

**MINUTES
HILLSBOROUGH TOWN BOARD
May 27, 2008
7:00 PM, Town Barn**

PRESENT: Mayor Tom Stevens, Commissioners Mike Gering, L. Eric Hallman, Brian Lowen, Frances Dancy, and Evelyn Lloyd.

STAFF PRESENT: Town Manager Eric Peterson, Assistant Town Manager Nicole Ard, Town Clerk/Director of Administration and Human Resources Donna Armbrister, Planning Director Margaret Hauth, Budget Analyst Emily Bradford, Police Chief Clarence Birkhead, Finance Director Greg Siler, Fleet Maintenance Supervisor Darren Koch, Police Lieutenant Davis Trimmer, Fire Marshal/Emergency Management Coordinator Jerry Wagner, and Town Attorney Bob Hornik.

1. Open the Workshop

7:03:27 PM Mayor Tom Stevens called the meeting to order.

2. Agenda Changes & Agenda Approval

7:03:46 PM Mayor Stevens indicated that a resolution regarding Solid Waste would be added as the first item on the agenda. Commissioner Gering added an item to the Closed Session regarding economic development.

7:04:14 PM Upon a motion by Commissioner Dancy, seconded by Commissioner Lloyd, the Board moved to approve the agenda as amended to include consideration of a Solid Waste Resolution and an additional item to the Closed Session regarding economic development by a vote of 5-0. The motion was declared passed.

Solid Waste Resolution – Added Item

7:04:34 PM Assistant Town Manager Nicole Ard stated that placed at the table was a packet of resolutions for the Board's consideration. She noted at the last meeting County Solid Waste Planner Blair Pollock had provided a presentation on the Solid Waste Management Plan. Ms. Ard said the first resolution asked the Board to adopt the Solid Waste Plan, which the Board deferred until the other two parties reviewed it and commented. She said in the remainder of the packet was a resolution that was based on what Carrboro adopted, which was to receive the Solid Waste Plan. Ms. Ard said the second resolution was based on what Chapel Hill adopted, which was to review the Plan and ask for additional opportunity to discuss the Plan once it was adopted

with the County. She said basically, both towns wanted to wait until the County had adopted the Plan.

7:06:34 PM Commissioner Gering said he had wanted to defer the item to make sure that the staff and the Board's advisors had a chance to weigh in on the Plan. He asked had any comments been received. Ms. Ard responded she had not received any, but noted the Plan at this time simply outlined what had been happening in the County over the last several years, describing some of the milestones, and one part talked about extending the franchise into other parts of the County but that part had been removed. But, she said, the County would at some point be looking at having some kind of solid waste pick-up for the more rural areas and possibly incorporating more business recycling throughout the County. Ms. Ard said the Plan also talked about what could be done to facilitate extending the life of the landfill, and changing some of the Convenience Center locations,

7:08:16 PM Commissioner Gering stated that Commissioner Lowen was on the Solid Waste Advisory Board, and asked if he approved. Commissioner Lowen responded yes.

7:08:49 PM Blair Pollock stated that historically the County was the lead agency and the towns had adopted the Plan, so this path was somewhat different. He said they had provided in the original packet an option to actually adopt this version of the Plan, but Chapel Hill and Carrboro had opted to wait until the County had adopted the Plan. Mr. Pollock said they did actively seek the other towns' input so that those comments could be taken to the County when they considered the Plan for adoption. He said if the towns wanted to have more dialogue after that adoption, then they welcomed that. But, he said, this was an opportunity to add Hillsborough's comments and move forward so that next week when it was presented to the County Commissioners they would have the benefit of Hillsborough's and others' comments.

7:10:12 PM Commissioner Lowen said he was comfortable with the Plan, but was interested in knowing what the County's position would be. Mr. Pollock said the County would be receiving that Plan next week along with a resolution for consideration of adoption that would approve the Plan. He said the Plan did not contain policy decisions, but in addition to bringing the County into compliance it would also make them eligible for a portion of some \$23 million generated by the State, some of which would be coming back to the towns on a per capita basis sometime next year, estimated to be about 80 cents per capita per year. Mr. Pollock said once the Plan was adopted and they were in compliance, they would be able to compete for grant funds.

7:13:06 PM Upon a motion by Commissioner Lowen, seconded by Commissioner Gering, the Board moved to accept the Solid Waste Plan, with consideration of adopting the Plan after the County had made its decision. The motion was declared passed.

3. Discussion Regarding the Proposed Buckhorn Road Development Near Mebane

7:14:07 PM Mayor Stevens stated they had made contact with County Commissioner Barry Jacob to talk about some of the Board's concerns, and Commissioner Jacobs suggested they meet with staff to express their concerns and interests.

