

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, MAY 27, 2014
7:00 PM

Mayor Bill Terry called the meeting to order and asked for a moment of silence.

PLEDGE OF ALLEGIANCE

Commissioner Farrell led the Pledge of Allegiance.

ATTENDANCE

Members present: Mayor Bill Terry, Mayor Pro Tem Pamela Baldwin, Commissioners Jay Farrell, Michael Fiocco, Bett Wilson Foley and Beth Turner.

Staff present: Manager Bryan Gruesbeck, Clerk Alice F. Lloyd, Attorney Paul S. Messick, Jr., Chief of Police Percy T. Crutchfield, Planning Director Stuart Bass, Water Treatment Superintendent Adam Pickett, Parks Planner Paul Horne, Engineer Fred Royal and Wastewater Treatment Superintendent Randy Heard.

Former Finance Director Mandy Cartrette was present to help with budget work session.

CONSENT AGENDA

Motion made by Commissioner Fiocco seconded by Commissioner Foley to approve the consent agenda as submitted. The Consent Agenda contains the following items:

1. Approve minutes of the May 12, 2014 regular meeting.
2. Approve Resolution Authorizing Support of Downtown Improvements Planning.
3. Approve Resolution Adopting an Agreement to Continue Participation in the North Carolina Small Town Main Street Program.

Vote Aye-5 Nay-0

A RESOLUTION AUTHORIZING TOWN SUPPORT AND INVOLVEMENT FOR DOWNTOWN IMPROVEMENTS PLANNING IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 22

A RESOLUTION ADOPTING AN AGREEMENT TO CONTINUE PARTICIPATION IN THE NORTH CAROLINA SMALL TOWN MAIN STREET PROGRAM 2014-2015 IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 23-24

REGULAR MEETING AGENDA

Motion made by Commissioner Fiocco seconded by Commissioner Turner to approve the regular agenda as submitted.

Vote Aye-5 Nay-0

CITIZENS MATTERS

None

PUBLIC HEARINGS

REZONING REQUEST (REZ-2014-01) FOR 175 EAST SALISBURY STREET AND 129 NORTH SMALL STREET FROM C-2 (HIGHWAY COMMERCIAL) TO O&I (OFFICE AND INSTITUTIONAL)

Motion made by Commissioner Foley seconded by Commissioner Fiocco to go into public hearing for the rezoning request for 175 East Salisbury Street and 129 North Small Street from C-2 (Highway Commercial) to O & I (Office and Institutional).

Planner Bass reported staff recommends approval of the proposed amendment, and advises that it is consistent with the Land Use Plan and other applicable plans and policies, and recommended to adopt the staff report which addresses plan consistency and other matters. The proposed rezoning is consistent with the Town's Land Use Plan. The Office & Institutional District provides for uses that the Mixed Use Town Center area contemplates being located within the designated area. It is a reasonable location for such zoning and would be suitable for those uses permitted within the proposed district. And although zoned C-2 Highway Commercial, the character of Salisbury Street within the immediate vicinity is residential.

An important issue for consideration is the location of the proposed parcel in relation to the surrounding zoning district. In this instance the parcel would be bounded on all sides by either C-2 or R-10 zoning districts. Such a small scale zoning, i.e. the zoning of one or two parcels, is by definition spot zoning.

Spot zoning in North Carolina is permissible if reasonable. The courts have set forth the following factors to be used in an analysis;

(1) The size and nature of the tract. Generally, the larger the area, and the greater the number of property owners, the higher a likelihood of validity. Although the size of the parcel is relative. In this instance, the sizes of the parcels are similar to those around it.

(2) Compatibility with existing plans. Does the existing plan provide a public purpose? As stated earlier, the proposed rezoning is compatible with the Town's Land Use Plan.

(3) Consideration of impacts on the landowner, the immediate neighbors, and the surrounding community. What are the benefits and to what extent are they. This would be considered a "downzoning" from the current zoning district, and would provide for less intensive uses than are currently allowed with the C2 zoning.

(4) The relation between the differences in uses from the two districts. The greater the difference in permitted uses, the more likely the rezoning will be found unreasonable. In this instance, the primary difference would be the elimination of a number of retail allowances, while making a single family residence a permitted use

PLANNING BOARD RECOMMENDATION:

The Planning Board accepted the Staff Recommendation and recommends approval of the proposed rezoning, and to advise that it is consistent with the Land Use Plan.

PUBLIC COMMENTS:

None

Motion made by Commissioner Fiocco seconded by Commissioner Turner to go out of public hearing.

Vote Aye-5 Nay-0

FY 2014-2015 ANNUAL BUDGET

Motion made by Commissioner Fiocco seconded by Commissioner Turner to go into public hearing for the FY 2014-2015 Proposed Budget.

