



MINUTES
Board of Commissioners Monthly Workshop
Monday, February 22, 2010 – 7:00 PM
Town Barn

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

STAFF PRESENT: Town Manager Eric Peterson, Assistant Town Manager/Public Works Director Nicole Ard, Town Clerk/Director of Administration and Human Resources Donna F. Armbrister, Planning Director Margaret Hauth, Finance Director Greg Siler, Police Sergeant William Parker, and Town Attorney Bob Hornik.

1. Open the Workshop

Mayor Stevens opened the workshop at 7:03 p.m. He did not read the Public Charge but noted it would be followed.

2. Agenda Changes & Agenda Approval

[7:03:44 PM](#) Commissioner Gering added a discussion on the plans for the Heritage Center.

Town Attorney Bob Hornik added a Closed Session item to consult with the Town Attorney on property acquisition.

[7:04:17 PM](#) Upon a motion by Commissioner Lowen, seconded by Commissioner Hallman, the Board moved to approve the Agenda as amended by a vote of 5-0. The motion was declared passed.

3. Committee Updates and Reports

[7:04:30 PM](#) Commissioner Hallman stated he, Ms. Hauth, Mike Mills and others had attended the regional TIP update meeting at the DOT, and they were in the process of trying to determine where they stood in regards to Elizabeth Brady Road. He said he had understood that the MPO would make recommendations based on the Town's priorities and the DOT would determine what projects they wanted to prioritize, and then once that was made known they had negotiated through the TIP process which basically meant they had accepted DOT's priority list. Commissioner Hallman said depending on whether it was State-wide, regional, or sub-regional, the MPO and local input would go into that formula. He said the weight would be greater if it was a sub-regional project in regards to how much DOT listened to what the Town said.

Commissioner Hallman said there was a 5-year project schedule that he thought would be reviewed every two years, and what he had been told by Mike Mills was that the Elizabeth Brady

Road project was never on that 5-year schedule. So, he said, when the next review cycle came up which was in two years they needed to make sure they had something to put onto that. Commissioner Hallman said they were in good shape because of the three projects they had identified as possible alternatives and those were all on the MPO's list of 25 top priority projects and all within range of moving into that next 5-year project schedule.

Commissioner Hallman said that DOT also had a 10-year process but it was unclear what input the Town would have, and then there was the 25-year long range planning process also in the mix. He said all of the data would be posted on the Website in the next few days, so you would be able to see how projects were rated, what formula was used to get the rating under the DOT point system, and he assumed all the appeal information would be posted as well.

[7:07:02 PM](#) Ms. Hauth said somehow Elizabeth Brady Road had not scored well, which had surprised her. She said sometimes with the MPO the Town's third ranked project would end up as the twelfth ranked project on the MPO list, but if they wanted to substitute the Town's first ranked project the MPO would let them do that. Ms. Hauth said it did not appear they had that circumstance here because Elizabeth Brady Road was ranked so much lower than the other projects the Town was asking for, but what it might do was to change the position on the regional list. Or, she, said, they may be able to talk with the district staff and get them to raise the priority of some of the other alternatives which could in turn raise the points associated with the other projects. Ms. Hauth said once the data was released they would have a better idea of how they might change scores. She added that previously DOT had not shared how they had arrived at what they would or would not fund, but now they were sharing how they arrived at those rankings, which was a dramatic change.

Commissioner Hallman said Mr. Mills knew that they wanted their new DOT Board member to come to Hillsborough to talk about those issues, and Mr. Mills would try to set that up for mid-March.

[7:08:48 PM](#) Mayor Stevens said the Economic Development Commission had approved a framework of recommendations that they wanted to send to the County, which was a 3-tiered package. He said the package included things that should be done, part of which included the Buckhorn area and infrastructure in the economic development districts as well as providing incentives targeted at small or mid-size companies. Mayor Stevens said mostly it was to provide an economic development package that would give Orange County a way of moving forward. He said they were still working on the details, but it appeared they were making progress.