7:14:59 PM Commissioner Gering added that the County was not offering any incentives in that they were not building any infrastructure for the Buckhorn project. So, he said, it was likely more of a question for the Town and the Waterstone developers about how they could accelerate the development rather than expecting the County to try and serve that purpose. Commissioner Gering said they should contact the Waterstone developers and learn about their model and their plans, and what if anything the Town could do to help them, and perhaps there would be something the County could facilitate.

7:16:03 PM Commissioner Hallman stated that Orange County Planning had spent five hours going through the plan in much detail, and had voted 8-2 to ask the County that there be further discussion on many of the issues and the assumption associated with Buckhorn before they moved forward. He said the Town could weigh in with the County Planning Board saying that they had concerns as well and wanting more time to study it.

7:16:46 PM Mayor Stevens stated that was the gist of the meeting he had attended, in that they wanted to make sure there was a dialogue. He said some of the Commissioners had made it clear that this was a high priority for them and wanted it to move forward.

Commissioner Hallman recommended that the Board members read over the minutes of the County Planning Board meeting.

7:17:42 PM Commissioner Gering said he did not know what the County Planning Board's concerns were and did not know if he would share them.

7:17:51 PM Commissioner Hallman said one of the assumptions was that Mebane would annex the Buckhorn Road development and provide infrastructure. He said the County Planning Board had realized that Mebane had exceeded its satellite annexation limits, so they could not annex the Buckhorn Road development without annexing everything in between and thereby having to provide infrastructure. So, he said, that appeared to be a fatal flaw in the financial analysis.

Commissioner Gering stated it would be helpful to learn of the other concerns and whether they had any relevance to Waterstone and to the Town.

7:19:22 PM Commissioner Hallman said another question was who would pay for the infrastructure, noting that if Mebane did not do it then the County would, which would be Hillsborough.

Mayor Stevens said the County was bringing on a new Economic Development Director, and it would be important to get this development in the forefront.

7:20:24 PM Commissioner Lloyd suggested that someone from the Town talk with the developers at Waterstone and tell them about this project.

Mayor Stevens said he and others had already met with Waterstone and that was one of the topics discussed. So, he said, they were very aware of the competition.

Commissioner Lowen stated it was in Waterstone's best interests to follow closely what was happening, adding he would be interested in hearing from them exactly what their thoughts were. He suggested they be invited to attend a meeting.

7:22:37 PM Town Manager Eric Peterson stated during the meeting he had suggested setting up another meeting to respond to some of the very questions the Board had raised tonight, such as what were their prospects or was there anything the Town could do to help. He said he believed they would get much more candid answers during a private meeting than if those questions were asked in a large public forum. Mr. Peterson said once that meeting was held he could report back to the Board, and if the Board still wanted an open meeting then representatives of Stratford could be invited to attend a Board meeting to flush out specific issues.

Commissioner Lloyd asked would the County be discussing this on June 3. Mayor Stevens responded it was his understanding that the County Commissioners were hoping that the Planning Board would bring recommendations to them on June 3.

7:24:21 PM Commissioner Hallman reminded the Board members to take a look at the minutes of that Planning Board meeting. Mr. Peterson responded that staff would get copies for the Board and distribute them.

Commissioner Gering mentioned that both County Commissioner Chair Barry Jacobs and County Commissioner Foushee were glad that the discussion had taken place, and that they had established a good working relationship with the County Commissioners. He said they had agreed that when there were concerns, they should be discussed.

4. General Fund Budget Workshop

7:25:27 PM Mayor Stevens said he had heard from other Commissioners and agreed with them that the budget package was very well done, noting it showed a lot of work and investment, and it clearly communicated the necessary information.

7:26:36 PM Mr. Peterson stated that as they went through the budget, if the Board saw anything that needed to be changed or done differently, he asked that they contact his office so that the budget document could be improved for next year.

Commissioner Dancy stated the budget document was a good tool for citizens to help them understand exactly where their tax dollars went.

Mayor Stevens said the question had been raised as to whether the Board would try to keep the tax rate down, and the answer was of course they would, as much as possible. He said they clearly had goals they were establishing for the Town, and they would look at the budget in as much detail as necessary to assure those goals were being addressed.

7:28:59 PM Mr. Peterson said they would go through the General Fund department by department, and answer questions as they came up. He began with General Government on pages 60 and 61. He said there was nothing new to report, and were actually projecting a decrease in expenditures for the coming year. There were no questions or comments from the Board.

Regarding Administration, Mr. Peterson referred to pages 64 and 65 of the budget. There were no questions or comments from the Board.