Vote Aye-5 Nay-0

PUBLIC COMMENTS:

None

Motion made by Commissioner Baldwin seconded by Commissioner Fiocco to go out of public hearing.

Vote Aye-5 Nay-0

OLD BUSINESS

Update from Pittsboro ABC Board (Jim Nass)

Mr. Nass gave an update on the ABC Store. He presented the Mayor with checks in the amount of \$9468.00.

Commissioner Fiocco thanked Mr. Nass and the ABC Board for all their hard work.

**PARK AND RECREATION ADVISORY BOARD (PARAB) – CHATHAM PARK
COMMENTS**

Dee Reid read the PARAB comments into the public records. Comments attached to minutes.

WORKSESSION

FY 2014-2015 Annual Budget

Manager Gruesbeck went over the memorandum submitted for the FY 2014-2015 budget and there was discussion. (Attached to minutes)

After discussion it was the consensus of the board that they would like to look at giving employees some type of raise above the 2% CPI that is included.

Mayor Terry suggested that the town consider options to reduce the enterprise fund deficit by using the general fund balance.

Commissioner Fiocco said they needed to look at adjusting all review fees and that two are still not on the list (Conditional Zoning and PDD). He said maybe we could add language to these two fees that state "cost plus a fee of \$825.00).

Mayor Terry stated previously when he was Manager he was raising the fees at the CPI rate so that it would not be such a large jump at once.

There was discussion about getting information on the lease program for police vehicles.

After discussion it was the consensus of the board to continue the budget worksession on June 9, 2014 as part of the regular meeting.

CAPITAL PROJECTS REPORT

Commissioner Fiocco said he would like to vote on Chatham Park on June 9, 2014.

Commissioner Foley said she would like to address some of the concerns from last week and the one's from the PARAB tonight before we take a vote. She doesn't feel we should take a vote the same night of the discussion.

Mayor Terry called for a vote on whether to put Chatham Park on the agenda for discussion/vote on June 9, 2014.

Yes – Baldwin, Farrell, Fiocco, Turner

No – Foley – She feels the discussion should be separate from the vote.

MANAGER'S UPDATE ON CAPITAL PROJECTS

Manager Gruesbeck did not give an update tonight.

Mayor Updates

- EDC
- RPO
- Solid Waste
- Fairground Association

- PBA/Downtown

COMMISSIONER CONCERNS

Commissioner Fiocco said his concern was addressed this evening when NCDOT again refused to lower the speed limit (15-501 N). He is very concerned.

Commissioner Foley asked Mr. Horne if she could speak about the sculpture show at Mary Hayes Holmes Park. Mr. Horne said it was successful. He will get some pictures online. Mr. Horne said most of them have been removed but there still are a few that will be in place until June 15, 2014.

Commissioner Baldwin said a parent had contacted her about a crosswalk being installed from the tennis court and baseball field to Pittsboro Primary School. Manager Gruesbeck said he would look at this.

Commissioner Baldwin asked if maybe each Commissioner could send a list of their concerns to the developer (Chatham Parks) before the meeting. There was discussion about open meeting laws regarding this.

Commissioner Fiocco said he feels the board should take a vote and it may not get approved. It would be the wishes of the board.

Commissioner Turner asked that public works look at a pothole on Industrial Drive and get it repaired before the opening of the distillery.

Manager Gruesbeck asked Mr. Horne to give an update on upcoming events regarding the creations of a feasibility study for downtown.

Mr. Horne said tomorrow afternoon at the Roadhouse the designer will be available to meet with the elected board, staff and stakeholders downtown. At 6 pm that night they will be here (Town Hall) taking input and look at what has been done so far. He said everyone is asked to meet with him that day or on Thursday.

Philip Culpepper said Kimley and Horn will facilitate the plan. Not write the plan. It is a cooperative effort to get it to Secretary Tata's office so they can earmark funds.

Manager Gruesbeck said they want to have that plan developed by the end of June.

FYI -

1. Letter from United States Department of the Interior, Fish & Wildlife Service dated 5/21/14.

ADJOURNMENT

Motion made by Commissioner Turner seconded by Commissioner Baldwin to adjourn at 10:07 p.m.

William G. Terry, Mayor

ATTEST:

Alice F. Lloyd, CMC, NCCMC
Town Clerk

MEMO

To: Planning Board & Board of Commissioners

Cc: Planning Board

From: Parks and Recreation Advisory Board (PARAB)

RE: Chatham Park

The Parks and Recreation Advisory Board strongly recommends that the Board of Commissioners consider five conditions for approval of Chatham Park's requested Planned Development District Rezoning. All five conditions are directly related to ensuring adequate land and funding to support parks and recreation needs within our rapidly growing community. If these recommendations prove to be unfeasible, we have an alternative recommendation for dealing with Parks, Recreation and Open Space within the Chatham Park Master Plan.

