

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- From year-to-year for total miles driven and average miles per gallon.
- Compare to results for similar vehicles/vehicle use in other local governments.

In addition to actual vehicle fuel performance, the County reviews other benchmarks such as reducing reliance on fossil fuel vehicles.

K. Programs

To support the vehicle fuel conservation policy, the County implements a variety of programs including:

1. Employee Awareness

The County conducts communications programs to promote employee awareness of the need for fuel conservation. This includes activities such as distribution of the Vehicle Fuel Conservation Policy, reminders via pamphlets, e-mails, Orange Alive, coverage in new employee orientation, and opportunities at employee events to reinforce the conservation ethic.

2. Incentives

Incentive programs will be developed to improve compliance and acceptance by employees who operate County vehicles. These may include department versus department contests, financial incentives, preferred parking and the like.

3. Preventive Maintenance

Preventive Maintenance procedures are used to obtain optimal fuel-efficient operation of all equipment.

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4. Repairs

Repairs/replacement of all vehicles and motorized equipment take into consideration the most cost-effective solution over the life of the repair/equipment. This includes future maintainability, improved operation, improvement in fuel efficiency, requirement for additional or reduced preventive maintenance, and the like.

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Innovative Strategies

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The County considers and pursues innovative strategies that may reduce the need for gasoline consumption such as video conferencing, "smart travel" with other departments and County car pooling, including educating employees about these.

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Utility Reduction and Conservation Policy for County Facilities

A. General

Orange County's "Environmental Responsibility in County Government" goal includes the objective: "Initiate policies and programs that conserve energy, reduce fuel/utility/resource consumption..." In support of this goal, the County has adopted this Utility Reduction and Conservation Policy for County Facilities.

Utility costs for electricity, natural gas, propane and fuel oil and water for County facilities is a significant County cost. Beyond this, energy and water consumption has significant environmental impacts, including direct local impacts. As a result, it is both necessary and beneficial for the County to adopt a policy of energy and water reduction, conservation and efficiency.

Vehicle fuel conservation is addressed in a separate policy

B. Purpose

The purpose of this policy is to reduce the County government's energy and water consumption, wherever possible, and improve efficiency for that energy and water that must be used throughout Orange County government buildings, consistent with the need for safe and secure County facilities.

C. Policy Goals

The policy addresses both short and long term goals.

1. Short Term (One to Two Years)

- Establish the policy foundation of responsibilities, planning, programs, standards, performance measures and the like to manage the County government's energy and water use and conserve energy and water.
- Manage energy and water consumption to minimize use to the greatest extent possible while maintaining safe and acceptable work conditions.
- Achieve a reduction in average energy and water consumption per square foot annually.

2. Long Term (Three Years or More)

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- Incorporate energy and water conservation and efficiency systems, techniques and design in all major renovations, system replacements and new construction.
- Support change to State utility budgeting and public utility commission policy that fosters monetary incentives to make energy and water conservation and efficiency efforts economically attractive and streamline program justification requirements so that projects can be executed within a timely interval and savings quickly realized.

D. Scope

1. Facilities

This policy applies to County owned and leased buildings, whether occupied by the County, the courts or other agencies.

2. Equipment

This policy applies to County owned or leased equipment, including computer equipment.

3. Energy and Water Sources

This policy applies to use of electricity, natural gas, propane and fuel oil and to water from municipal sources and wells.

E. Responsibilities

1. Energy, Water and Fuel Conservation Management Team

The Energy, Water and Fuel Conservation Management Team

- Includes staff from:

1. Asset Management Services Department (AMS)
2. Department of Environment, Agriculture, Parks and Recreation (DEAPR)

Provides direction, counsel and oversight as to implementation of the Energy and Water Conservation Policy. As necessary, the Conservation Management Team addresses questions of policy interpretation and adherence.

2. Asset Management Services Department

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- The Asset Management Services Department provides leadership, analysis, monitoring, coordination and communication support to the energy conservation initiative. Among other things, the Asset Management Services Department: Coordinates development and implementation of the County's annual energy and water conservation action plan including associated costs for inclusion in the annual budget process.
- Tracks and assesses the County's energy conservation performance and progress, including building data collection and analytical tools.
- Working through the departments involved, identifies and appoints a volunteer "Building Energy and Water Representative" for each County facility.
- Conducts spot check energy audits after normal business hours to assess the County's adherence to policies and standards.

3. The Asset Management Services Department is responsible for:

- Up fitting as authorized and maintaining County facilities in accordance with the requirements of this policy, including installation of energy and water conserving equipment and verification of correct equipment settings and operation.
- Identifying situations above and beyond those envisioned in this policy that may require individual analysis and action to provide a comfortable, functional work environment.

4. Building Energy and Water Representatives

The appointed volunteer Building Energy and Water Representatives serve as:

- A resource to building occupants about policies and responsibilities.
- "Energy conservation champions" to support awareness of energy and water conservation and goal achievement.
- Field representatives to the , Asset Management Services Department, observing and reporting to AMS on building conformity during normal business hours with energy and water conservation standards such as those for heating and air conditioning thermostat settings.

5. Department Heads

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Department heads are responsible for:

- Communicating the County's energy and water conservation goals and policies to staff, providing guidance and promoting adherence.
- Working with the Asset Management Services Department to identify energy and water reduction techniques or systems that can be implemented without affecting service delivery to the department's customers as well as bringing to their attention any areas that require further action to address.

6. Employees

County employees are responsible for:

- Becoming knowledgeable about the County's energy and water conservation policies and initiatives and complying with these policies.
- Advising their supervisor of any circumstance that prevents adherence to the County's policies.
- Bringing forward ideas and suggestions for energy and water conservation and efficiency that may not have been identified to them.

F. Energy and Water Conservation Action Plan

1. The Conservation Management Team, Asset Management Services Department and others involved, coordinates the development of an annual "Energy and Water Conservation Action Plan."
2. This annual plan identifies specific actions to be implemented, proposed or estimated time lines, and responsibilities for implementation.
3. The action plan is submitted to the Board of County Commissioners for review and approval, as part of the annual budget process.
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G. Reporting, Benchmarking and Performance Measurement

Reporting

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1. The Asset Management Services Department:

- Ensures information for all billing periods for each energy and water utility (electricity, natural gas, fuel oil and propane gas) is accurately recorded each month and assesses progress, by building and/or department where feasible as well as for the County as a whole, in reducing energy and water demand. This includes analysis of the information and assessment of trends and identification of billing errors.
- Presents reports to department heads and the County Manager to aid in determining if conservation efforts are meeting goals or additional efforts are required.
- Leads development and delivery of the annual reports to the Board of County Commissioners to advise them of progress in conserving energy and water.

2. Benchmarking/Performance Measurement

The Conservation Management Team uses reporting information to benchmark and measure performance:

- From year-to-year (aggregate and by individual building) adjusted for heat and cooling degree days, and any other significant factors, in keeping with accepted industry practices, and
- Compared to results for organizations located in similar geographic areas.

H. Energy Use Standards

1. General

The intent of the energy and water conservation policy and program is to achieve reductions in energy and water consumption while maintaining reasonable comfort levels for building occupants.

Initial temperature set points were based upon ASHRAE comfort chart for 50 percent relative humidity, and employees at light work.

2. Heating and Air Conditioning Standards

Except as otherwise noted, temperature set points are based on the standards (Attachment) of the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE) and are as follows:

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Cooling Season Set Points	75° F – 78° F
Heating Season Set Points	68° F – 72° F

Occupied air conditioning temperature settings are not set below 75 degrees and heating settings are not set above 72 degrees, except for operations which require other settings based on function such as Health Department examination rooms, medical laboratories, computer equipment rooms, library stacks, recreation rooms, animal quarters or the like.

3. Use of Windows

Windows are to be kept closed, unless specifically authorized such as when the HVAC system is disengaged, because open windows throw the HVAC system off balance, and interfere with providing uniform heating or cooling in large buildings.

4. Auxiliary Heating and Cooling Sources

Personal portable space heaters are not allowed because of their excessive energy consumption, fire code and safety issues. If a room is not consistently within the heating/air conditioning set-point range, Asset Management should be notified through the established work order system so that the problem can be addressed. If building conditions are such that acceptable temperatures cannot be achieved by the HVAC system, Asset Management Services takes necessary measures to resolve/rectify. If auxiliary heating or fans are required, Asset Management Services will provide these.

5. Night, Weekend and Holiday Temperature Set-backs

The heating temperatures are set to 60 degrees for all buildings for periods when buildings are not normally occupied. The air conditioning temperatures are set to 80 degrees when buildings are not normally occupied. Normal occupancy for most buildings is from 7:30 a.m. to 6:00 p.m. This means that from 7:30 a.m., until 6:00 p.m., the temperature will be within the set points defined in Item H2 above.