Mr. Peterson indicated that the Finance Department was on pages 78 and 79.

Finance Director Greg Siler stated that the budget for his department was at its “bare bones.” There were no questions or comments from the Board.

7:31:30 PM Mr. Peterson stated the Planning Department could be found on pages 86 and 87.

Commissioner Gering said regarding the incentive program for signage compliance, he asked would funds be put back for that next year. Public Works Director Margaret Hauth replied no, because the ordinance rewrite would not yet be completed. Commissioner Gering said then the earliest that program would begin was next summer. Ms. Hauth said yes, because they wanted to wait until the new ordinance was in place so that they were certain they knew what they were incentivising. She said they had not yet started the rewrite, but once that began it would take about 12 months to complete.

Commissioner Gering asked was the program included in the out years plan. Ms. Hauth responded no, because she had shown it as a short-term two-year plan.

7:32:55 PM Commissioner Gering asked if the budget forecast was only for recurring expenses. Mr. Peterson said the details of the incentive program were shown in the details for those years, but not in the summary.

Budget Analyst Emily Bradford stated the dollar figure for the incentive program was \$12,000.

7:34:58 PM Mayor Stevens asked if the figure noted for Wayfinding was an estimate. Ms. Hauth responded yes.

7:35:06 PM Mr. Peterson said there were multiple years for the Wayfinding, and asked if the way the project was set up it was more than likely that they would do it incrementally over the years. He said if that was the case, they could actually finance it. Ms. Hauth said they could do it that way, because when the plan was finished there would be an implementation plan with a budget figure, and they would then know how much it would cost to implement it. She said there were minor grant opportunities, as well.

7:36:18 PM Mr. Peterson stated the Ruffin-Roulhac budget began on page 96. He said the importance of information technology was discussed at the retreat, and although a strong case was made for an IT person that would be put off for one more year. Mr. Peterson said they had budgeted \$15,000 to do an information technology plan for the Town, which would give them a more specific outlook of what was needed.

Mr. Peterson stated that Parks and Recreation began on page 102.

7:38:13 PM Commissioner Hallman asked about the allocation for the meeting room, and also about using the Link building. Ms. Hauth said based on prior discussions, they did not believe that would happen this year because the County still needed to get their new buildings done and then start planning how they would redo the Link building.

Ms. Hauth said once the County had gotten further along, they may be able to give some idea of the rent based on number of meetings or a flat fee for use of the building. She said to get an estimated cost she had used \$300 per meeting and estimated how many advisory boards would use the space.

Mr. Peterson said they were assuming a cost of \$7,500 to \$10,000 annually.

7:41:15 PM Mayor Stevens asked for any comments regarding the Parks and Recreation proposed budget. Ms. Hauth said they had added a few parks this year and learned much.

Mr. Peterson asked if the Board wanted to discuss Orange County's request regarding the maintenance at Fairview Park when constructed. He said he had sent an email to the County Manager regarding the County's request that the Town take over 100% maintenance of the park, explaining that it would take ½ cent on the tax rate which was a major contribution and that they believed it was an inappropriate amount.

Mayor Stevens concurred with Mr. Peterson.

7:42:51 PM Commissioner Hallman said since the County did not receive the PARTF grant would that push this issue off. Ms. Hauth said there was a remote possibility that funding would be received in July, and if not they would try again in January. She said the County would continue to move ahead with the designs so that if funding was received they would be able to let a contract by next May.

7:45:10 PM Mr. Peterson said that if the \$30,000 for maintenance would not be needed until next May, then those funds could be redirected for sidewalks. He said if any of that \$30,000 was not needed, it would be nice to add it to the Contingency Fund. Mr. Peterson said regarding Contingency, their property liability insurance was somewhat less than expected, so instead of a \$20,000 contingency it had increased to almost \$30,000.

7:46:19 PM Mayor Stevens said regarding park maintenance in general, they had Fairview, Gold Park, Riverwalk, King's Highway, Murray Street, Turnip Patch, and Hillsborough Heights which amounted to \$123,000, and that was approximately 2 cents on the tax rate.

Mr. Peterson said \$18,000 may seem like a lot of money for an ATV, but it would get a lot of use and it had a diesel engine with a dump body as well as some other features. He said it would be a suitable piece of equipment that should last quite some time. Regarding the restroom facility at Waterstone, he said it would be a prefabricated unit and very basic.

7:49:09 PM Commissioner Lloyd commented on the good job that had been done on the parks. Mr. Petersons said he believed once the first half of Riverwalk was opened as well as Gold Park, that they would see unexpected benefits as well as expenses they did not expect and perhaps complaints. But, he said, that was part of the process of getting into the business of public parks.