Commissioner Lowen said he had recently been asked if the Buckhorn area project was still a go, and he had replied that it had not something the Town had any control over. He said he would be interested to know what the future held for that area.

[7:10:48 PM](#) Commissioner Hallman distributed pocket guides to services provided by the Orange County Partnership to End Homelessness. He said that the Durham County Commissioners had frozen funds to their Partnership to End Homelessness until they got some idea of what had been accomplished over the last 3 years, and just prior to that the Orange

County Partnership realized that they needed to get a handle on whether or not they had met any of their goals. Commissioner Hallman said they were now in the planning process of trying to get a report together for the Orange County Commissioners and the other elected bodies of what that Partnership had been doing the last 3 years.

4. Authorization to Award a Contract to Summit Engineers for Construction Engineering Support for the Nash Street Sidewalk Project for \$113,585.39

[7:11:55 PM](#) Ms. Ard stated that they now were ready to award the contract for construction engineering support for the Nash Street Sidewalk Project, noting that the Town was required to have certified inspectors on site at all times for the project. She said they had negotiated a lower number of project engineer hours but administrative support would be provided through the engineer as well as through clerical staff over the next 16 months or however long it took for the project to be completed.

Commissioner Hallman asked was that funding included in the original budget, noting he understood that providing engineers on site was required by the stimulus funding rules. Ms. Ard replied that the funds were included in the budget and the Finance Director had informed her that a budget amendment would be coming forward next month. She said the funds had been spent to get to this point for the easements and utility relocations and some other items, but they needed to move funds in order to cover this part of the project. Ms. Ard said these funds were included in the \$1.2 million for construction and engineering activities.

Ms. Ard said she had attended a training session today at NCDOT in regards to how to handle stimulus funds, and the Town's contractor and subcontractors had all attended. She said they would have their preconstruction meeting on Thursday, and S.T. Wooten was ready to begin on March 1. Ms. Ard said the neighbors would be informed, and if all went well they would begin the project at the north end near Mollie's Court.

[7:14:55 PM](#) Mayor Stevens asked if they were still looking at a 2012 completion date. Ms. Ard said she believed the original schedule was to run from January of 2010 to May of 2011. She said if the Town Board wanted to do a groundbreaking she would get more information.

Commissioner Gering asked if the staff report was in error, since it said that the contract provided construction inspection support through 2012. Ms. Ard replied no, that the actual proposal referred to support project engineer hours through 2012 as well as some clerical support in the event that it was needed.

Commissioner Lloyd asked where Mollie's Court was located. Ms. Ard replied it was not an actual street, but was a drive near Torain Street and Faucette Mill Road.

[7:16:23 PM](#) Commissioner Lowen asked about a groundbreaking. Ms. Ard said that was up to the Board, noting it was a large stretch of roadway and Mr. Parker had suggested that the area around Calvin Street would be a good place to have a groundbreaking if the Board wanted to do one.

Mayor Stevens said it was a significant project for the community.

Commissioner Lloyd asked why Calvin Street. Ms. Ard said because it provided enough room for a group of people to safely gather.

Mayor Stevens said the groundbreaking would be symbolic, and not where the project actually began.

Commissioner Hallman suggested they could do multiple groundbreakings as the project moved through the various neighborhoods.

Mayor Stevens agreed, as did Commissioner Lloyd.

[7:17:34 PM](#) Upon a motion by Commissioner Gering, seconded by Commissioner Dancy, the Board moved to award a contract to Summit Engineers for Construction Engineering Support for the Nash Street Sidewalk Project in the amount of \$113,585.39 by a vote of 5-0. The motion was declared passed.

5. Review of Margaret Lane Sidewalk Project Design (Presentation by Jim Parker with Summit Consulting Engineers)

[7:17:57 PM](#) Ms. Hauth said they had thought the Board might like to see the construction details for the project and perhaps offer some suggestions. She said they were advertising for bids at present and would be ready to move quickly once that was accomplished.