Note: Exceptions to the set backs are made for those functions that must remain operational during these periods such as for night meetings, Emergency Management and the Jail. Also some buildings have unique requirements for longer start up times to reach heating or cooling set points.

If a building has complete digital control, and individual zone or office temperature control, occupants will be able to override the schedule to provide heating/cooling for their office at any time, for a limited period (typically two hour intervals).

Attachment B

Orange County
Effective: January 1, 2013

I. Lighting Policy

1. Office and conference room lights are to be turned off whenever rooms are likely to be unoccupied for more than 15 minutes.
2. Each department or agency shall assign an employee to turn off common area lighting other than corridor lights at the end of the business day. Lights are to be turned off even if it is anticipated that cleaning staff will soon be in the area.
3. Cleaning staff are responsible for turning on lights on an “as needed” basis while working; that is, turning on lights only while an office or room is being cleaned, and turning lights off as soon as cleaning has been completed. Cleaning staff turns off corridor and related lighting prior to leaving the building at the completion of cleaning.
4. Parking lot lights and streetlights located near buildings are typically owned by power companies such as Duke Energy and are controlled by photocells or timers. Costs for this lighting are on a flat rate basis, and turning them off does not result in cost savings regardless of usage.
5. Athletic Field lights are to be operated only as needed. They should not be in operation during daylight hours. Lights generally will not be operated on weekends, except for special events.

J. Refrigerators, Microwaves, and Similar Devices

As a longer-term goal, the County will assess the use of refrigerators, microwaves and similar devices and possible replacement of less energy efficient equipment with more energy efficient equipment and approaches.

K. Computer Equipment

The Chief Information Officer assesses energy consumption of personal computers, printers and related devices and recommends to the County Manager guidelines for turning on or off and setting the “sleep” modes that reflect the technology in place. The County Manager issues guidelines for such equipment that apply to all County departments. As experience is gained this will be issued as policy.

L. Water Use Standards

General

The intent of the Energy and Water conservation policy and program is to achieve

Attachment B

Orange County

Effective: January 1, 2013

reductions in water consumption while maintaining reasonable comfort levels for building occupants.

1. Waterless or low-flow fixtures are used for any replacement fixtures, unless technically impractical.
2. The County gives preference to drought-tolerant plants when new or replacement plants and/or trees are required for landscaping. Large areas of grass are avoided in favor of alternative plantings and landscaping techniques, whenever possible.
3. Irrigation is limited to critical needs to support survival of plants, and if allowed by local watering restrictions. Permanently installed irrigation systems are preferred to provide most efficient distribution of water.
4. Vehicle washing is performed only as permitted by local watering restrictions. If performed, it is done only with water conserving spraying devices rather than an open garden hose. Rain collection for vehicle washing is pursued as feasible.

M. Programs

To support the Energy and Water Conservation Policy and initiative, the County implements a variety of programs including:

1. Employee Awareness

The County conducts communications programs to promote employee awareness of the need for energy and water conservation. This includes such activities as distribution of this Energy and Water Conservation Policy, reminders via pamphlets, e-mails, Orange Alive, coverage in new employee orientation, and opportunities at employee events to reinforce the conservation ethic.

2. Incentives

Incentive programs will be developed to improve compliance and acceptance by County employees, and other building occupants. These may include building-versus-building contests, department-versus-department contests, financial incentives, preferred parking and the like.

3. Preventive Maintenance

Preventive Maintenance procedures are used to obtain optimal Energy, and Water-efficient operation of equipment, systems and devices.

Attachment B

Orange County
Effective: January 1, 2013

4. Repairs

Repairs/replacement of equipment take into consideration the most cost effective solution over the life of the repair/equipment. Considerations shall include future maintainability, improved operation, improvements to energy or water efficiency, requirement for additional or reduced Preventive Maintenance, and the like.

5. Energy Efficiency Retrofits

The County bases energy efficiency retrofitting project priorities upon the availability of capital improvements plan funds and maintenance needs such as the condition of existing equipment. The County develops and maintains a priority list of retrofit needs.

6. Renovations

Renovations to County facilities, whether major or minor, are to meet standards for energy, and water-efficient equipment and design.

7. New Construction

New construction is required to follow energy and water efficient standards as set forth by the Guidelines for Sustainable Public Facility Design and Development. Life-cycle cost analyses are required, and energy and water efficient designs, including Passive and Active Solar systems, natural lighting, cogeneration and thermal storage, among others are considered and evaluated.

8. Equipment Selection

The selection of all equipment procured for Orange County, to include computer equipment, printers, copy machines, equipment, refrigerators, and so forth is to consider carefully the anticipated energy use and available energy saving devices.

9. Automation

With the direction and leadership of the Energy Management Team , each County department pursues automation solutions, as feasible, to replace travel-intensive, paper-intensive or other energy consuming activities.

Attachment B

Orange County
Effective: January 1, 2013

Attachment

From American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE) Standards

1. Thermal comfort is that condition of mind that expresses satisfaction with the thermal environment. There are large variations, both physiologically and psychologically, from person to person, which makes it difficult to satisfy everybody in a space. The environmental conditions required for comfort are not the same for everyone. However, extensive laboratory and field data have been collected that provide the necessary statistical data to define conditions that a specified percentage of occupants will find thermally comfortable.
2. This standard specifies the combinations of indoor space environment and personal factors that will produce thermal environmental conditions acceptable to 80% or more of the occupants within a space. The environmental factors addressed are temperature, thermal radiation, humidity, and air speed; the personal factors are those of activity and clothing.
<http://www.constructionbook.com/xq/ASP/ProductID.3695/id.402/subID.636/qx/default2.htm>
3. ASHRAE Standard 55-1992 Thermal Environmental Conditions for Human Occupancy, recommends the following acceptable temperature ranges at relative humidity (RH) of 50% and air speed less than 0.15 m/sec. (30 fpm).

Acceptable Temperatures		
Season	Clothing	Temperature
Winter	Heavy slacks, long sleeve shirt and/or sweater	20-23.5°C (68-75°F)
Summer	Light slacks and short sleeve shirt	23-26°C (73-79°F)

http://www.ccohs.ca/oshanswers/phys_agents/hot_cold.html

Orange County
Effective: January 1, 2013

Vehicle Fuel Conservation Policy

A. General

Orange County's "Environmental Responsibility in County Government" goal includes the objective: "Initiate policies and programs that conserve energy, reduce fuel/utility/resource consumption..." In support of this goal, the County has adopted this Vehicle Fuel Conservation Policy.

Costs for gasoline and diesel fuel for County vehicles and motorized equipment are significant. Beyond this, fuel consumption for vehicles and motorized equipment has significant environmental impacts. As a result, it is both necessary and beneficial for the County to adopt a policy of fuel conservation and efficiency.

Energy and water conservation for County buildings are addressed in a separate policy.

B. Purpose

The purpose of this policy is to reduce the County government's vehicle fuel consumption, wherever possible; improve fuel efficiency; and maximize the use of alternative fuels for that fuel that must be used to operate Orange County vehicles and motorized equipment, consistent with the need for safe, and reliable County vehicles and motorized equipment.

C. Policy Goals

1. Establish the policy foundation of responsibilities, planning, programs, standards, performance measures and the like to manage the County government's vehicle fuel use and conserve fuel.
2. Manage vehicle and motorized equipment fuel consumption to minimize use to the greatest extent possible while maintaining safe and reliable vehicles and motorized equipment.
3. Provide for the use of alternative fuel (which may include compressed natural gas, bio-diesel, hybrid gas/electric, or the like) vehicles and motorized equipment, unless service needs cannot be met with an alternative fuel vehicle or motorized equipment – as determined by the County Manager.
4. Purchase vehicles and motorized equipment that meet service delivery needs with the greatest fuel efficiency possible whether alternative or traditional fuel.
5. Achieve a reduction in average fuel consumption per mile annually for vehicles and per hour of operation for motorized equipment.

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6. Support change to State agency policies that fosters monetary incentives to make fuel efficiency and alternative fuel efforts economically attractive and to streamline program justification requirements so that projects can be executed within a timely interval, and savings quickly realized.

D. Scope

This policy applies to all County owned and leased vehicles and motorized equipment and the operators of these vehicles and equipment.

E. Responsibilities

1. Energy Water and Fuel Conservation Management Team

The Energy, Water and Fuel Conservation Management Team (“Management Team”) provides direction, counsel and oversight as to implementation of the Vehicle Fuel Conservation Policy. As necessary, the Management Team addresses questions of policy interpretation and adherence.

2. Finance and Administrative Services Director

The Finance and Administrative Services Director manages the vehicle acquisition or replacement process as provided in this policy.

3. County Manager

The County Manager’s advance approval is required for purchase of any new or replacement vehicle or motorized equipment.