7:49:47 PM Mr. Peterson said that Safety and Risk Management began on page 118. He said he felt better about their efforts and capabilities, not just with employee safety in the field but also with insurance and risk management issues. He said having a full-time Safety Officer did carry a price, but the Town had a tremendous amount of liability and it was a good investment. He said they were waiting to hear back from the NCLM regarding health insurance costs.

Mr. Peterson said that Police Administration began on page 128.

7:52:21 PM Police Chief Clarence Birkhead remarked that they had had a very good and active year, particularly regarding abating drug trafficking. He said their traffic units had been very successful as well.

7:53:08 PM Commissioner Gering asked about COLEI recertification. Chief Birkhead said he believed the budget was adequate now that they had gotten back up to speed and gotten personnel in place.

Mr. Peterson said after meeting with the Chief from Illinois who had done the follow-up for recertification, he had been told that out of all the years of doing COLEI reaccreditation, this was the first time in his career that he had ever seen a department go through and redo all of their policies and tailor them specifically towards their organization. Mr. Peterson said that the Illinois Chief had been exceptionally impressed with the work that had been done in a short period of time.

7:56:30 PM Commissioner Lloyd asked about Animal Control. Mr. Peterson said those costs continued to move up, and their only option was to hire an animal control officer plus all necessary equipment. He said he believed the County had been fair and generous in how they had worked with the Town, but the costs were rising. Mr. Peterson said he believed it was still appropriate to partner with the County for animal control services.

Commissioner Lloyd asked if the K-9 units were shifted from day to night. Chief Birkhead responded yes, that they rotated shifts.

7:58:59 PM Commissioner Lowen asked about the rental for the storage building, noting that it that was a recurring cost that perhaps it would be wise to just purchase a storage building. Chief Birkhead said that they did not have a good location to put one that would accommodate everything needed storing.

7:59:32 PM Mr. Peterson asked if they were still using the space at the old water plant. Chief Birkhead said yes, but it was at its maximum capacity. Mr. Peterson indicated that that space was used to store evidence and other items. He said regarding Patrol, they had tried to chisel the projected rate increase down. Mr. Peterson said although he did not like reducing the Salary line item in Patrol, they had done so by assuming a 5% vacancy rate instead of 3%, which he believed was a relatively safe assumption. He said because they were close to full staff, he had also been able to save some funds in the Overtime line item.

Mr. Peterson said regarding vehicle purchases for the two K-9 units, they were looking at alternative vehicles that met standards but got better fuel mileage that there were appropriate for those units.

8:02:59 PM Commissioner Dancy commented that Crown Victoria's would give the dogs more room in the back. Chief Birkhead agreed.

Mr. Peterson stated that currently one K-9 unit was in an older Explorer but the other was using a Crown Victoria.

8:03:44 PM Mr. Peterson stated that Investigations began on page 146. There were no comments or questions from the Board. Mr. Peterson stated that Community Policing began on page 154. There were no comments or questions from the Board.

Mr. Peterson stated that Fire Marshal and Emergency Management started on page 166.

8:05:27 PM Fire Marshal/Emergency Management Coordinator Jerry Wagner said that they had changed from a part-time Inspector to an Administrative temporary assistant in the office to perform duties to free up his time to do more inspections.

Mr. Peterson said that Mr. Wagner had requested but he had deferred to FY10 a fire extinguisher training system, which appeared to be a worthwhile investment.

8:07:03 PM Commissioner Hallman asked how much effort or investment would it take to improve their fire rating. Mr. Wagner responded they had recently undergone an inspection but did not yet know the outcome of that. He said they were meeting the mandated schedule as far as inspections, so did not know what else could be done.

8:07:57 PM Mr. Peterson stated in order to see a difference on the residential homeowners insurance, you would need to decrease the rating, noting that if you went from an 8 to a 7 you would see a 25% decrease in homeowners insurance. He said once you got below 7 you would not see a difference in residential insurance, but you would on commercial. Mr. Peterson said they should hear back soon from the State regarding the inspection, and it would not surprise him to see it drop, but it would only be seen in commercial insurance. He said part of the score had to do with water availability.

8:09:47 PM Mr. Wagner stated the same applied to communication, in that the 911 Center also played a part in the score. He said had they been able to move ahead and require mandatory water sprinkler systems in residential occupancies that would have helped to improve the rating.

Commissioner Hallman asked if building a fire station at Waterstone would help. Mr. Wagner said he was still looking into that. He added that sprinkler system requirements could be worked into the Zoning Ordinance, as had been done by Chapel Hill and others.

