

February 17, 2005

**Memorandum**

To: Eric Peterson, Town Manager

From: Donna Warner, Facilitator

Subject: Notes from February 11, 2005 Budgetary Planning Retreat  
Hillsborough Board of Commissioners  
Police Station, Hillsborough, North Carolina

**Attendees:**

Mayor Tom Stevens; Commissioners – Frances Dancy, Michael Gering, Eric Hallman, and Evelyn Lloyd; Eric Peterson, Town Manager; Demetric Potts, Assistant Town Manager/Public Works Director; Donna Ambrister, Town Clerk/Personnel Officer; Clarence Birkhead, Police Chief; Margaret Hauth, Planning Director; Kenny Keel, Town Engineer/Utilities Director; Greg Siler, Finance Director; and Matt Wagner, Management Intern.

**Others:**

Cheryl Sadgrove, reporter, Chapel Hill News; Emily Coakley, reporter, Chapel Hill Herald; Paul Kapp, chair, Historic District Commission; Bill Crowther, chair, Board of Adjustment; Bryant Warren, chair, Parks and Recreation; Jim Boericke, chair, Planning Board; Kathleen Faherty, chair, Margaret Lane Cemetery; James Watts, chair, Water and Sewer Advisory Committee; Lauri Michel, chair, Tourism Board; Phil Ray, chair, Tree Board.

**RETREAT TOPICS**

1. Long term vision for Hillsborough and update of top priorities
2. Presentation of Planning Department re-engineering analysis
3. Introduction of advisory board chairs. Discussion of expectations.
4. Overview of Town's financial condition
5. Review of current operations including review of annual operations reviews
6. Discussion of specific actions to be accomplished in fiscal year 07
7. Discussion of various topics

1. **INTRODUCTION.** The board began by outlining outcomes for the retreat.
  1. Set priorities and identify ways for staff to meet them.
  2. Identify core values to use in guiding us to shape Hillsborough's future and to help with budget decisions
  3. Learn how we are doing regarding Town operations
  4. Identify major issues we want to accomplish
  5. Create a coherent plan that reflects the Town's future including a way to measure results.
  6. Listen to staff and determine ways to meet staff needs.

Board members also discussed what they would like to not see happen:

1. Don't get bogged down in details – keep the discussion on a higher plane. Stay focused.

**2. CORE VALUES.** Board members identified the following core values to use in guiding their decisions about the Town of Hillsborough. As council members we will work with staff to:

1. Provide high quality customer service by supplying the citizens with basic services including police and fire protection.
2. Maintain Hillsborough's small town nature and strong sense of community
3. Serve as a catalyst for change.
4. Build on Hillsborough's unique sense of place including its history, architecture, citizens, river and mountains.
5. Recognize the community's diversity: age, culture, economic and professional.
6. Create a sense of unity among various neighborhoods. Hillsborough is for everyone.
7. Foster a sense of vibrancy – Hillsborough is an alive community where things are grown, happening, with lots of positive energy. "Happening Hillsborough"
8. Recognize those citizens who are not able to pay by looking at ways to keep services affordable.

**3. BUDGET VALUES.** Board members also identified the following values to use in considering the funding requests and the upcoming budget.

1. Emphasis on "no taxes" has been limiting: We have been conservative in the past. Now we need to plan for growth in order to be able to maintain a quality level of services to our citizens.
2. We will continue to be fiscally responsible. The driver should be quality and level of services we provide. We will be careful not to sell our future by making sure we can maintain a level of service.

3. The way we will do our work is through being open to new ideas and innovation such as looking for public/private partnerships and grants as ways to leverage funds. We also recognize that we can solve problems on our own and we will take a regional approach to solving public problems by working with other municipalities and the county.

#### **4. REVIEW OF CURRENT AND FUTURE OPERATIONS AND SERVICES**

As a way of gaining a "big picture" perspective of the services, activities, and issues, the board reviewed the decisions made at the 2005 board planning retreat regarding what programs and services to continue, change, stop or initiate.