4. Asset Management Services Department

The Asset Management Services Department is responsible for:

- Performing preventive and corrective maintenance for County vehicles and motorized equipment to ensure maximum fuel efficiency is achieved.
- Preparing the annual vehicle replacement report as part of the annual budget process.

5. Department Heads

Department Heads are responsible for:

Orange County

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- Communicating the County's fuel conservation goals and policies to staff, providing guidance and promoting adherence.
- The assignment of departmental vehicles to departmental staff.
- For vehicles not assigned to a single individual, designating one operator and one backup operator to monitor use and schedule preventive maintenance service as needed.
- Communicating and justifying any request for new and replacement vehicles and motorized equipment as part of the annual budget process.
- Monitoring employee conformance with requirements for vehicle and motorized equipment maintenance, including scheduling of preventive maintenance service.

6. Employees

Employees who operate County vehicles and motorized equipment are responsible for ensuring that:

- Tire and fluid inspections for vehicles are performed (by self, or by Motor Pool staff) according to published directions from the Asset Management Services Department.
- The assigned vehicle is scheduled and delivered to Asset Management Services for preventive maintenance service within time and/or mileage intervals identified by Asset Management Services.
- Corrective maintenance is scheduled with Asset Management Services as soon as possible when a problem with the vehicle is encountered or identified.
- Vehicles are operated according to all applicable laws and rules of the road. This increases fuel conservation and safety.
- Fuel for County vehicles and equipment is acquired through a card system operated by the Asset Management Services Department. Information about fuel transactions is provided by operators of County vehicles according to Asset Management Services Department identified procedures.

F. Vehicle Operation

1. Vehicles are to be operated in keeping with manufacturers' recommendations and specifications, and applicable County policy.

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2. To maximize fuel efficiency, vehicles are to be serviced at intervals identified by the Asset Management Services Department.
3. To meet department specific service levels while achieving the highest fuel economy, departments, where applicable, use geographic information systems (GIS), global positioning systems (GPS) or other industry tools and standards to design and implement efficient vehicular routes/schedules and deployment strategies/schedules.

G. Fuel Conservation Action Plan

1. Asset Management Services, in consultation with the Energy, Water and Fuel Conservation Management Team and others involved, coordinates the development of an annual "Vehicle Fuel Conservation Action Plan." The annual action plan includes recommended charge back rates to departments for vehicle operation costs and recommendations for the annual "Vehicle Replacement Report."
2. The annual plan identifies specific actions to be implemented, proposed and estimated time lines and responsibilities for implementation.
3. The action plan is submitted to the Board of Commissioners as part of the annual budget process.
4. The action plan is reviewed and updated annually along with evaluation of the previous year's performance during the annual update and scorecard report. .

H. Charge Back Rates

As part of the annual budget process, vehicle cost charge back rates to departments are set each year. Among other things, these take account of fuel and repair costs and are designed to promote the use of alternatively fueled and fuel efficient vehicles.

I. Vehicle Acquisition

1. The Asset Management Services Department develops, communicates and maintains a written process for the systematic consideration of vehicle acquisition needs (whether additional or replacement vehicles) and the decision-making as to the type of vehicle to be purchased, including whether it is an alternative fuel vehicle (which may include compressed natural gas, bio-diesel, hybrid gas/electric, etc.). Among other things, this process provides for the following:
 - Determination as to whether the vehicle needs to be acquired or replaced.

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- Determination as to whether an alternative fuel vehicle will meet the service needs.
 - Whether an alternative fuel vehicle that will meet the needs is available on State contract; or if not available on State contract otherwise available; or whether a retrofit of a standard fuel vehicle is an option.
 - Analysis of the purchase and operating costs of the alternative vehicle versus standard fuel vehicle.
 - Report and recommendation to the County Manager on vehicle acquisition and replacement.
 - County Manager decision as to the specific vehicle to be acquired.
2. As part of the Item I process, Asset Management Services prepares an annual "Vehicle Replacement Report" which includes recommended priorities for vehicle replacement. This report considers the following factors in prioritizing vehicle replacements:
- Miles driven to date (odometer reading).
 - Mileage (miles per gallon) compared to baseline/industry standards for comparable vehicle.
 - Repair and maintenance cost per mile for most recent 12 months, compared to baseline/industry standards for comparable vehicles.
 - Vehicle use (front-line emergency response vehicle versus passenger transportation vehicle).
 - Overall mechanical assessment by Asset Management Services staff.
3. Vehicles identified for replacement are removed from service within one month of the replacement vehicle being placed in service, except with the written approval of the County Manager for the vehicle to continue in service.

J. Monitoring and Reporting

1. The Asset Management Services Department fuel management system provides records of all fuel transactions, whether at the County's fuel station or retail outlets. These data are used to create performance reports.
2. Information is used to benchmark performance:

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- From year-to-year for total miles driven and average miles per gallon.
- Compare to results for similar vehicles/vehicle use in other local governments.

In addition to actual vehicle fuel performance, the County reviews other benchmarks such as reducing reliance on fossil fuel vehicles.

K. Programs

To support the vehicle fuel conservation policy, the County implements a variety of programs including:

1. Employee Awareness

The County conducts communications programs to promote employee awareness of the need for fuel conservation. This includes activities such as distribution of the Vehicle Fuel Conservation Policy, reminders via pamphlets, e-mails, Orange Alive, coverage in new employee orientation, and opportunities at employee events to reinforce the conservation ethic.

2. Incentives

Incentive programs will be developed to improve compliance and acceptance by employees who operate County vehicles. These may include department versus department contests, financial incentives, preferred parking and the like.

3. Preventive Maintenance

Preventive Maintenance procedures are used to obtain optimal fuel-efficient operation of all equipment.

4. Repairs

Repairs/replacement of all vehicles and motorized equipment take into consideration the most cost-effective solution over the life of the repair/equipment. This includes future maintainability, improved operation, improvement in fuel efficiency, requirement for additional or reduced preventive maintenance, and the like.

Innovative Strategies

The County considers and pursues innovative strategies that may reduce the need for gasoline consumption such as video conferencing, "smart travel" with other departments and County car pooling, including educating employees about these.



Policies for Utility and Fuel Conservation

Board of County Commissioners
Work Session
November 13, 2012



Purpose

- Review and consider modifications to existing Conservation Policies adopted by Board December 5, 2005:
 - Energy Conservation Policy
 - Water Conservation Policy
 - Vehicle Fuel Conservation Policy



Background

- As part of the larger “Environmental Responsibility County Government” goal adopted by the Board at its December 5, 2005 meeting, additional policies were adopted
- These were aimed at conserving energy, water and fuel
- Numerous changes in the structure of Orange County government have occurred since these policies were adopted
- Asset Management Services (AMS) is the County department with lead responsibility for utility and fuel management
- AMS manages most County facilities and vehicles, including utilities and fuel



Focus for Proposed Policy Modifications

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- Key Proposed Modifications include:
 - Combining energy and water policies into a single utility policy
 - Replacement of “Energy Conservation Task Group” with focused, quicker responding “Conservation Management Team”
 - Conservation Team includes departments with primary responsibilities for conservation
 - Asset Management Services
 - Department of Environment, Agriculture, Parks and Recreation



Unchanged in Modified Policies

38

- Responsibility for employees to take ownership of conservation activities
- Responsibility for department heads to promote conservation
- Focus on “action items” in the form of annual plan
- Focus on items with greatest potential for reduction (within available budgets)



Questions & Comments

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: November 13, 2012

**Action Agenda
Item No. 3**

SUBJECT: Review the Concept of Establishing Three (3) New Fire Service Districts to Improve Property Insurance Ratings and Lower Homeowners' Insurance Costs

DEPARTMENT: Emergency Services

PUBLIC HEARING: (Y/N)

No

ATTACHMENT(S):

- A. Old South Orange Fire Insurance District Map
- B. Chapel Hill/ Southern Triangle District Map
- C. New South Orange Fire Insurance District Map
- D. Property Tax Revenue Projections – New South Orange Fire Service District
- E. Letter from North Chatham Volunteer Fire Department
- F. Old North Chatham Fire Insurance District Map
- G. Comparison of Insurance Premiums
- H. Old Greater Chapel Hill Fire Insurance District Map
- I. New Greater Chapel Hill Fire Insurance District Map
- J. Greater Chapel Hill Fire Insurance District Map with Hydrants
- K. Property Tax Revenue Projections – North Chatham Fire Insurance District
- L. New North Chatham Fire Insurance District Map
- M. Property Tax Revenue Projections – New Greater Chapel Hill Fire Service District
- N. Memorandum from Staff Attorney

INFORMATION CONTACT:

F. R. Montes de Oca, 245-6100
Annette Moore, 245-2317
Michael Talbert, 245-2308

PURPOSE: To consider the concept of establishing three (3) New Fire Service Districts to improve insurance rating, improve fire coverage, and lower insurance costs for property owners outside of six (6) road miles from the nearest station in the existing Southern Triangle Fire District.