[7:18:23 PM](#) Jim Parker, Managing Partner with Summit Consulting Engineers, displayed a graphic that indicated the location of the sidewalk project. He pointed out the building under construction at the corner and said the sidewalk would go from that corner, wrap around, and tie into the sidewalk at the Fire Station. Mr. Parker said there was a brick sidewalk in front of the Fire Station which just ended and then there was asphalt.

Commissioner Hallman asked would there be curb and gutter. Mr. Parker replied yes, noting they would tie into the brick sidewalk and that handicap ramps would be included, as well as crosswalks that would be used to sync with the signal ped heads supplied by NCDOT. He said the brick sidewalk was comparable to the brick sidewalk in front of the Gateway Center and the brick sidewalk in front of the library on Margaret Lane. Mr. Parker said the width of the sidewalk would vary, noting it was never narrower than 5 feet but at its widest point it was about 7½ feet. He said it would run along the south side of Margaret Lane all the way to the library corner where the driveway was located.

Mr. Parker stated they had included three plantings along that street, which were similar to those provided in front of the Gateway Center and the library. He said they had selected Crepe Myrtles, but if the Tree Board wanted to select something different he believed they could accommodate that. Mr. Parker said they believed that Crepe Myrtles would help soften that side

of the roadway. He said the current driveway cut, which was the alley, would remain so no access would be cut off.

[7:20:38 PM](#) Commissioner Hallman asked how they would handle the steep hill by Susan Frankenberg's house. Mr. Parker said if you could visualize where the curb was now, they would not be cutting into the bank but would be bringing the sidewalk out. So, he said, they were narrowing the street by about five feet.

Mayor Stevens said there was actually a utility pole in that location. Mr. Parker said the sidewalk would avoid the pole.

Mayor Stevens said then essentially the sidewalk would go all the way to the building. Mr. Parker said the drawing made it appear that way, but the plans actually showed a distance of about 3 feet from the actual right-of-way to the actual building. He said it was possible that Ms. Frankenberg would be installing brick pavers on her property in order to match.

[7:21:49 PM](#) Commissioner Lowen said if that could be coordinated, then they would not experience a discoloration with the bricks. Mr. Parker agreed.

Commissioner Hallman asked what width Margaret Lane would end up being. Mr. Parker replied it would be 25 feet wide.

Mayor Stevens said this project would remove 4 on-street parking spaces where Hillsborough Plumbing had been located. Mr. Parker said that was correct

[7:22:26 PM](#) Commissioner Hallman asked if any right-of-way would need to be acquired. Mr. Parker replied no, which had been one of their goals. He said they had tried to coordinate traffic with NCDOT as far as the ped head poles for the pedestrian signals, so that they did not have to acquire any right-of-way or easements. Mr. Parker said he had met with NCDOT on Friday to work that out, and hoped that they would conclude that the ped heads would fit in the existing right-of-way.

Ms. Hauth asked if they were maintaining Robin Taylor-Hall's driveway cut. Mr. Parker stated they were narrowing her driveway somewhat, but the cut would remain.

[7:23:50 PM](#) Commissioner Hallman asked was there any talk about having a crosswalk to the courthouse from that corner. Mr. Parker said that was included with the signal heads by the State.

Commissioner Lloyd said she believed this project would provide additional safety for pedestrians. Mr. Parker said that was a good point, noting that in working with staff it had been noted that in order to keep the sidewalk on the right-of-way that the radius would have to be about 15 feet, noting at present it was about 10. So, he said, it would be less truck-friendly but that had been the intent.

[7:24:58 PM](#) Commissioner Hallman asked was it a square curb and gutter or was it a rolled curb there. Mr. Parker said it would be a standard rolled curb and handicap ramps, then at the driveways it would flatten out like a valley. Commissioner Hallman said he was wondering what the effect of trucks running over it would be. Mr. Parker said it would accommodate a truck, noting at present there was no definition at that corner so trucks frequently ran over the curb. He said it was their intent to try to minimize parking on the street by large trucks, noting the project was in fact seen as a traffic calming effort.