1) Conservation Buffer – Haw River

HONOR THE 2000 FOOT CONSERVATION - OPEN SPACE DESIGNATION ALONG THE HAW RIVER AS ADOPTED IN THE 2012 LAND USE PLAN.

The Land use Plan of 2012 designated a 2000 foot buffer along the Haw River as a "Open Space and Conservation" area." This "place type," describing the Town's vision for future development patterns, states on page 98 of the plan, that "Development in these areas is generally discouraged."

There appears to be some confusion regarding the fact that the conservation place type explains the provenance of the 2000 buffer. To avoid further confusion perhaps it's best to quote the relevant section in full:

Conservation includes floodplains, a 2,000 foot wide buffer along the Haw River, and public lands associated with Lake Jordan. The buffer along the Haw River is consistent with Chatham County's low density stream buffers, which limit density to one unit per five acres. Development in these areas is generally discouraged.

It should be noted that none of the Future Development Pattern Map place type descriptions, including "Open Space and Conservation," recommend specific densities within a given place type. The Zoning Map describes specific densities and uses within zoning districts. The Zoning Map has not yet been updated to reflect the recommendations of the Land Use Plan. The Future Land Use Map and the Zoning Map cannot be used interchangeably, and should not be confused.

2) Open Space

REQUIRE 30% OF THE PROJECT TO BE DESIGNATED AS OPEN SPACE - NOT TIED TO FINAL BUILD OUT. A LARGE, MULTI-HUNDRED ACRE NATURE PRESERVE WOULD BE IDEAL.

The Parks and Recreation Advisory Board concur with the recommendation from the Lawrence Group consultant to require 30% of Chatham Parks land area be set aside for conservation and open space. We have seen evidence that Pittsboro area citizens highly value conservation and feel that this provision is reflective of our community values for preserving land for its inherent value.

Wake County is aggressively pursuing an Open Space Plan with the goal of conserving 30 percent of the County's land area. To quote a recent News and Observer Article:

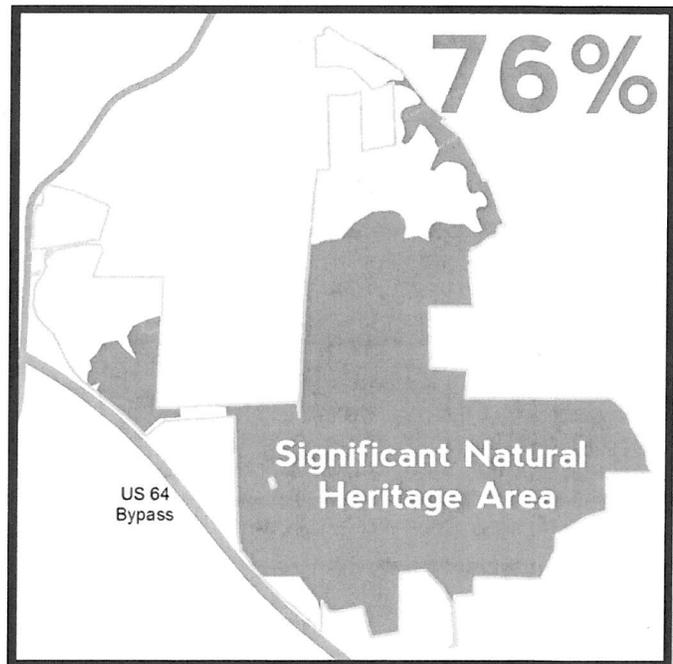
"While the goal of the program is to protect the county's water quality, the preservation of green space is considered an amenity that attracts homeowners and business, reduces pollution, helps prevent flooding, supports plant and animal diversity and provides opportunities for recreation."

Read more here: <http://www.newsobserver.com/2014/04/27/3816326/wake-countys-open-space-program.html?sp=/99/100/&ihp=1#storylink=cpy>

It is hoped that Pittsboro would be able to compete with Wake County in attracting and retaining employers and residents through the protection of great natural areas.

Roughly 76% of the Section of Chatham Park north of US 64 Bypass is considered by the state to be a "Significant Natural Heritage Area." The following is from NCDENR:

"Significant Natural Heritage Areas (SNHAs) are an area of land or water that is important for the conservation of the natural biodiversity of North Carolina. . . SNHAs are expected to contain the best populations of rare species, their habitat and exemplary natural communities. . . Information about SNHAs is provided to land owners, land managers, and land use planners to aid in decision-making. . . This information helps project planners and landowners make land use decisions that have the most benefit to society and the economy, while having the least ecological impact."