8:14:35 PM Mr. Peterson stated that Fire Protection started on page 174. He said the one major change in this year's budget would be the purchase of an aerial platform truck, also known as a ladder truck. He said all of the trucks under consideration were in the \$800,000 to \$900,000 range, noting the purchase of a truck would be a long-term investment and would likely be in service for about 15 years.

8:16:49 PM Commissioner Lloyd stated the money the Town would receive from Corbinton Commons and from Waterstone for fire protection could be used towards the purchase of the aerial truck. Mr. Peterson said they did have options for paying for the truck, but he believed long-range it was in the Town's best interest to use those funds towards facilities and finance the aerial truck using another method.

8:18:55 PM Commissioner Hallman asked if the \$90,000 estimated increase in operations from last year to this year was because of the ladder truck or had that shown up yet. Mr. Peterson responded it had not shown up yet. Commissioner Hallman asked if Mr. Peterson was confident in the estimate. Mr. Peterson said the Fire Department had added three additional positions that had begun in the third quarter of this year. He said those positions had been filled and the employees had been at work for about a month. Mr. Peterson said the full impact of those three positions accounted for a portion of the increase, as did fuel costs, insurance, and employee raises.

Commissioner Hallman asked if the Fire Department was doing a multi-year budget. Mr. Peterson said not that he had seen. He said they had provided more detail as far as accomplishments, changes, and things they were doing, which was good information. Mr.

Peterson said he would be meeting with Chief Cabe and others tomorrow, and they would discuss the proposed budget with them at that time. He said there was a possibility that Chief Cabe would be applying for a grant to add up to three firefighters, but that was yet to be determined, because when the grant was up the Town would need to provide for those additional employees.

8:24:00 PM Commissioner Lloyd said Chief Cabe had wanted to ask for six positions but had opted for three, because they believed that was all they could afford and all they needed at the present time. Mr. Peterson said adding three positions seemed to make more sense, which would only be one additional position per shift.

Commissioner Lloyd said it was important to understand that the Fire Department was in two parts, one part for Hillsborough and one part for rural. She said the rural coverage would get a major drop in rating, from 8 to 6 or 8 to 5. Mr. Peterson agreed, noting he believed it would drop to 5.

8:26:50 PM Mr. Peterson noted that Public Works began on page 177, with Fleet Maintenance beginning on page 180.

8:27:29 PM Fleet Maintenance Supervisor Darren Koch stated that they desperately needed the new facility, noting that they had 3 trucks that would not fit into the shop. He said many of their specialty trucks, like the leaf truck and the brush truck, had to have parts shipped in by UPS. Mr. Koch said those shipments were beginning to become more costly, particularly since fuel charges were being added.

8:28:37 PM Mr. Peterson said Fleet Maintenance did a very good job of keeping vehicles on their maintenance schedule, noting that many of their vehicles got a lot of use and some were aged, but still were in operation.

8:29:19 PM Commissioner Lloyd said when vehicles got gas at the Orange County Facility, did they have to have some special identification to do that. Mr. Koch replied yes, that there was a radio transmitter mounted on the vehicle that had the vehicle number assigned to it, and the only way a vehicle operator could get gas was to have that transmitter relay information regarding how much fuel was received and when it was received. He said in some cases it recorded the mileage on the vehicle. Mr. Koch said that prevented someone from receiving gas, siphoning it out and returning for more gas.

8:30:05 PM Commissioner Lloyd asked if the Fire Department decided they wanted to use that facility, what would they need to do and how expensive would it be. Mr. Koch said per truck it would cost \$114 for each module, and the antennae would be about \$15.

Commissioner Lloyd asked Mr. Peterson to mention that to Chief Cabe at their meeting tomorrow. Mr. Peterson said speaking of fuel costs, those had increased. He said generally that had increased some departmental budget line items by about 15%. Mr. Peterson said those costs

would likely continue to increase and were difficult to project, but they would be keeping a close watch on that.

Mr. Peterson said he had not officially sent out a memo to departments to not idle their cars, think about what they were doing and try to minimize the number of trips, but they were thinking about strategies for fuel conservation. He said they were looking at monitoring fuel month by month and setting targets for reduction based on previous years' usage.

8:33:22 PM Mayor Stevens said he was very supportive of that and any other ideas that would conserve fuel and saving costs.

8:33:51 PM Responding to a question regarding the Town's largest fuel users/costs, Chief Birkhead responded it was likely the Police Department, based on the size of the fleet.

Mr. Koch said it was between Police and Sanitation, noting that the garbage trucks had terrible fuel mileage.

8:34:13 PM Mr. Peterson said Carolyn Glasgow had told him that just last month they had spent \$12,000 on fuel, total for the Town. He said it was important to keep in mind that because the County purchased fuel in bulk, the Town paid a lower price per gallon than what you saw at the pump, but those costs were rising as well. Mr. Peterson stated that this month it would be more than \$12,000, and that would average out to more than \$150,000 for the year.