BACKGROUND: On September 13, 2011 the Board was presented options for changing fire districts to improve insurance ratings for the 1,156 properties located outside of six (6) road miles from the closest fire station located in their fire insurance district. A County Attorney's memorandum dated September 1, 2011 provided a legal opinion for fire protection tax districts, with the available options listed below:

1. Realign Fire Insurance District boundaries without changing Fire Tax Districts
2. Change existing Fire Protection Districts, which would also change the Fire Tax District.
3. Establish one or more Fire Service Districts to replace or overlay existing Fire Protection Districts which could also change Fire Tax Districts.

On March 13, 2012 the Board approved a request from the Orange Grove Fire Department to construct a new fire station #2 that is strategically located in the southeastern part of the Cane Creek Fire District. This newly constructed fire station is providing insurance district coverage for an estimated 400 property owners that were more than six (6) road miles from the Orange Grove Station. The Orange Grove Fire Department is in the planning stages for a new fire station #3 to be strategically located in the western part of the Cane Creek fire district. That new fire station #3 will provide insurance district coverage for an estimated 250 property owners currently more than six (6) road miles from the Orange Grove Station.

The Emergency Services Workgroup has discussed all available options for the 1,156 properties located outside of (6) six road miles from the closest fire station located in their fire insurance district. With the new fire stations in the Cane Creek Fire District, over 600 property owners will be provided insurance district coverage and will be located less than six (6) road miles from the nearest Orange Grove Station.

The Emergency Services Workgroup is recommending the creation of (3) three New Fire Service Districts to overlay and replace (3) existing Fire Protection Districts. With input from the State Fire Marshal's office, the proposal is to modify existing fire insurance districts and create Fire Service Districts that are exactly the same as the fire insurance districts. The three (3) Fire Services Districts are proposed to be the South Orange Fire Service District, North Chatham Fire Service District and Greater Chapel Hill Fire Service District.

South Orange Fire Service District

Attachment A is a map of the existing South Orange Fire Insurance District. Due to the Town of Chapel Hill annexations, the South Orange Fire Insurance District has been split. The Town of Carrboro provides fire protection in the South Orange Fire Insurance District and now has to travel through the Town of Chapel Hill to respond to a fire call off Mt. Carmel Church Road. Attachment B shows a detail map of the area and Chapel Hill Fire Station # 5 that is less than one (1) mile from the area outlined in gray. The Town of Chapel Hill is better positioned and willing to provide fire protections for this area in gray. The Town staff is prepared to make that recommendation to the Chapel Hill Town Council.

This issue has also been discussed with the Town Manager for the Town of Carrboro. The Town Manager is prepared to recommend to the Carrboro Board of Aldermen that the Town provide fire protection to the proposed new Fire Insurance District (see Attachment C) if the tax rate is adjusted to be revenue neutral for the Town. The area in gray on Attachment B

represents 100 parcels and \$36,003,769 of real property value. When vehicles and personal property values are added to the real property total, an estimated \$37,673,414 of taxable value would be removed from the existing South Orange Fire Insurance District. Attachment D shows the existing property valuation of \$556,977,528 for the South Orange Fire Insurance District, the reduction of \$37,673,414 of taxable value, and the remaining property valuation of \$519,304,114. The estimated tax valuation reduction from the existing South Orange Fire Insurance District equals 6.8% of the total. A fire district tax increase of .6 cents, from 7.85 cents to 8.45 cents, would be required to insure that this change is revenue neutral for the Town of Carrboro.

North Chatham Fire Service District

Orange County has received a letter from North Chatham Volunteer Fire Department (Attachment E) indicating that the Department will charge a tax rate of 8.8 cents beginning July 1, 2013. This is the same rate currently charged in Chatham County and a 76% increase over the existing 5 cents. Attachment F is a map of the existing North Chatham Fire Insurance District. Included on Attachment B, in yellow, are 112 homeowners located more than six (6) road miles from the nearest North Chatham Station, but less than three (3) road miles from Chapel Hill Fire Station #5. These homeowners have an insurance rating of 10 (see Attachment G for an example of insurance premiums related to fire insurance ratings). Several homeowners in this area have indicated that they cannot get fire insurance or that the rate has doubled.

The only logical Fire Department that could provide fire protection for this area is the Town of Chapel Hill. The Town of Chapel Hill is a municipal fire department which relies on hydrants as its water source to fight fires. The Town of Chapel Hill is better positioned and willing to provide fire protections for this area. Discussions have occurred involving the Town of Chapel Hill Fire Chief and North Chatham Fire Department Chief concerning possible fire and insurance solutions for this area. Attachment H is a map of the existing Greater Chapel Hill Fire Insurance District. Attachment I is a map of the proposed new Greater Chapel Hill Fire Insurance District that includes not only the area proposed to be deleted from South Orange, but also the 112 homeowners from Attachment B and additional property included in the Southern Triangle Fire District that have hydrants. The Town of Chapel Hill staff is prepared to make this recommendation to the Chapel Hill Town Council, and the North Chatham Fire Chief has indicated a plan to make this recommendation to the North Chatham Board of Directors.

Attachment J shows a potential new Chapel Hill Fire Service District which includes hydrants. Attachment K is a projection of property values and revenues for the New North Chatham Fire Insurance District. Attachment L is a map of the proposed New North Chatham Fire Insurance District. With a property tax increase from 5 cents to 8.8 cents and a reduction of property covered by the district, the net impact for the new district is a revenue increase of \$31,441 from \$213,325 to \$244,766.

Greater Chapel Hill Fire Service District

Attachment M is a projection of property values and revenues for the New Greater Chapel Hill Fire Insurance District.

Outcomes

- Improved Fire Insurance Ratings for 112 homeowners.
- Improved response times for all residents of the New Greater Chapel Hill Fire Service Districts.
- Higher Fire District tax rates for everyone.

Actions needed to create three (3) new Fire Service Districts

- Approval by the Orange County Board of Commissioners following the procedure outlined in Attachment N, including scheduling a Public Hearing.
- Approval by the Carrboro Board of Aldermen.
- Approval by the Chapel Hill Town Council.
- Approval by the North Chatham Fire Department Board of Directors.
- Approval by the State Fire Marshal's Office.

FINANCIAL IMPACT: There is no financial impact to the County, but there is a financial impact on all property owners with higher Fire District Taxes.

RECOMMENDATION(S): The Manager recommends that the Board consider the establishment of three (3) New Fire Service Districts and provide direction to staff regarding action to establish the three (3) New Fire Service Districts.