As such, a nature preserve within the designated significant natural heritage area, along the Haw River, with mature upland forests, would be ideally suited to provide a welcome respite from the higher density urban environments proposed within close proximity. The Town, a conservation group, or other third party entity could hold the land in trust, to be minimally developed with trails. Alternatively, as the area became more urban, this nature preserve or another additional tract could evolve into having

features consistent with parks within urban environments such as New York’s Central Park. Central Park’s 843 acres is an oasis in Manhattan and properties around it are highly coveted and highly valued.

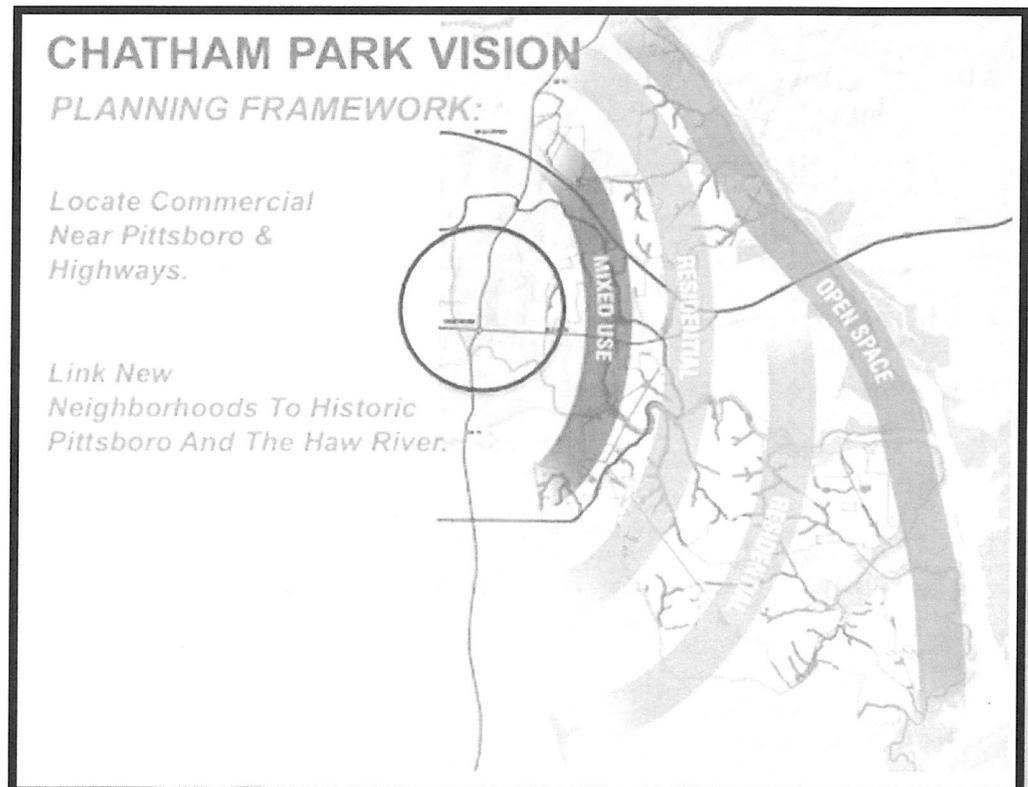
Indeed, the link between higher property values adjacent to conservation areas is well established across the country. One need merely look at the higher land values adjacent or proximal to Duke Forest for a local example. These higher property values translate into higher tax revenues for the Town.

The developers highlight in their master plan the 45,000 acres of preserved land along the Haw River and in Jordan Lake, but these exist due to public expenditures and the efforts of conservation groups. As of yet the developers are offering no significant land dedication of their own. The one park offered along the Haw River is bisected by a high tension power line; the other is downstream from the waste lagoon of the former Townsends chicken processing plant. The amount of active parkland being proposed is consistent with our existing minimum standards – but it is not raising the bar.

The proposed open space detailed on Potential Open Space Map largely illustrates lands which already have regulatory constraints (to satisfy water quality buffers) or lands which are otherwise undevelopable due to steep slopes, wetlands, etc. The expectation for a required conservation area is that would contain prime land, not simply undevelopable leftovers.

To require the developer to provide a several hundred acre, contiguous, natural area, within the Haw Conservation Buffer, containing upland mature hardwood forests would demonstrate great vision, great leadership and would yield a legacy for future generations of Pittsboro’s citizens. Citizens and leaders in Raleigh have gone to great efforts to secure the 306 acre Dorothea Dix property for their central park. Cary manages Bond Park which is in excess of 300 acres.

An early graphic from a Chatham Park promotional PowerPoint shows a pattern consistent with the Land Use Plan and the Parks Advisory Board Proposal. Unfortunately substance backing this concept is absent in the actual Master Plan.



3) Payment for Parks

REQUIRE THE DEVELOPER TO PAY FOR IMPROVEMENTS TO THE PARKLAND DEDICATED TO THE TOWN.