Mayor Stevens said if over the next year if fuel went up a dollar that would have a significant impact on the Town's budget. Mr. Peterson said that was correct. He said anywhere they had the opportunity to conserve fuel, they would do so.

8:37:16 PM Commissioner Hallman asked if the Town was exempt from the Gas Tax. Mr. Peterson said they were exempt.

Mr. Peterson stated he had forwarded an email to the Board from a citizen who had asked about installing bike racks at the Post Office. He suggested that the Board think about whether or not they wanted to allocate funds to place bike racks in strategic locations, or to delay that investigation until FY09 and bring back suggestions in FY10.

Commissioner Hallman suggested approaching the Tourism Board regarding bike racks. Mr. Peterson stated that might be a good project for Walkable Hillsborough or perhaps some private group.

8:40:33 PM Mr. Peterson stated that Streets began on page 192.

Ms. Ard noted that Stormwater was separated out for this year to better capture the costs/expenditures. She said they had talked about instituting some kind of fee, but that would be looked at as they got further into the project.

8:41:56 PM Commissioner Hallman asked who would be assessed for stormwater. Ms. Ard responded it could be done several different ways, but believed it would be done when development was taking place. She said at present staff was continuing to be trained regarding the different stages of stormwater control, and they were trying to get a good feel for the staff time involved so that the fee could be set accordingly.

Commissioner Hallman asked if the fee would be an annual one. Ms. Ard replied it could be, but in addition it could be a one time fee paid for a particular issue or violation.

8:44:06 PM Mr. Peterson stated some people were charged on their water bill, but he had recently learned that Chapel Hill charged homeowners the stormwater fee on their tax bill. He said they would continue to investigate options and bring that data back to the Board.

Mayor Stevens stated that Durham had a stormwater fee that was separate from other fees. Commissioner Dancy stated that was correct, noting it was charged on the water bill.

8:46:29 PM Commissioner Gering said regarding sidewalks, the Parks and Recreation Board had conducted a survey complete with photos of many of the sidewalks throughout the Town, and he had found it alarming what poor condition many of the sidewalks were in. He asked had that information made it to the rest of the staff as far as determining whether the budget included enough funding to deal with that. Ms. Ard said it was her understanding that the Parks and Recreation Board was working independently from the Public Works staff. She said that the amount recommended was pretty much whatever the Town Board wanted to budget, which would dictate how much actual work could be done. Ms. Ard said there were sidewalks with significant safety issues that needed to be dealt with, so it was a matter of trying to prioritize based on the funding level.

8:48:43 PM Commissioner Gering said they had already done a study for streets and established a maintenance program so that they could keep up with repairing streets. He said he wondered how that tied with the survey done by the Parks and Recreation Board. Ms. Ard responded that Public Works had done a walk through in terms of prioritizing where the greatest need was, and that was similar to what the Parks and Recreation Board had done.

8:49:43 PM Commissioner Gering said he would like to have more detail about what the Town's future investment plan was for sidewalks. He said the Town had done a wonderful thing with the Nash Street sidewalk project, and he wanted to make sure they would continue to invest in future sidewalks. Commissioner Gering said he would like to have some additional information on that expense stream. Mr. Peterson said as far as sidewalk repair in the Streets Department, there was \$20,000 budgeted for repair, with an additional \$5,000 in Powell Bill funds for the sidewalk repair, and then another \$27,000 in Powell Bill funding for that section of sidewalk from the east side of the Colonial Inn all the way to Wake Street.

Mr. Peterson said if there was any savings out of the \$27,000, he would be supportive of putting that savings in sidewalk repair. He said on page 205, there was a summary under FY10 under

Capital Outlay that said \$61,304 was budgeted. Mr. Peterson said those were funds that could be used for sidewalk construction or repair.

8:52:55 PM Commissioner Hallman asked did they have any sense of what the Town's liability exposure might be with some of the sidewalk repair that was needed. Ms. Ard said she did not know if that had been determined, but Public Works had prioritized those that needed repair first.

Commissioner Hallman asked if all those old stone walls starting to fall apart near sidewalks were the Town's responsibility. Ms. Ard said the retaining walls were typically considered to be on private property, but if they were in the public right-of-way they would be the Town's responsibility. She said if damage had been done to sidewalks because of tree roots, then that would be the Town's responsibility.

8:55:35 PM Mr. Peterson said the only way to make the numbers work was to reduce street repairing to \$50,000. He said there were a couple of streets that had to be repaved because they were in such bad shape.