Old South Orange Fire Insurance District

LEGEND

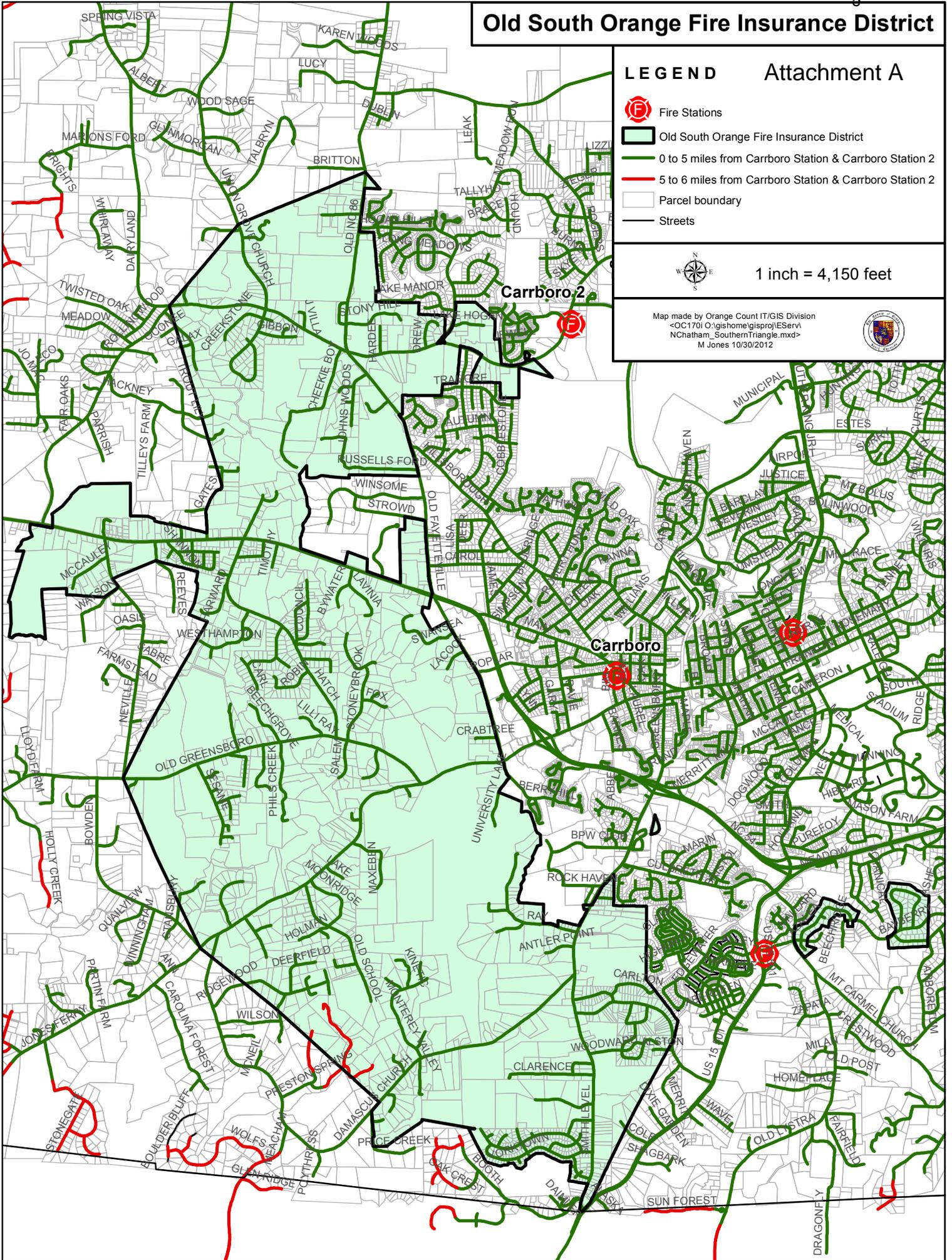
Attachment A

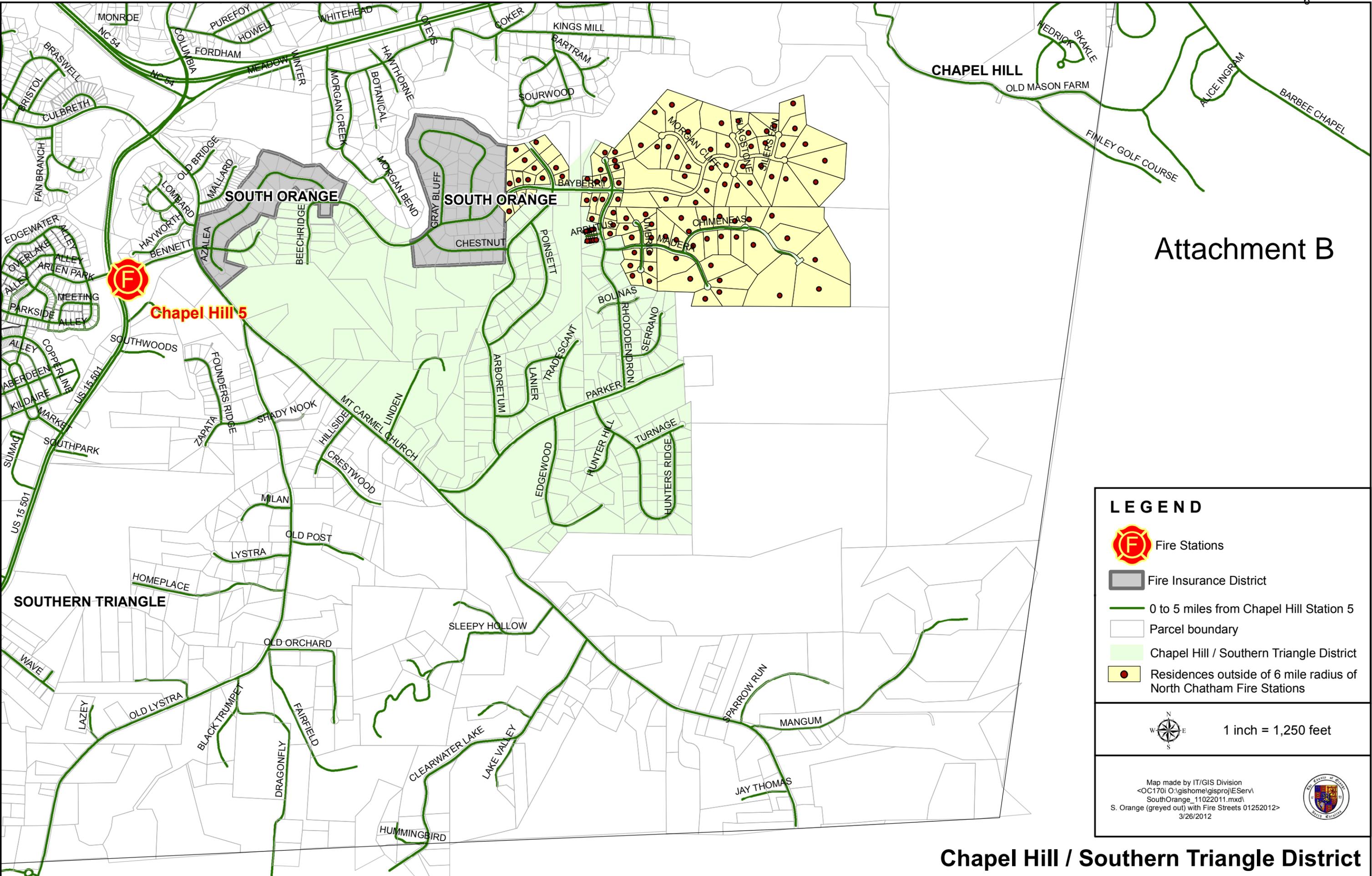
-  Fire Stations
-  Old South Orange Fire Insurance District
-  0 to 5 miles from Carrboro Station & Carrboro Station 2
-  5 to 6 miles from Carrboro Station & Carrboro Station 2
-  Parcel boundary
-  Streets



1 inch = 4,150 feet

Map made by Orange Count IT/GIS Division
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 M Jones 10/30/2012





Attachment B

LEGEND

-  Fire Stations
-  Fire Insurance District
-  0 to 5 miles from Chapel Hill Station 5
-  Parcel boundary
-  Chapel Hill / Southern Triangle District
-  Residences outside of 6 mile radius of North Chatham Fire Stations



1 inch = 1,250 feet

Map made by IT/GIS Division
 <OC170i O:\gishome\gisproj\EServ\ SouthOrange_11022011.mxd
 S. Orange (greyed out) with Fire Streets 01252012>
 3/26/2012