The PARAB once again concurs with the Town's consultant who reiterated on the April 14 BOC meeting, (starting at 1:44:00 in audio minutes file) that, as written there was no expectation that parks would be improved before they would be reserved or dedicated to the Town. He stated that the units being built in Chatham Park would create the demand and need for new parks. It is very common, he continued, to require that those parks be improved and not simply turned over and let the Town pay for the improvements at some point in the future. Otherwise you might face a situation where the land would be reserved and dedicated then 10 years later the Town would have the tax funds to build the parks. The clear tie between demand generated and needed improvements is comparable to that of transportation improvements, (which the developer funds). He suggested that the Town consider requiring the developer to pay for improvements.

PARAB recommends implementing the consultant's original statement on page 18 of his review of Chatham Park, namely: "It should be understood, and therefore explicitly stated, that park land (not conservation areas) should be improved for the final expected programming." Thus, we recommend along with the consultant that the developer pay for the improved park infrastructure just as it will have to pay for the provision of water, sewer, and transportation infrastructure. Providing just the land for the installation of the water and sewer pipes or road networks without providing or installing the pipes or roads would not be a very good deal for the Town, neither would just providing the land for future parks without the concomitant park infrastructure.

What this translates into in real terms is tens of millions of dollars in park infrastructure within Chatham Park which would be subsidized by taxpayers throughout the Town if not provided for by the developer. Impact fees for parks could be incorporated as a required element of the development agreement.

The Town's consultant did emphasize at the April 14 meeting that all around the Triangle, communities have park impact fees in addition to land dedication requirements. He details this a bit more on page 18 of his initial review of Chatham Park, describing what several other communities in our area require. Requiring the developer to fund these improvements is prudent, fiscally conservative, legally sound, standard practice in surrounding communities, and in the best interest of the public/ taxpayers and the Town's bottom line.

Regardless of Chatham Park, we recommend that the Town move rapidly to fund a study focused on assessing impact fees, as well as a study creating a defensible methodology for assessing dedication fees in lieu. The developers have verbally consented to meet whatever current standards are required at the time of site plan submittal; this should be explicitly stated in the Master Plan.

4) Treat Greenways as part of the Transportation Network

REQUIRE THE DEVELOPER TO PAY FOR THESE IN FULL AS THEY WILL THE REST OF THE TRANSPORTATION NETWORK INCLUDING ROADS AND SIDEWALKS

This is accepted practice in many communities and would be appropriate for Pittsboro. If the private developer doesn't provide these greenways the expectation is that the public at large will subsidize their construction, existing residents as well as new ones.

5) Private Parks do not equal Public Parks

PRIVATE PARKS AND RECREATION SPACES SHOULD NOT COUNT TOWARD MEETING PUBLIC PARK REQUIREMENTS

As proposed, private parks within Chatham Park would be counted toward meeting public recreation requirements. Private parks are not necessarily open to the public and hence do not meet the needs of the general public. Private parks and recreation facilities are welcomed, but should not count toward meeting the Town's public parks requirement. Morrisville has language in their subdivision ordinances which would be a good model for the Town in clarifying this policy, should the Board of Commissioners feel that it is appropriate.

Summary

In summary, the consultant stated that "The provision of parks and green space, along with a coherent transportation network, are the most important foundational elements to the quality of a community." The Parks Advisory Board agrees with this assessment. The PDD as a zoning category has always been predicated on providing a superior end product and not relying on the minimal standards of a Town whose standards are already in most respects lower than surrounding communities in the Triangle.

We would recommend that the standards for Chatham Park in relation to parks, recreation, open space, natural areas and conservation raise the bar and not default to minimal standards. We feel that following these recommendations would make Chatham Park and Pittsboro more competitive, improve the quality of life of Pittsboro's citizens, and help build a fiscally sustainable parks system for future generations.

To reiterate, the five recommendations are to (1), honor the 2000' buffer along the Haw River. (2), require that 30 percent of the project be set aside for open space, not merely undevelopable land, specifically in the form of one or more several hundred acre nature preserve/ Natural Parks, which would border the Haw River, which would be within the area designated as significant natural heritage area, which would contain mature upland hardwood forests, and which would be set aside in trust as parkland. (3), require the developers to pay their fair share for park infrastructure, which their development will clearly create the need for. (4), greenways are part and parcel of the transportation system and should be funded as such, in full, by the developer. (5), private parks should not be considered as meeting the Town's public park requirements.

The developer has much to gain from this rezoning; the PDD rezoning will instantly and substantially increase the value of this property. Long term maintenance of all public infrastructure associated with this project will be a public, not a private expense. Dedicated land would come with a substantial tax break which would benefit the developer.