Commissioner Lloyd asked if trucks frequenting Bandido's would still be able to pull off on the other side of the street. Mr. Parker said he believed they just stopped wherever they wanted to. Commissioner Lloyd said it was a shame that a loading zone could not be provided.

Ms. Hauth said that a loading zone was in the small print of the parking plan, noting they were working on trying to bring a plan back to the Board about where some loading zones might be established in the downtown to try to address those types of issues. She said that would also give them the opportunity to bring to the Board some Code amendments for no parking on that portion of Margaret Lane. Ms. Hauth said because they did not now have a curb that could be painted yellow, they would soon be able to accommodate that by simply painting the curb rather than installing a forest of no parking signs.

[7:27:26 PM](#) Mayor Stevens said he was pleased with the way staff was tracking the project as well as with the County's participation. He asked for information on the time table for the project. Mr. Parker said the bid opening was March 16.

Ms. Hauth said that would mean that they could possibly put on the March 22 workshop agenda awarding of the contract. Mr. Parker said the schedule called for construction to be completed in 90 days.

Mayor Stevens said then completion would be the summer of this year. Mr. Parker replied yes, in August.

[7:28:34 PM](#) Mr. Parker said on the other side of the street, there was another project that was a drainage project that may or may not be able to be incorporated into this project. He said he understood that there were two different funding packages for the work, but once they got a contractor for the south side they would certainly ask for pricing from him for the north side. But, he said, they would also receive bids if the Town wanted to do so. Mr. Parker said if they rolled that work into this project, it would likely go quicker and be cheaper, and if not then it may be advantageous to wait so there were not two crews out there working at the same time.

[7:29:25 PM](#) Mr. Peterson asked him to explain what project he was referring to. Mr. Parker said the work on the north side of the street included three drainage structures that were all full of debris and no longer functioned. He said that project was a Public Works project to put in a larger pipe and rebuild those drainage structures so that drainage would collect properly. Mr. Parker said similar work would be taking place on the south side because they would be tearing out the existing curb as well as some of the sidewalk by Bandido's with it all being redone

sometime this year. So, he said, there was some coordination that needed to be done, and it may be that they could save some money by getting the selected contractor for the south side to add the work on the north side as a supplemental project and allow the funding to cross over. Or, he said, they could just bid it out.

Commissioner Lloyd asked had he talked with the Town Manager about possibly combining the projects. Mr. Peterson said that Ms. Ard was coordinating the work, but nothing had been decided. Commissioner Lloyd asked could the funding be combined.

Finance Director Greg Siler responded there was no problem with doing that.

[7:31:30 PM](#) Mayor Stevens said if they were going to disrupt the street, it would be better to coordinate the projects. Mr. Parker agreed, noting they needed to keep the street open. Mayor Stevens said as tight as their budget was, they needed to explore all options.

Commissioner Lloyd asked would they alert the Police Department before the project began. Mr. Parker replied they would.

Commissioner Hallman said he believed there were DOT “spot safety” funds available when there were traffic issues associated with sidewalk repairs. He wondered if they should explore the possibility of receiving those funds. Ms. Hauth said she could ask, but since Margaret Lane was a Town street she did not believe the project would be eligible.

6. Direction to staff regarding civil penalties for a corrected zoning violation at 326 West Margaret Lane

[7:32:40 PM](#) Ms. Hauth said they now had a corrected zoning violation at 326 West Margaret Lane, noting they had closed the collection of civil penalties at \$10,000 in order to remain in district court and avoid going to the next level. She said the property owner had not corrected the violation and in the course of settling her various issues the property would now transfer. Ms. Hauth said the Town had a lien attached to it for \$10,000, and that of course made it difficult for the property owner to do what she needed to do as far as settling her affairs. She said she had asked Mr. Morphis what the Town had invested in this action in terms of legal fees and filings, and it was determined to be \$4,297. Ms. Hauth asked the Board for some direction as to how to proceed.