Chapel Hill / Southern Triangle District

New South Orange Fire Insurance District

Attachment C

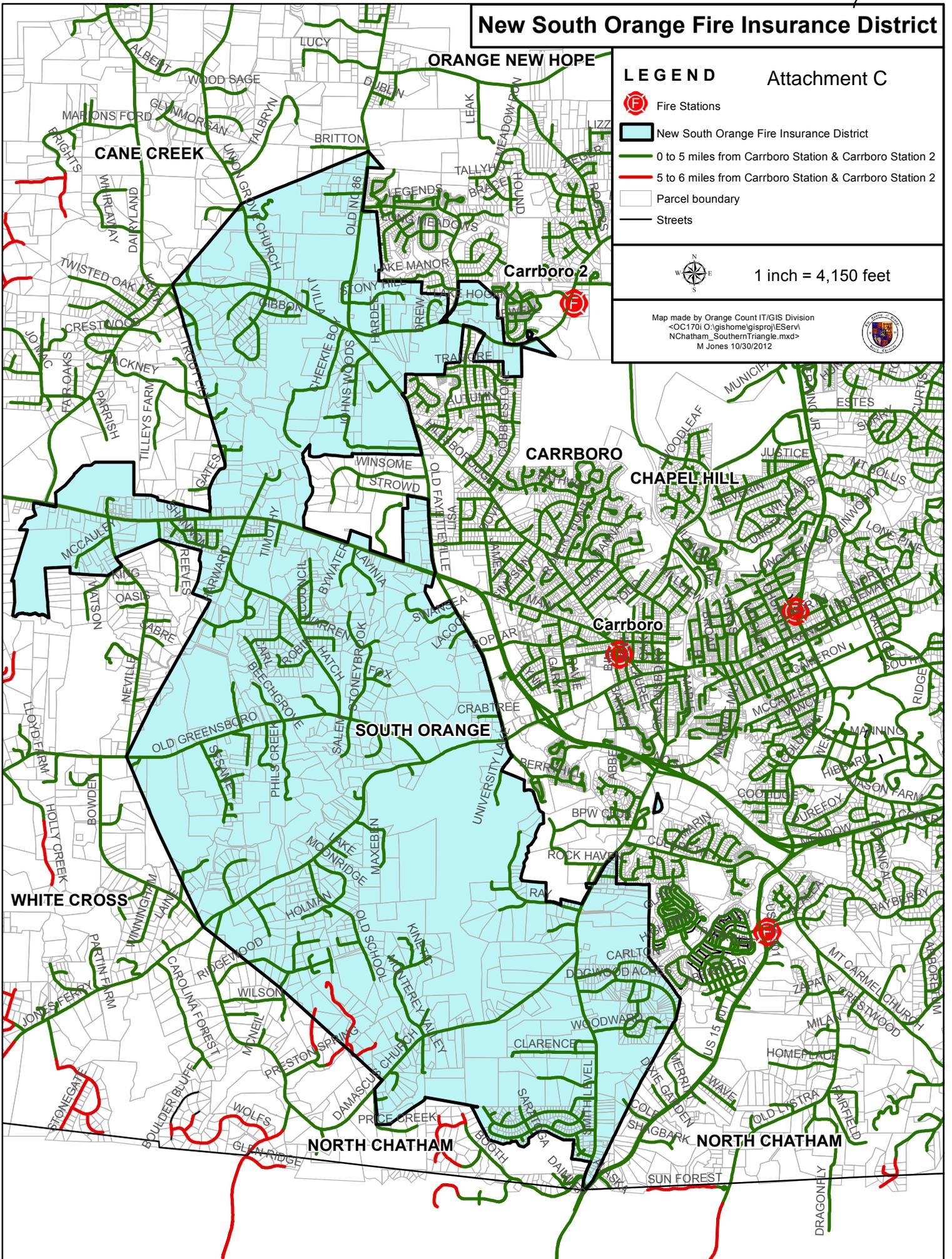
LEGEND

-  Fire Stations
-  New South Orange Fire Insurance District
-  0 to 5 miles from Carrboro Station & Carrboro Station 2
-  5 to 6 miles from Carrboro Station & Carrboro Station 2
-  Parcel boundary
-  Streets



1 inch = 4,150 feet

Map made by Orange Count IT/GIS Division
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 M Jones 10/30/2012



Attachment D

Property Tax Revenue Projections - South Orange Fire District

Gray

2-Nov-12

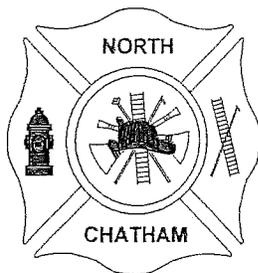
District:	Southern Orange	Revised	Tax Rate	
Tax Code	FC	Southern Orange	Needed to	Increase
Valuation as of	2/29/2012	2/29/2012	Break Even	
Total Valuation	556,977,528	37,673,414	519,304,114	
Levy (Total Valuation Divided by \$100)	5,569,775	376,734	5,193,041	
Approved Tax Rate	0.0785	0.0785	0.0845	0.0060
100% Collection Rate	437,426	29,574	438,812	
Projected Property Tax Collections (97%)	424,303	28,686	425,648	
1 Cent Equals	54,027	3,654	50,672	

100.0%

6.8%

6.8%

ATTACHMENT E



NORTH CHATHAM VOLUNTEER FIRE DEPARTMENT
 45 MORRIS ROAD
 PITTSBORO, NORTH CAROLINA 27312
 PHONE: (919) 542-3380 FAX: (919) 542-6613
 E-Mail: pyro@nc.rr.com

June 25, 2012

Bernadette Pelissier, Chair Orange County Board of Commissioners
 Post Office Box 8181
 200 South Cameron Street
 Hillsborough, North Carolina 27278

Ms. Pelissier,

The purpose of this letter is to acknowledge the receipt of the 1 year notification by Orange County for Fire Protection of the Southern Triangle and Damascus Fire District and to inform Orange County Commissioners that any future contract with North Chatham Volunteer Fire Department will be at the current fire tax rate those residents in North Chatham Fire District are charged for fire protection in Chatham County. Currently the fire tax rate is 8.8 cents on the \$100 evaluation of the property.

North Chatham has been providing fire protection, rescue service and medical response to the Southern Triangle and Damascus Fire District for over 20 years. At the time Orange County contracted this service with North Chatham; there were no other departments in the area willing to meet the needs of the two districts. North Chatham has provided a quality service to the residents of Orange County and lowered the insurance premiums on three different ISO inspections. However, we understand many counties in North Carolina are addressing the challenges of providing fire protection needs for homeowners insurance.

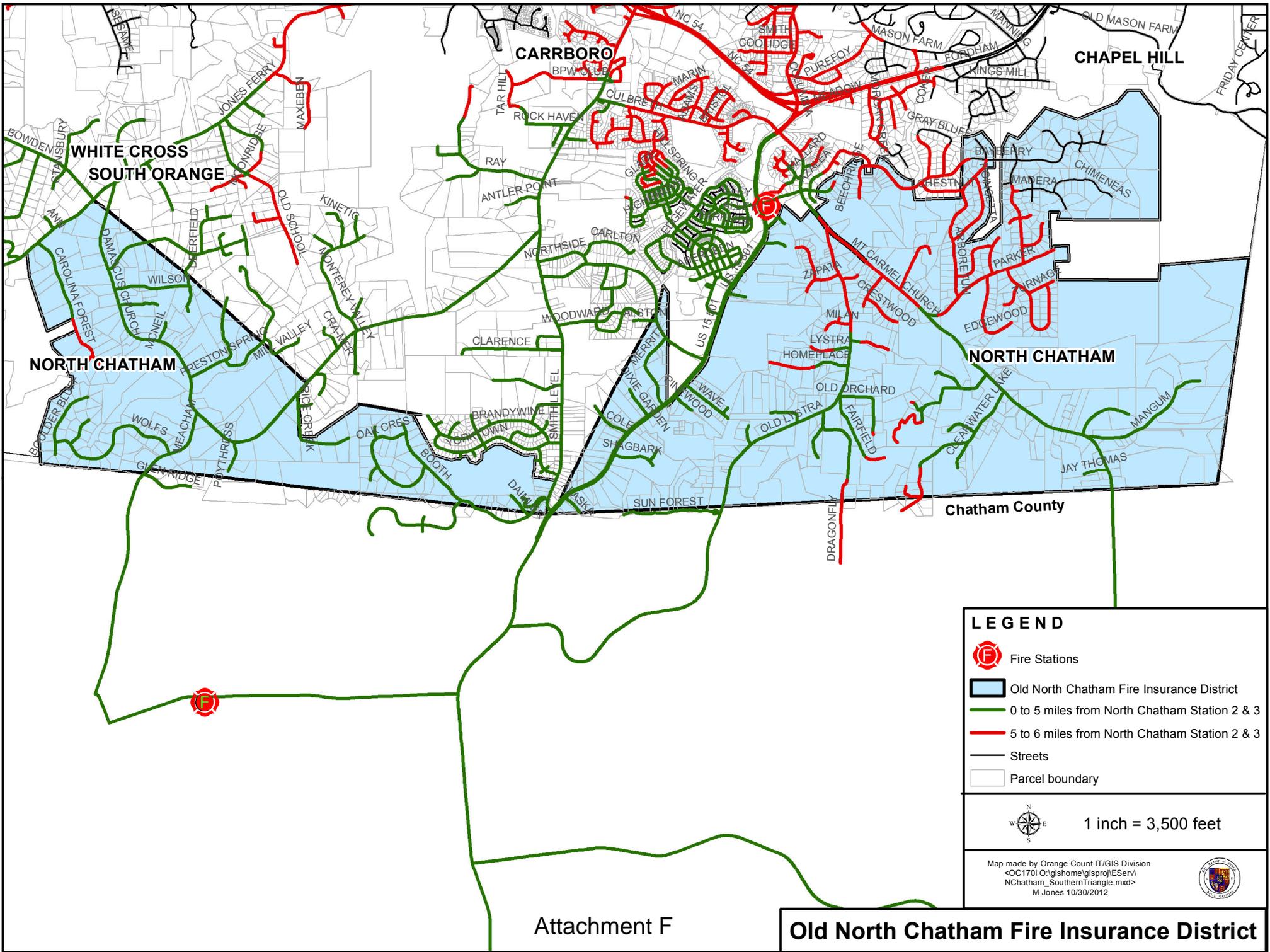
Over the years residents of the North Chatham Fire District have been charged a higher fire tax rate than residents of the Southern Triangle and Damascus Fire Districts. The same level of service has been provided to all three fire districts. Any future fire district contracts with Orange County will be at the current 8.8 cents fire tax or the same fire tax rate being charged to Chatham County residents in the North Chatham Fire District, thereafter.

During the next few months Orange County will be making a decision on fire protection for the Southern Triangle and Damascus area or by June 30, 2013. Once district lines are established and if North Chatham is contracted to provide fire protection to the Southern Triangle and Damascus Fire District, then the contract will be evaluated by North Chatham Board of Directors to provide the service.