**Programs and services to continue:** The board brainstormed ideas around the programs and services the Town does now that they want to keep doing. They include the following in no order of priority:

1. Provide water and sewer service
2. Protect the historical and cultural resources
3. Maintain and repair existing sidewalks
4. Be accessible and responsive to citizens
5. Focus on customer service
6. Maintain conservative fiscal planning

#### **Programs or services to change:**

1. Fix sidewalks – a priority. Pave streets.
2. Look at fire protection. Consider improved building (new?) for fire protection
3. Be more aggressive in code enforcement
4. Water and sewer: try to decrease pump station. Convert to gravity flow.
5. Lower water and sewer rates
6. Add additional manpower for police. More cars for patrol. Increase patrols at night. Step up police patrol and code presence
7. Rights of way. Believe the Town should contract if the price allows us to care for maintenance
8. Increase home ownership.
9. Increase sense of community

#### **Programs and services to stop:**

1. Cemetery sales
2. Board focus on "little" things.

**Programs and services the Town doesn't do now and the board wants to do:**

1. Provide more parks and recreation opportunities. Develop comprehensive trails and greenways. Work with Orange County on recreation issues. Develop parks and recreation programs. Work with small pocket parks
2. Look long-term
3. Look at annexation
4. Training to work with Orange County
5. Find more funding sources
6. Create a sense of community connectivity through the use of sidewalks
7. Economic development: more planning for economic development
8. Increase planning for senior housing and services
9. Pay attention to local business

**5. PLANNING DEPARTMENT RE-ENGINEERING ANALYSIS**

Demetric Potts and Margaret Hauth made a presentation to the board regarding changes they propose to the planning department. The board identified the following issues to address:

1. Develop a plan for growth. Determine what staff skills are necessary in the areas of transportation, parks, architecture, environmental review, and housing.
2. Need to distinguish between serve and long-range planning.

The board reached the following decisions:

1. Consider hiring an additional planner. Staff should define the planning functions and draft a position description based on position needs and as well as conduct a salary analysis.
2. Examine ways to address higher level and long term issues around growth and development.
3. Consider staff hires as a budget priority.
4. Set up time for a workshop to further discuss the options to address the various needs of the Planning Department so they are better equipped to address daily service needs as well as critical planning issues.
5. Add consideration of an administrative assistant position as part of the FY 07 budget request. Staff should examine alternatives including using a work-study student to fill the duties or hiring a temporary employee to see how the position is used.
6. Work with Orange County on one stop permitting.

**6. ADVISORY BOARD AND COUNCIL EXPECTATIONS**

As a way of "getting on the same page" and understanding each others' roles, the council and advisory board chairs identified what outcomes they would like to see from their meeting as their expectations for each other.

The advisory board chairs and council members identified outcomes for their time together:

1. Get to know each other.
2. Share expectations of each other.
3. Learn about best practices
4. Chance to brainstorm
5. Invite others to visit the burial sites at the Margaret Lane Cemetery
6. Learn about the vision of the town, how the advisory boards fit and how they can contribute towards furthering the vision.
7. Recognize, value and show appreciation for the volunteer's efforts
8. Identify opportunities for collaboration
9. Define roles and responsibilities and determine where the advisory boards and council overlap.
10. Set up processes to facilitate items listed previously.
11. Consider inviting other board members to a meeting such as this in the future.

Council expectation of advisory boards:

1. Embody and express town board values and policies
2. Be proactive and forward-looking
3. Reach out to town, county and regional groups. Have a voice.
4. Identify and recommend policy issues to the Town board that need to be addressed.
5. Effectively discharge responsibilities
6. Show respect and friendliness towards citizens. Provide customer service.
7. Maintain open communication with Town board and staff.
8. Be the public voice of your committee.
9. Provide bold, long range thinking
10. Participate honestly and with good faith in dialogues on issues.
11. Distill and relay citizen concerns to the council.
12. Keep the council informed about what the advisory board is doing and what they see around town that may be a problem the council needs to address.
13. Help the council make well informed decisions.

Advisory board expectations of the council:

1. Focus on values
2. Set priorities regarding development vs. water; strategic plan vs. annexation activity
3. Provide clear understanding of the value of the advisory board (i.e. HDC)
4. Support commercial sign regulation and enforcement
5. Support preservation of historical resources
6. Provide funds for Churton Street improvements
7. Provide support for tourism as economic development tool