[7:34:07 PM](#) Commissioner Gering said he would like to understand better what the difficulty was, noting that \$10,000 was a large amount of money. He asked if that was out of the reach of the property owner. Ms. Hauth said it was basically a foreclosure, and the property owner did not have that much equity in the property and she did not even know if she had the amount of the legal fees in equity.

[7:34:50 PM](#) Commissioner Dancy said then they did not know how much equity the property owner had. Ms. Hauth said that was correct, noting she did not believe the owner had ever had an attorney representing her.

Mr. Hornik agreed she had not had one in connection with the enforcement proceedings, but believed she had someone helping her with the closing.

Commissioner Dancy said she was thinking about the cost to the Town as far as legal fees, and would be willing to reduce the \$10,000 fine to \$4,297 in order to cover those fees. Ms. Hauth said she was not asking that the Board do that, but wanted the Board to know they had been able to get the situation corrected without having to perform the work and then try to get reimbursed. She said she had wanted to discover if the Board was interested in simply breaking even.

[7:36:06 PM](#) Commissioner Gering said if the property was under foreclosure and the property owner did not have the equity, how that translated in the Town recouping its expense. Mr. Hornik said the bank was foreclosing, and there was a sale that they were apparently ready to close on. He said the money coming in from the sale may not be enough to cover everything, such as any taxes due, the amount remaining on the mortgage, the Town's lien, and possibly other liens. Mr. Hornik said the trustee was trying to complete the sale and figure out how to divvy the funds up and convey good title. So, he said, the bank would take somewhat of a hit as well as the lien holders, and the question was would the Town share in it by reducing the \$10,000 judgment so that the property could be sold. Mr. Hornik said everyone would not get 100% of what they wanted, but everyone would get some percentage.

Commissioner Gering said in the hierarchy of who got paid first where did the Town stand. Mr. Hornik said the mortgage was first, then the taxes, and then the Town's lien.

[7:37:39 PM](#) Mayor Stevens said he believed Commissioner Dancy was suggesting that the Town try to recoup its legal fees. He asked if the Board agreed with that.

Commissioner Lloyd asked would there be additional legal fees beyond the \$4,297. Ms. Hauth said that was Mr. Morphis' best estimate.

Mr. Hornik said that Mr. Morphis had researched the time spent over the year and a half to two years that the issue had been ongoing. He said the \$4,297 was what they had been able to identify for legal fees and filing fees.

Commissioner Lloyd suggested that they cut the fee in half and reduce it to \$5,000. She said if they asked for a little more, they may come closer to breaking even once the proceeds were divvied up.

[7:38:47 PM](#) Mayor Stevens said he believed there was some merit to that way of thinking, and wondered if in this case that would be more clean cut.

Commissioner Lloyd said even at \$5,000 the Town could receive much less. Ms. Hauth said there would be one final filing, and then they would close the case.

Mr. Hornik said whatever the number was they were likely to have that money within a couple of weeks.

Commissioner Gering said he would accept \$5,000 although he was not happy about doing so. But, he said, given that the property was now in compliance and there were unfortunate personal circumstances that exacerbated the problem, as long as the Town recovered its expenses he would be okay with it.

Commissioner Lowen said he would agree to reduce the fine to \$5,000.

[7:39:52 PM](#) Upon a motion by Commissioner Lloyd, seconded by Commissioner Hallman, the Board moved to direct staff to accept \$5,000 as satisfactory for the \$10,000 lien currently placed on property at 326 West Margaret Lane due to a corrected zoning violation by a vote of 5-0. The motion was declared passed.

7. Approval of Garbage Truck Financing Resolution and Agreement

[7:40:31 PM](#) Mr. Siler stated that the Town had received 4 bids from lenders for the purchase of a rear loader garbage truck, with the low bidder being BB&T at 2.79% on \$137,400. He said that the fixed semi-annual payment would be \$14,816.10.