Creating a better community, through tightly integrating parks, greenways and nature preserves as an integral component of a master planned community would positively affect the long term bottom line of the town, would improve the long term chance of success for this project, and enhance economic development opportunities for the region.

We've raised five serious issues, and in our minds serious problems and deficiencies, related to parks in the proposed masterplan. But rather than just point out these deficiencies we provide a path for rectifying them by suggesting that the Board of Commissioners make the 5 recommendations conditions for approval for the master plan.

Alternative Proposal

STRIKE THE PARKS SECTION FROM THE MASTER PLAN

If the Town does not see fit to require the recommended conditions for approval, then we propose an alternative solution, namely to strike the entire section and verbiage related to Parks, Recreation, Greenways and Open Space from the proposed Master Plan. This would have many benefits.

Striking the Parks section allows the five prior recommendations to be possibly worked out in a development agreement. Perhaps preferably though, it would suffice to have whatever Town policies governing the subdivision process related to parks, open space, and greenways, at the time of subdivision submittal, be the law of the land for all Chatham Parks subdivisions as they are submitted. This allows the Town's policies and ordinances to evolve and grow through the upcoming UDO process and beyond without locking in a Chatham Park entitlement enshrining our current minimal standards. Since the proposed standards don't raise the bar in any significant way, the Town wouldn't lose anything by striking the entire section. This recommendation has lots of upside, very little downside.

This project will take decades to build out. We trust that the public's desire for great recreational opportunities will increase along with the increased population. Other developers who will develop in parallel to Chatham Park will be subject to evolving higher standards, but as proposed, Chatham Park would just have to meet standards which are equivalent to our current very minimal standards for providing the public with the parks needs which they're creating the demand for. We're not sure that this would be particularly fair to the other developers, and would create an artificial distortion in the market. We would recommend having a level playing field for all developers.

We are confident that these recommendations are in the public's best interest. They mirror recommendations from the Town's consultant and are standard practice in many of our surrounding communities. We love the idea of raising the bar. Thank you for considering these proposals.

Proposed Open Space & Natural Areas

-  Proposed Natural Areas
-  Chatham Park Boundary
-  Planning Jurisdiction
-  Activity Centers Overlay
-  Significant Natural Heritage Area
-  State Natural Area
-  Conservation Area*

Haw River

200 Acre
Proposed
Natural
Area

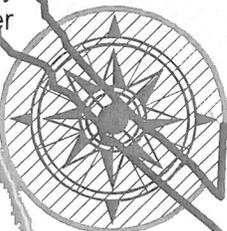
* 2012 Land Use Plan
Open Space & Conservation
Natural Place Type

Linkage
between
natural
areas

Haw River
State Natural Area

184 Acre
Proposed
Natural
Area

Proposed
Activity
Center



Note: The proposed conserved areas are largely:

- 1) Significant Natural Heritage Areas
- 2) Slated as Conservation/ Open Space areas in the Town Land Use Plan
- 3) Priority Areas in the Southwest Shore Assessment

Conservation of these key areas would be a good start toward achieving a 30% usable open space goal for the project.