8. Use the Tree Board's expertise to provide information for planning to ensure site appropriate for new development.
9. Set a vision for Town ambiance and growth that planning board can use as guidance in zoning regulations.
10. Provide vision and action on African-American history as part of Hillsborough's historic landscape.
11. Provide clear vision of the future of Hillsborough conveyed to advisory boards (A.B.)
12. Be receptive of A.B.'s advice and comments with decisions that involve the A.B.
13. Foster good communication
14. Continue to protect and care for the Margaret Lane cemetery as a historic treasure and sacred trust.
15. Create Town ordinances that reflect Town vision
16. Determine how important Parks and Recreation is to the council
17. Provide continued funding so that the Tree Board can continue to provide care and future planning for Hillsborough Town trees.
18. Provide support and guidance
19. Maintain brick walkways to prevent trip hazards
20. Communicate consistently
21. Define clear purpose for being
22. Require outcomes from advisory boards. Hold us accountable.
23. Involve A.B. commentary in capital projects
24. Collaborate on events and efforts
25. Review annually the legal responsibilities and obligations of advisory boards. Provide new member orientation.
26. Support and provide funding for façade improvement grants

Summary: After listing expectations, the council and the advisory board chairs talked about the items and developed the following summary lists of expectations for each other.

Council expectations of the advisory boards:

1. Distill information to council.
2. Provide a "heads up" on trends we should know about.
3. Be proactive and forward-looking.
4. Identify problems and provide us with alternatives and solutions.
5. Be our partner and educate the citizens about what the Town is trying to accomplish.
6. Look outside the Town to other stakeholders in other areas for guidance, models and best practices.

Advisory board expectations of the town council:

1. Provide funding
2. Invite participation in the budget process
3. Use advisory boards to gain advice and input on budget priorities
4. Provide boards with attention, staff support and access to Town council to get our job done.
5. Make sure we are on the same page by maintaining open communication, setting outcomes and measures for work and providing continual feedback.

Next steps:

1. Arrange a meeting for the 4<sup>th</sup> Monday in April to continue discussion.
2. Determine ways to communicate, share concerns, air complaints. Develop informal and formal processes.
3. The council would appreciate if the advisory boards would function as "canaries in the coal mine" by communicating issues in advance.
4. Learn how important the advisory boards are to the Town council.
5. Consider providing leadership development training and legal advice for advisory board chairs.

Future issues to address:

1. Standardize applications for advisory board members.
2. Organize advisory board committees' actions and decisions in the context of the values outlined by the Town council. Use values to guide advisory board decisions.
3. Provide Town council with feedback on how it is doing.

#### **7. DEPARTMENTAL ANNUAL OPERATIONS REVIEWS (AORS)**

The following is a list of comments and suggestions from the board regarding various parts of the AOR report.

1. Staffing requests reflect Town growth. A major issue for the Town is maintaining infrastructure.
2. Fee collection on false alarms.
3. Noted consistency in ranking priorities
4. Cost of accreditation on track for Police Department
5. Noted concern about need for internal department communication
6. Directed staff to look at ways to address safety, risk management, OSHA demands. Currently sharing services with Town of Carrboro
7. Asked staff to consider an emergency response team (page 60). Staff is directed to look at contracting out maintenance of grounds.
8. Discussed use of prison labor and the associated challenges for staff and the Town's liability.

9. Talked about the amount of time the administrative staff spends with the public. The council would like to strike a balance between insulating the staff and giving them more time to work on Town priorities and providing easy access for citizens.
10. Directed staff to consider ways to reward staff for giving above and beyond.
11. Discussed need for a safety officer. The Town will need a staff person as the Town grows. Kenny Keel now serves as a liaison with the outside computer consultant. Staff is directed to explore ways to share IT staff with Orange County.
12. Talked about the Town website: Staff is directed to look at putting other meeting minutes on line. Consider using the web as a way to brand and well the Town. "Happening Hillsborough". Look at how to staff and manage this function. Use the web as a source of public information.
13. Reviewed issues around citizen communication: Staff should look at ways to share information and Town accomplishments. Need for a communication plan. Consider having the function a responsibility of staff. Also look at ways to communicate with citizens in case of a disaster.
14. State of the Town address: consider having the mayor make a presentation.
15. Directed staff to plan for the potential pandemic

#### **8. LEVELS OF SERVICE:**

1. The board asked staff to set levels of service that citizens can rely on. Example: set performance standard and benchmarks for water pressure from a citizen's perspective.
2. Staff was also asked to continue to look for ways to streamline and ensure efficient service.

#### **9. BOARD PRIORITIES**

The board reviewed its overall Top 5 priorities and goals for the next 5 years. (Below is a list in no order of priority.)