[7:41:21 PM](#) Upon a motion by Commissioner Dancy, seconded by Commissioner Lowen, the Board moved to approve the resolution for financing a Rear Loader Garbage Truck by BB&T by a vote of 5-0. The motion was declared passed.

8. Other – Added item regarding plans for the Heritage Center

[7:41:42 PM](#) Commissioner Gering said he wanted some information from the staff's perspective about the potential of finding a better location for the Museum than the space they were now leasing from the Town, and relieving the Town of the burden of maintaining that building. He said he believed some good points had been made by Mr. Peterson and Ms. Ard at the joint meeting with the Orange County Commissioners as far as what the potential might be to make a better situation for the Museum as well as for the Town.

Mr. Peterson said when the concept had been brought up in regards to the Heritage Center and the Museum possibly merging and moving to some other location, what he had thought was that the current Museum building could be sold, ideally to someone who would pay taxes, get whatever dollars they could from that, and then free themselves of the maintenance on that building. He said the maintenance of that building had ranged from between \$7,500 and \$30,000 a year depending on needs, with an average of about \$10,000 to \$15,000 each year. Mr. Peterson said if the Board was interested in working with the County or someone else, they would have two different sources of funding. He said they could take the money they normally spent on maintenance and use it to help operate the facility in some other location, and then once the building was sold they would have various options on what to do with those funds. Mr. Peterson said it could be put in Fund Balance, it could be dedicated to acquiring another facility, or it

could be used as an endowment, almost like a scholarship, with the interest being siphoned off each year and directed to the Museum. He said those were just random ideas that had come to his mind.

[7:44:43 PM](#) Commissioner Hallman said a few years ago the board of the Museum had actually talked about combining on the Burwell School site with plans for rebuilding the barn at the school. He said he did not know if that was still a possibility.

Commissioner Lloyd said she did not believe so.

Commissioner Gering said the reason this had come up now was because a consultant would soon be coming out with some interim results as to possible sites around Hillsborough for the Heritage Center Museum. He said one, or possibly more, of the candidates were County-owned property that the County was in the process of trying to sell, one of which was the furniture building. Commissioner Gering said the comment he had made at the joint meeting was that if they could find some way to work with the County, for example if it was determined that a location such as the furniture building was the best location, that the County not sell that property but to lease it to the Museum and perhaps the Town could contribute some funding to its maintenance. He said that would mean that the County, at least in that scenario, should retain ownership rather than sell it.

[7:46:15 PM](#) Commissioner Lowen asked where the furniture building was located. Commissioner Gering replied said it was across from the Elections Board office. Commissioner Lowen asked was that building up for bids as was others on Churton Street.

Mayor Stevens replied no, but there had been some energy from the County to divest themselves of some property where they could.

Commissioner Gering said the County Manager had indicated the County was not interested in continuing to own it.

[7:46:46 PM](#) Commissioner Lowen said there had been some thought early on about using some of the space vacated at the Whitaker Building. Ms. Ard said she believed the School Board was using that space. Commissioner Lowen asked had the School Board then vacated their previous space. Ms. Ard said no, that they were just spreading out to provide more space for staff. She said it had been recognized that there was a cultural arts group looking for space for a cultural arts center, and instead of having two groups competing if there was a facility that could accommodate both then they should do that. Ms. Ard said that purchasing the furniture building would accomplish that.

[7:48:17 PM](#) Commissioner Lloyd said she remembered that the County Manager had said he wanted to sell the 3 County buildings so that the County would be able to receive property taxes from it. She said if she were in his place, she would likely feel the same.

Commissioner Gering said he recalled that the County had been talking for a number of years of the need for a heritage center, and when they made plans for the library that idea had fallen off the radar. He said the County had destroyed the maintenance building on Hassell and Tryon Streets, which had been talked about as a possible location for a heritage center, but there was no way to make amends for that. Commissioner Gering said given the importance of heritage and tourism to Orange County and to Hillsborough, he believed those were cultural resources that the Town and the County had a responsibility to going forward. He said to say they would do away with all that due to financial hardship was shortsightedness.