Sincerely,

John Strowd, Chief
 North Chatham Volunteer Fire Department

cc: Michael Talbert, Asst. County Manager



LEGEND

- Fire Stations
- Old North Chatham Fire Insurance District
- 0 to 5 miles from North Chatham Station 2 & 3
- 5 to 6 miles from North Chatham Station 2 & 3
- Streets
- Parcel boundary

1 inch = 3,500 feet

Map made by Orange Count IT/GIS Division
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 M Jones 10/30/2012

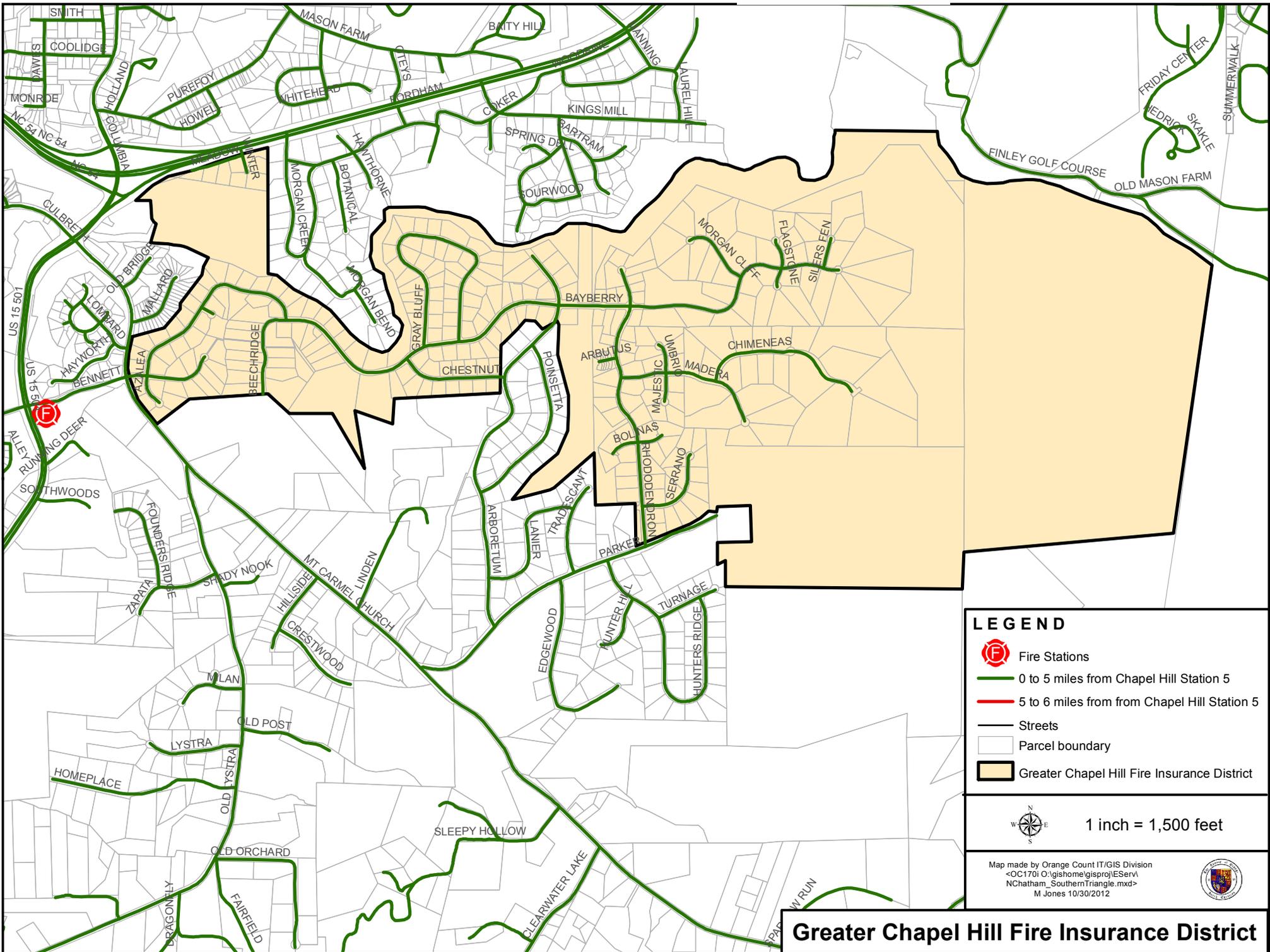


Comparison of Insurance Premiums Relative to ISO Public Protection Classifications

This chart compares annual insurance premiums for a new wood frame home valued at \$100,000.00 with smoke detectors. This report was provided by an actual agent in Wake County.

ISO CLASS	AGENT 1	AGENT 2	AGENT 3
10	\$470.00	\$514.00	\$585.00
9S	\$376.00	\$411.00	\$469.00
8	\$353.00	\$384.00	\$438.00
7	\$318.00	\$347.00	\$394.00
6	\$259.00	\$283.00	\$320.00
5	\$259.00	\$283.00	\$320.00
4	\$259.00	\$283.00	\$320.00
3	\$259.00	\$283.00	\$320.00
2	\$259.00	\$283.00	\$320.00
1	\$259.00	\$283.00	\$320.00





LEGEND

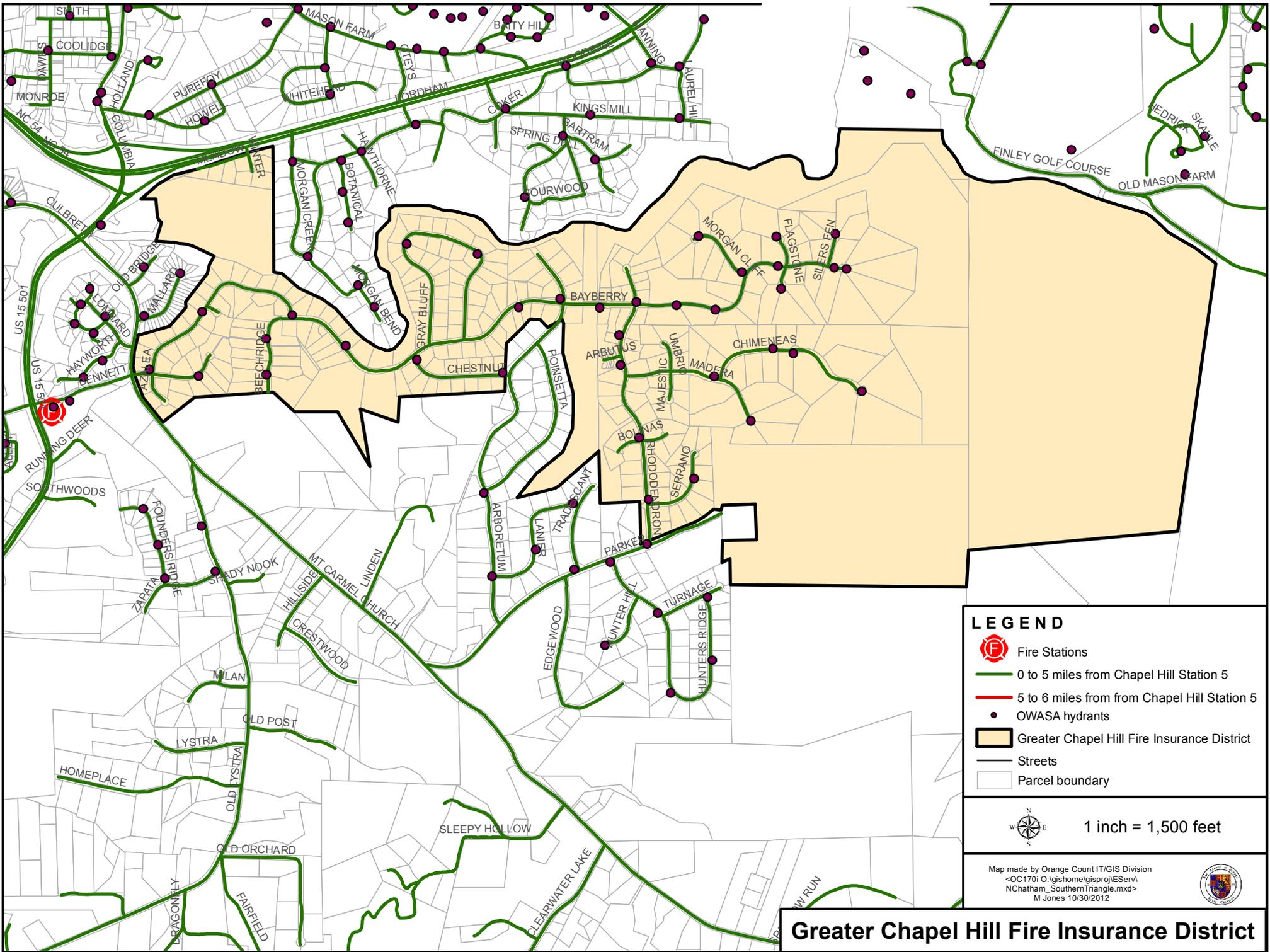
-  Fire Stations
-  0 to 5 miles from Chapel Hill Station 5
-  5 to 6 miles from from Chapel Hill Station 5
-  Streets
-  Parcel boundary
-  Greater Chapel Hill Fire Insurance District