MEMORANDUM

TO: Mayor and Board of Commissioners

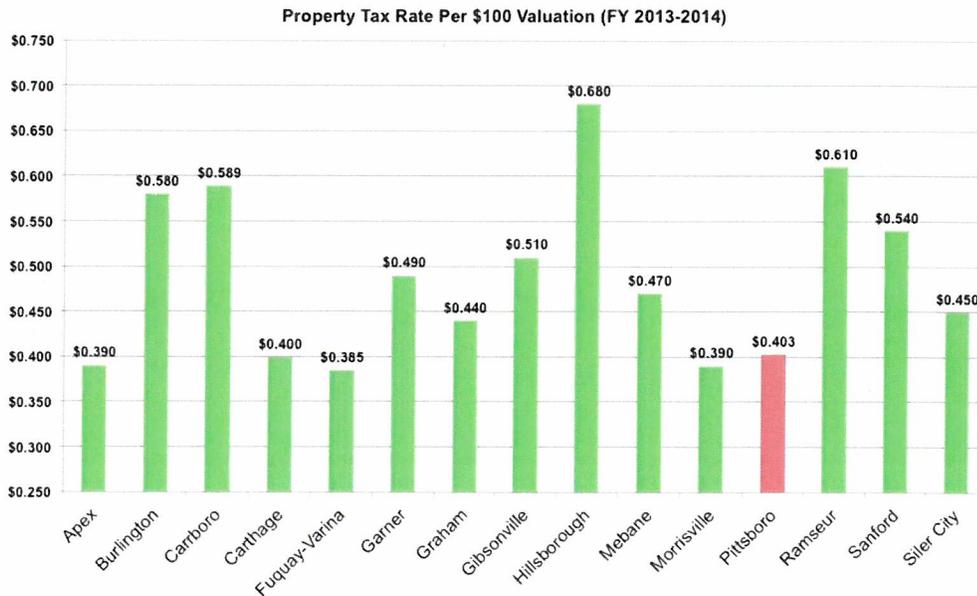
FROM: Bryan Gruesbeck, Town Manager

SUBJECT: **Manager's Initial Recommended Budget for Fiscal Year 2014-2015**

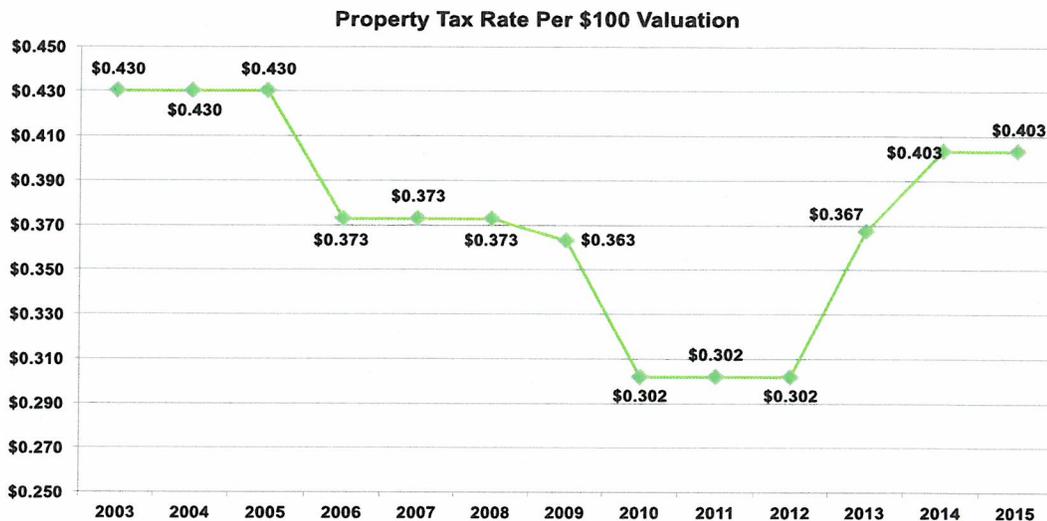
DATE: May 27, 2014

Background: The purpose of this memorandum is to submit the Manager's Initial Recommended Budget for fiscal year 2014-2015 to the Mayor and the Board of Commissioners for initial review and comments. Highlights of the preliminary budget figures are outlined below.

1. **General Fund Revenues.** The FY 2014-2015 tax year valuation of \$444,264,288 is up \$35,273,418 from the prior year valuation of \$408,990,870. The tax rate currently remains at \$0.403 per \$100.00 assessed value. This is the same rate as Fiscal Year 2013-2014. The tax rate recommended assumes a collection rate of 97.0%, which is consistent with prior years. One cent will generate approximately \$44,426 in real and personal property taxes. As illustrated below, at \$0.403, the Pittsboro tax rate is among the lowest in the region.



The current tax rate remains below levels set during the FY 2002-2003 Budget. This is remarkable considering the previous two (2) budget years contained tax rate increases, as noted in the chart below:



The General Fund notes increases in a number of areas from the previous year – notably, the Local Option Sales Tax, Powell Bill and Utilities/Cable Franchise Tax. Additional General Fund Revenues could be generated by review fees related to planning and recreation. The General Fund revenues will not include a transfer from the Enterprise Fund – last year’s budget enjoyed a \$192,000 transfer to pay for administrative support including project management, financial management, and human resources management. This change was made following the recommendation of our most recent audit.

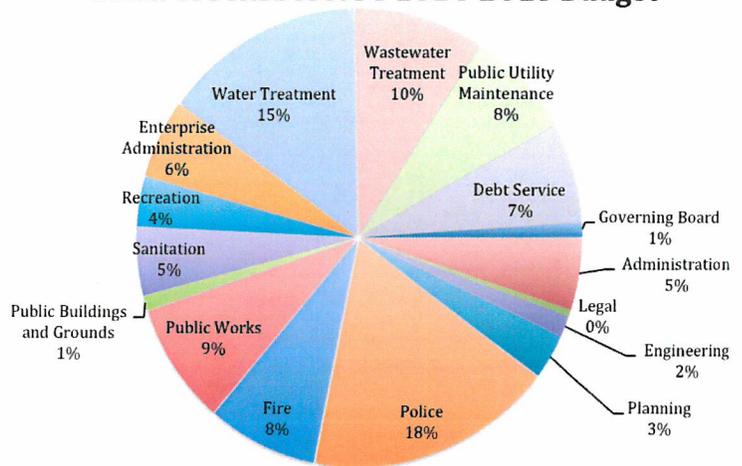
A transfer of \$271,420 from the General Fund balance is currently required to balance the budget. Our overall finances can absorb this figure, but it is not sustainable for many more consecutive years. There may be options to reduce or balance the budget, but it will require making challenging choices that combine reduction of requested spending and consideration of a tax increase for this fiscal year.