Commissioner Lloyd said she was not saying they should do that, but she did not believe the furniture building would be worth what the County would likely ask for it. She wondered if they should wait until they received the report from the consultant before continuing the discussion. Commissioner Lloyd said it appeared that someone would have to come up with some funding other than just the Town.

[7:52:51 PM](#) Commissioner Hallman said he believed that Commissioner Gering was correct, in that if they did not start making plans they would never get anywhere. He said they did not have to comment any funding, but they needed to begin raising the issue and showing that they were proactive.

Mayor Stevens said he had taken from that joint meeting that there was a preference by the County to get out from under property, and that the County did not want to be seen as the primary funders. He said he absolutely agreed that they wanted to be partners and have some assets that they could put on the table, but the Town did not necessarily want to be the primary funders, either. Mayor Stevens said he believed the Heritage Center and the Museum needed to understand that there would probably have to be a partnership. He said he believed the County would at least have some willingness to look at the issues.

[7:53:59 PM](#) Commissioner Lloyd said she was not saying she would not be in favor of it, she was saying she would not want the Town to take the lead. She said the Presbyterian Church had shown interest in the Museum building in the past, and may still have an interest, but the Town would not receive any property taxes if the property went to the church.

Commissioner Gering said he had wanted to bring the issue up the Board, noting the consultant's report would be coming out in a few weeks and that would generate a lot of discussion. He said he had wanted the Board to be prepared so that they could deal with it at the appropriate time. Commissioner Gering said there may be an opportunity to make things better for the Town and for the Museum as well.

Commissioner Lloyd said she did not know what shape the furniture building was in, but it was in a good location for tourism. She said it also worried her that they did not know how much the County was asking for that building.

7:55:28 PM Commissioner Gering said it would be a shame if the County put out bids and found a buyer, then sold it before the consultant's report came out and the Town had a chance to respond to it.

Commissioner Lowen asked had he ever been in that building, noting he was wondering what kind of space it had.

Commissioner Gering said he had not been in the building, but believed the consultant's report would analyze the space among other things.

7:55:55 PM Ms. Ard said it was either 4,000 or 6,000 square feet, depending on whether you included the smaller building behind it. She said they had conducted two walk throughs of the building, one for the consultant and one for the Museum Board.

Commissioner Lowen said then did the Museum Board believe that that amount of square footage, whether there or someplace else would be workable. Ms. Ard said she could not speak for the Museum Board, although it was obviously more space than they now had.

Mayor Stevens reminded the Board and the public that he would be presenting the State of the Town address tomorrow at 7 p.m.

9. Closed Session as authorized by North Carolina General Statute Section 143-318.11 (a)(6) regarding Personnel Matters

7:56:53 PM Upon a motion by Commissioner Dancy, seconded by Commissioner Hallman, the Board moved to go into Closed Session as authorized by N.C.G.S. 143-318.11(a)(6) to discuss personnel matters by a vote of 5-0. The motion was declared passed.

10. Adjourn

Upon returning to Open Session, and upon a motion by Commissioner Dancy, seconded by Commissioner Hallman, the Board moved to adjourn the meeting at 9:12 p.m. by a vote of 5-0. The motion was declared passed.



Respectfully submitted,
Donna F. Armbrister, MMC
Town Clerk

Resolution Approving Financing Terms

WHEREAS: The Town of Hillsborough ("Town") has previously determined to undertake a project for the purchase of a 2010 Freightliner Truck with a 2009 Heil Rear Loader Garbage Body (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated February 22, 2010. The amount financed shall not exceed \$137,400.00 the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.79%, and the financing term shall not exceed fifty-nine (59) months from closing.
2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as BB&T may request.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.
4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).
5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town's general fund, or any other Town fund related to the project, for project costs may be reimbursed from the financing proceeds.
6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 22nd day of Feb., 2010.

By: Sharon J. Ambrioste
(Clerk)

By: Tom J...
(Mayor)