##### **The Top 5 priorities include:**

1. **Provide quality service to citizens:** improved infrastructure, water and sewer services.
2. **Encourage economic development:** provide a strong and sustainable economy, quality planning and development.
3. **Plan for growth and development:** provide staff support for planning department, plan for housing, growth and development.
4. **Ensure public safety:** maintain a safe community, keep drug traffic down, ensure a healthy and safe environment, and consider location and operation of fire department.
5. **Maintain and enhance quality of life in Hillsborough:** protect the small town nature, maintain cultural, economic, social and demographic heritage, connect development to the Town, use sidewalks, parks and

streets to connect citizens, ensure Town is open to all citizens, offer recreation opportunities

**BOARD PRIORITIES WITH ACTIONS**

After establishing the priorities the board brainstormed and discussed specific actions they would like to see accomplished by the end of FY 07 and in the next 5 years. Their priorities are reflected in the chart below.

	<b>BOARD PRIORITIES</b>	<b>FY 07</b>	<b>Next 5 years</b>
<b>1.</b>	<b>Provide quality services to citizens</b>		
	1. Continually evaluate the efficiency and effectiveness of services	Ongoing	
	2. Establish benchmarks for key services.	X	
	3. Create a communications plan to inform and involve citizens about Town activities and progress.	X	
	4. Establish performance standards for water pressure.	X	
	5. Reassess whether or not to exempt the Town from FEMA flood plain	X	
	6. Examine alternatives to promote public safety	X	

<b>2</b>	<b>Priority: Encourage economic development</b>	<b>FY 07</b>	<b>Next 5 years</b>
	1. Strengthen ties to business. Improve communication about Town programs and goals.	Ongoing	
	2. Work with the EDC, Tourism Board and Chamber of Commerce on ways to promote the Town including hiring a marketing firm and enhancing the Town's presence on the web.*		X Defer until completion of Strategic Growth Plan

*Note: The board recommended promotion of Hillsborough be deferred until the Strategic Growth Plan is completed and the Town knows what it has to sell. In the meantime, the Town will work with the Economic Development Commission on first steps towards economic development.*

<b>3.</b>	<b>Priority: Plan for growth and development</b>	<b>FY 07</b>	<b>Next 5 years</b>
	1. Initiate planning for code rewrites.	Ongoing	
	2. Produce Strategic Growth Plan	X	
	3. Encourage home ownership.	Ongoing	
	3. Develop affordable and low income housing for seniors	X	
	4. Identify additional areas for annexation. Look at annexation of Odie Street and its impact on the budget.	X	X
	5. Create a rate model and water allocation system for water capacity allocation and availability	X	X
	6. Work with Orange County on one stop permit process	X	

<b>4.</b>	<b>Priority: Ensure public safety</b>	<b>FY 07</b>	<b>Next 5 years</b>
	1. Consider location and costs of protection fire services.	X	X
	2. Focus on drugs and gang prevention	X	X
	3. Address public perception about safety and security in Hillsborough*		X

*\* Note: The board asked staff to consider ways to promote public safety by expanding hours for COP and police headquarters; increasing patrols for COP; adding administrative staff to police headquarters; communicating with citizens about expectations for police patrols; and posting police station business hours.*

5.	Priority: Maintain and enhance quality of life	FY 07	Next 5 years
	1. Look for ways to connect the community by strategic placement of sidewalks and crosswalks. Explore "Sidewalks to School" program.	Ongoing	X
	2. Seek funding for bicycle lanes through the Transportation Improvement Plan (TIP)	Ongoing	X
	3. Plan for Riverwalk and Gold Park. Review Orange County offer to partner on a .50 FTE for programming.	X	X
	4. Protect cultural, economic and demographic heritage		Ongoing

#### 10. OTHER TOPICS

1. Water and sewer capacity: The council directed staff to examine ways to allocate water in the future based on a model proposed by commissioner Gering. The model would integrate the town's water capacity with its rate model to assign economic value to the limited water supply and set new policies. Developers would have to obtain water capacity certification in the same way they have to ensure there is adequate seating in schools before they could build new houses. The model would be both an educational tool for citizens and a way to negotiate with developers. The Water/Sewer Advisory Board would be a steward of the model.

#### 11. RETREAT EVALUATION

##### *What worked well?*

1. Stayed on topic
2. Stayed at a level that was productive
3. Appreciated the full attendance by advisory board chairs. It was educational to have them at the meeting.
4. Good to have a clear vision and understanding of needs and priorities
5. Recommend that we build on the same format for next year. Continue to improve.

*Respectfully submitted,  
 Donna J. Thompson, CMC  
 Town Clerk*