Commissioner Lowen asked if that \$50,000 would cover the cost of repairing those streets that were in poor condition. Ms. Ard replied yes. Commissioner Lowen said in general he believed they took good care of the Town's streets, and believed that going one year with only \$50,000 budgeted would be okay. He said if another street was identified that was in bad shape, it could be put on the priority list for the coming year. Mr. Peterson stated the Town Board had made a commitment for the upkeep of the streets, and with the funds available they were taking care of the Town's streets. He said he believed they did a much better job than most other jurisdictions.

Mr. Peterson said in regards to the question regarding the Town's liability, the threshold for liability on a sidewalk was a 2-inch crack. He said if a crack was 2 inches or less and someone tripped and fell and injured themselves, then the Town would not be held liable. Mr. Peterson said if a crack was greater than 2 inches, then the Town would be held liable. He said if such a crack was found, they would solve that issue whether funds were budgeted or not.

8:59:00 PM Mr. Peterson said that Solid Waste began on page 208. He said he had not wanted to purchase another rear-loading truck, but they did not have a choice. Mr. Peterson said they had gotten 17 years out of the last truck, which was excellent, but they would have to purchase a new one. He said they would defer the purchase until January, so no debt payment would be due until July of next year.

9:00:25 PM Ms. Ard said that was another area where they were trying to maximize the resources that they had. She noted that they were looking at the routes and how the work was performed to see where savings might be found as far as fuel costs, particularly with bulk collections.

Commissioner Lowen said he was glad they had cut back to one day a week pickup, rather than the two they use to have. Mr. Peterson said he believed they were providing the level of service that was appropriate.

9:02:48 PM Commissioner Lowen said he had seen a car almost ram into the back of the rear-loading garbage truck, and wondered if signage should be added to the back that cautioned about frequent stops. Mr. Peterson said they would look into that. Commissioner Lowen said he believed it would be worthwhile. Mr. Peterson said there should be the cross-hatched yellow and black tape on the rear of the trucks that made it very visible.

9:04:00 PM Mr. Peterson stated the Cemetery began on page 212. He said he did not believe there was anything noteworthy, other than Ms. Ard's report in response to the citizens who wanted the Town to build a new cemetery and provide room for cremains.

9:04:37 PM Commissioner Lloyd said she believed one issue was not burying anyone near the stream. Ms. Ard agreed. Commissioner Lloyd said some of the people who had expressed concern may not want cremation, and believed the funeral directors were not in favor of it.

9:05:44 PM Mayor Stevens said it was said earlier this evening that this was not a good year for new projects, and that was the response that should be given to those who had requested adding a new cemetery. He said if there were private groups who wanted to do that the Town would be as cooperative as possible but should not take the lead. Mr. Peterson said an option for the Board to consider might be to add one more line to the Town's survey regarding whether or not citizens wanted their property taxes raised in order to build a Town cemetery.

9:07:42 PM Commissioner Gering said an alternative would be that if they wanted to seriously assess support for a new Town cemetery, to put it on the ballot as a referendum. Mr. Peterson said instead of going to the expense of placing it on the ballot, they could send explanatory letters to property owners in Town with a return addressed post card and ask them to respond yes or no. Commissioner Gering agreed that was an even better idea. Mr. Peterson asked if that was something the Board wanted staff to pursue.

Mayor Stevens said he believed at this point that would take a lot of effort and resources, and believed they should defer it until next year.

Commissioner Gering asked that the Manager put that on the list for FY10.

9:09:29 PM Mr. Peterson stated that Stormwater began on page 220. He said that last year they had planned to purchase a street sweeper which was expensive at over \$100,000, but they had decided to contract that out instead. There were no comments or questions from the Board.

Mr. Peterson said the Tourism budget was on page 226 and 227. He said there was nothing out of the ordinary to highlight. There were no questions or comments from the Board.

Mr. Peterson said that Special Appropriations was on pages 230 and 231. He stated that there were quite a few projects underway, and maintenance costs were growing. Mr. Peterson said there were many repairs needed at the Museum building, and Ms. Ard had been working with that staff to determine what was needed. He said that budget had been increased by about \$20,000 to cover costs for the coming year.

Mr. Peterson said the Arts Council was listed at \$8,500, although they had requested \$13,200. He said after having gone through the budget one more time he had been forced to reduce that even further to \$3,500. Mr. Peterson said the Town clock illumination had been deferred to FY10.

Mr. Peterson said that assuming that the land for future municipal operations became a reality and was financed the debt fee was noted at \$600,000 over a 15-year period at 5%. He said if they timed the financing correctly they could defer the installment financing so that it happened after the first of the calendar year, delaying it until the next fiscal year.