 1 inch = 1,500 feet

Map made by Orange County IT/GIS Division
 <OC170i O:\gishome\gisproj\EServ\NChatham_SouthernTriangle.mxd>
 M Jones 10/30/2012



Greater Chapel Hill Fire Insurance District



LEGEND

- Fire Stations
- 0 to 5 miles from Chapel Hill Station 5
- 5 to 6 miles from from Chapel Hill Station 5
- OWASA hydrants
- Greater Chapel Hill Fire Insurance District
- Streets
- Parcel boundary

1 inch = 1,500 feet

Map made by Orange Count IT/GIS Division
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 M Jones 10/30/2012



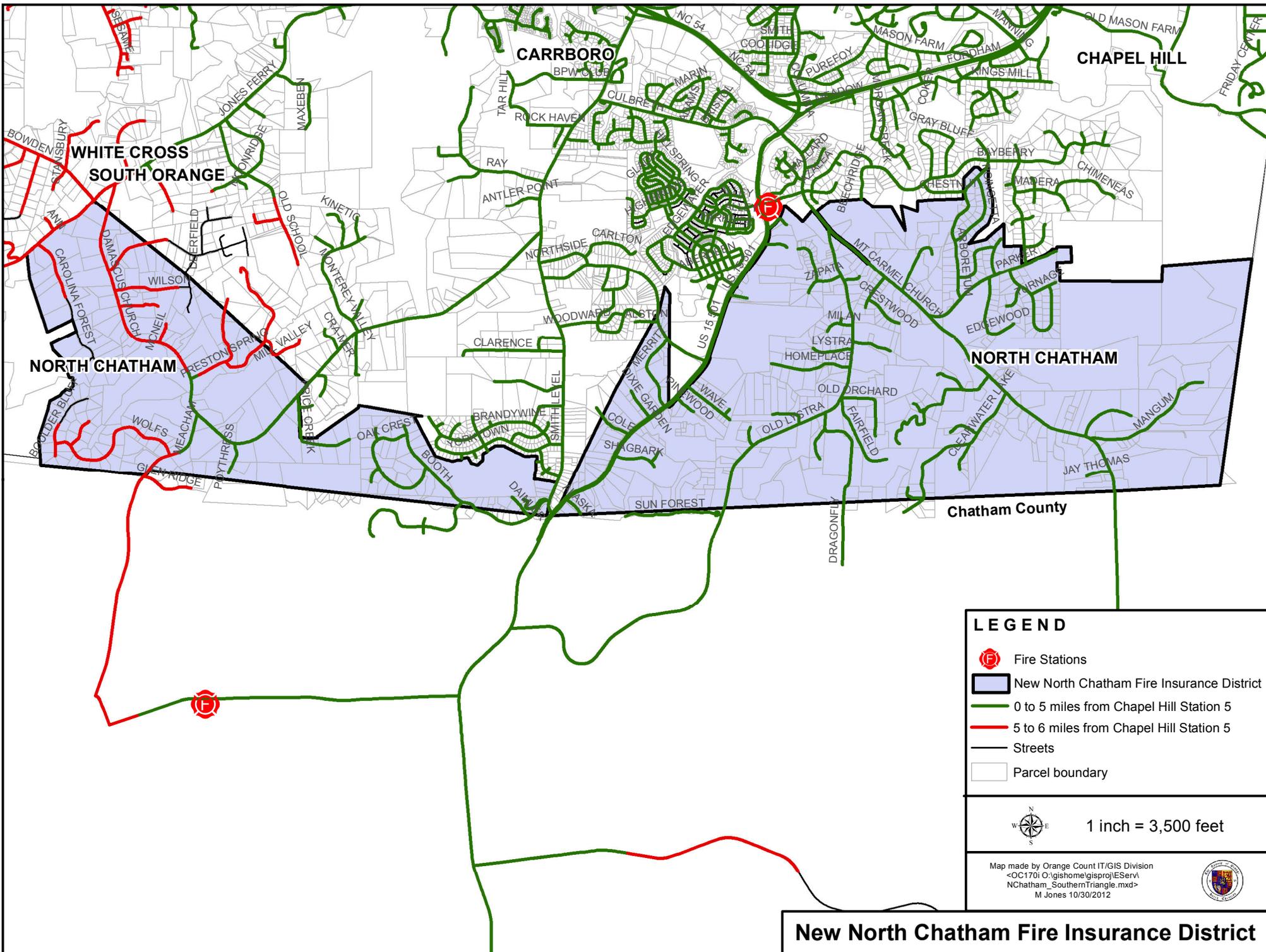
Greater Chapel Hill Fire Insurance District

Attachment K

Property Tax Revenue Projections - North Chatham Fire Insurance District

5-Nov-12

District:	Southern Triangle	Southern Triangle	Revised	Damascus	New North
Tax Code	FJ	(Deleted)	Southern Triangle	FK	Chatham
Valuation as of	2/29/2012	11/2/2012	11/2/2012	2/29/2012	
Total Valuation	345,311,224	153,206,894	192,104,330	94,641,073	286,745,403
Levy (Total Valuation Divided by \$100)	3,453,112	1,532,069	1,921,043	946,411	2,867,454
Approved Tax Rate	0.0500		0.0500	0.0500	0.0880
100% Collection Rate	172,614		96,052	47,321	252,336
Projected Property Tax Collections (97%)	167,435		93,171	45,890	244,766
1 Cent Equals	33,495		18,634	9,180	27,814



LEGEND

-  Fire Stations
-  New North Chatham Fire Insurance District
-  0 to 5 miles from Chapel Hill Station 5
-  5 to 6 miles from Chapel Hill Station 5
-  Streets
-  Parcel boundary

 1 inch = 3,500 feet

Map made by Orange Count IT/GIS Division
 <OC170i O:\gishome\gisproj\EServ\NChatham_SouthernTriangle.mxd>
 M Jones 10/30/2012



New North Chatham Fire Insurance District

Attachment M

Property Tax Revenue Projections - New Greater Chapel Hill Fire District

8-Nov-12

District:	Chapel Hill	From	From	New District
Tax Code	FG	South Orange	Southern Triangle	
Valuation as of	2/29/2012			
Total Valuation	2,345,976	37,673,414	153,206,894	193,226,284
Levy (Total Valuation Divided by \$100)	23,460	376,734	1,532,069	1,908,803
Approved Tax Rate	0.0750			0.1000
100% Collection Rate	1,759			190,880
Projected Property Tax Collections (97%)	1,706			185,154
1 Cent Equals	227			18,515

ATTACHMENT N

MEMORANDUM

TO: Michael Talbert, Assistant County Manager

Cc: Frank Montes de Oca, Emergency Services Director
John Roberts, County Attorney

FROM: Annette M. Moore, Staff Attorney

RE: Fire Service Districts

DATE: October 9, 2012

The County Attorney's Office was asked to provide a legal opinion on the how to implement fire service districts in the County. Below is an excerpt from the Memorandum I drafted for the County Manager on September 1, 2011.

County Service Districts

The County is authorized to define one or more areas within the county to establish a service district to fund fire protection services.¹ A service district within a county is not a municipal corporation nor does it have any independent authority. The service district is established and maintained by the county.

Creation of a Fire Service District

To create a service district the board of commissioners must first consider all of the following:

1. The resident population and population density of the proposed district;
2. The appraised value of the property subject to taxation in the proposed district;
3. The present tax rates of the county and any city or special district tax in which the district or any portion is located;
4. The ability of the proposed district to sustain additional taxes; and
5. Any other matters the board believes to have a bearing on whether the district should be established.²

The Board may then establish a service district if, upon information and evidence it receives, it finds that all of the following apply:

1. There is a demonstrable need for providing the service in the district;
2. It is impossible or impracticable to provide those services on a countywide basis;
3. It is economically feasible to provide the proposed services in the district without unreasonable or burdensome annual tax levies; and
4. There is a demonstrable demand for the proposed services by persons residing in the district.³

¹ N.C.G.S. § 153A-301

² N.C.G.S. § 153A-302(a)

The Board of Commissioners must then hold a public hearing on the proposed creation of the service district.⁴ Prior to holding the public hearing the Board of Commissioners shall have prepared a map of the proposed district, a statement showing that the proposed district meets the standards provided above, and a plan for providing the service to the district.⁵

Please let me know if you need further information.

³ N.C.G.S. § 153A-302(a1)

⁴ N.C.G.S. § 153A-302(c)

⁵ N.C.G.S. § 153A-302(b)