9:14:21 PM Mr. Siler said he had not received anything in writing from the Trading Path, but their director, Tom Magnusson, had expressed an interest in being considered for \$500 in funding.

9:15:04 PM Commissioner Lowen asked why that request had not been submitted by the deadline. He said everyone else had done so. Mr. Siler said it was an oversight on Mr. Magnusson's part.

Commissioner Gering said that had happened in the past and no one could see the fairness in allowing a request to come in late.

9:15:37 PM Commissioner Dancy said because the budget was so tight, she did not believe they should consider requests that had not been submitted on time and given the proper consideration. She said the Volunteers for Youth had not made a request, so perhaps those funds could be redistributed. Mr. Siler said there were two new requests, one from Orange Enterprises and one from A Helping Hand.

9:16:37 PM Commissioner Dancy said she did not believe either one of those had attended the meeting to make their case for funding.

Mayor Stevens said if they had the \$1,000 to consider for reallocation, would they consider putting that into the Arts Council, increasing that line item from \$3,500 to \$4,500. There was no objection from the Board.

9:17:25 PM Commissioner Lloyd said it appeared that Orange Enterprises had expanded, and asked if they had added a new position. Mr. Siler stated he did not know and could not comment. Commissioner Lloyd said they were expanding the program, but could not remember the details. But, she said, she had no great desire to fund it at this time.

Commissioner Gering said he believed it was a good idea to keep all the funding at last year's levels, and increase the Arts Council by \$1,000 through the reallocation.

Commissioner Lloyd asked did that mean they did not want to allocate any additional funding for Orange Enterprises. Commissioner Gering said no, that it would stay as it was last year. He commented that the Farmer's Market had not submitted an application for the New Year.

9:20:15 PM Commissioner Lowen asked if they needed to decide tonight. Mr. Peterson responded no, but it would be helpful to know the bottom line budget adoption figure. He said they could just leave the \$30,720 in the budget and let the Board decide later, even after budget adoption, how to divide it up.

Mr. Peterson said that completed his presentation of the General Fund, and welcomed any questions regarding details or any of the projections.

9:22:19 PM Commissioner Hallman said for FY11 they would likely have a transportation line item for the CMAC (Congestion Mitigation Air Quality). Mr. Peterson said that was correct.

Ms. Hauth said they did not have a figure as yet because they had been unable to get good information from the County at this point.

Commissioner Hallman said there had been some talk about the loop route that the CMAC funded between the park-and-ride lot and believed there would be some cost sharing with that. Mr. Peterson said he believed that funding would begin in FY10, with an inflationary figure for every year after that.

Mr. Peterson said if the Board needed any additional information, he could possibly provide it on Thursday night during the public hearing on the Water Fund.

9:24:04 PM Commissioner Gering said after having been through budget sessions 7 times now, he felt much more confident in what was being presented because there was so much good information that was well-justified.

9:24:19 PM Commissioner Lowen agreed, as did Commissioner Dancy. Commissioner Lowen said the budget information had been laid out in an understanding and detailed fashion, which was why so few questions had been asked. Mr. Peterson said he appreciated those comments. He said one thing they had done this year was to put the detailed line items with the justification so that you did not have to flip back and forth between two sections.

9:26:16 PM Mayor Stevens said it was clear what the process was and it had been very helpful in making the budget coherent. Mr. Peterson stated the entire staff had worked very hard and he appreciated their efforts, especially since they had changed the format. He particularly thanked Budget Analyst Emily Bradford for her work.

5. Other

9:27:44 PM Commissioner Dancy asked was there a screen on the email that could filter out “spam” emails or scams. Commissioner Gering said that was not possible. Commissioner Dancy asked had anyone had any problems with the network being inaccessible. Mr. Peterson said there was one day last week when the network had been down.

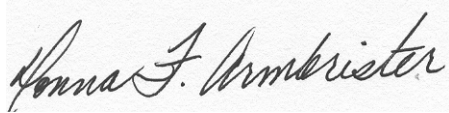
6. Closed Session to Discuss Property Acquisition

- Update on acquisition efforts to secure property for future governmental general uses
- Update on acquisition efforts for Riverwalk Phase II

9:28:52 PM Upon a motion by Commissioner Lowen, seconded by Commissioner Dancy, the Board moved to go into Closed Session by a vote of 5-0. The motion was declared passed.

7. Adjourn

Upon returning to Open Session, and upon a motion by Commissioner Gering, seconded by Commissioner Lowen, the Board moved to adjourn the meeting at 9:47 p.m. by a vote of 5-0. The motion was declared passed.



Respectfully submitted,
Donna F. Armbrister, MMC
Town Clerk