2. General Fund Expenditures. General Fund expenditures are up \$241,374 (6.9%) above the current year original budget. Some of this increase can attributed to investments in public safety – police and fire services. A few departments are recorded lower (Administration, Engineering) due to the aforementioned removal of Enterprise Fund transfers to the General Fund. This change resulted in the re-apportioning of particular salaries among Funds.

- a. Pay Adjustments. All employees are budgeted for a 2% increase. This figure reflects the increase reported by the Bureau of Labor Statistics (BLS) Consumer Price Index for all Urban Consumers (CPI-U), April 2013-April 2014.
- b. Health Insurance Costs. Health insurance costs are expected to increase 14.4%. This experience is consistent with similar municipal health coverage plans, though costs will obviously vary due to the quality of the plan. Last year’s budget enjoyed an unusual 5% decrease. We could blame the ACA act, but I have seen larger health insurance increases over the years
- c. Professional Services. Professional Services are increased by \$149,837 (26.1%) primarily due to increased costs for fire protection and third-party planning costs, which continues last year’s trend. The Fire Protection contract is up \$140,037 (34%) to accommodate increased staffing and provide comprehensive scheduling. The Planning Department has

budgeted expenses for the new Unified Development Ordinance (UDO). The amount budgeted assumes that the UDO will be a two-year process.

Town of Pittsboro: FY 2014-2015 Budget



d. Transfer to Capital Projects. \$50,000 is budgeted for the downtown pocket park, recently donated by the Vernon family in memory of Page Vernon.

e. Powell Bill. Expenditures are increased considerably to commence road repairs and resurfaces identified in the Pavement Condition Survey (PCS) completed in December 2013. The following "High Priority" streets are identified at this time for resurfacing: Alston St., Credle St (Hanks-Launis), Gail Street, Honeysuckle Dr., and Rectory St. at an estimated cost of \$111,438. Each of the streets (with the exception of Credle St.) were given a pavement condition rating of "0" out of "100". \$55,992 is budgeted for sidewalk construction and contingency costs for NC87 and East Street Sidewalk projects. \$20,770 is budgeted for storm drain repairs.

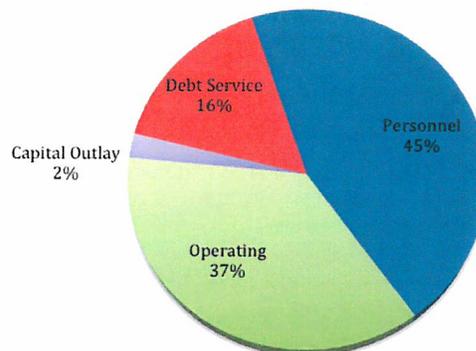
f. Capital Buildings. \$4,000 to replace air conditioning unit at the Public Works Garage. \$50,000 to replace condensers and air handling units at Town Hall.

g. Capital Equipment. The Police Department proposes the purchase of two (2) vehicles totaling \$68,000. Engineering/Planning/Engineering/Public Works propose the purchase of a GPS locating device (\$15,000) to aid construction design. Public Works is requesting a right of way mower with a "brush hog" to replace existing equipment (\$30,400) and better maintain roadsides and embankments.

3. Enterprise Fund Revenues. Enterprise Fund revenues, adjusted by removing the fund balance contributions, are up \$44,600 (1.8%) from the current year original budget. These revenues assume that charges remain at their current rates. \$497,491 is budgeted from the Enterprise Fund balance to augment revenues and balance the budget.

4. Enterprise Fund Expenditures. \$475,000 is committed to debt payment. As you can see in chart, this figure currently represents 16% of the Enterprise Fund. We can assume that our Debt Service allocation will continue decreasing as scheduled debt payments decrease or are retired.

Enterprise Fund Expenditures: FY 2014-2015



a. Water Treatment Plant. Departmental expenditures are estimated to decrease by \$134,809 (12%) through

departmental efficiencies learned during Adam Pickett's (Water Treatment Plant Supervisor) first year. Operating costs are proposed to be reduced by \$60,550 (10%). A Capital Outlay-Equipment expenditure of \$32,000 is requested for a Lagoon Transfer Pump and SCADA communication system replacement to communicate with the water towers and tanks.

- b. Wastewater Treatment Plant. \$25,734 is proposed to rebuild two (2) influent pumps and provide necessary maintenance in confined spaces: including clarifiers, aeration basins, EQ Basins (aerator maintenance), EQ valve vault (sump pump installation). \$18,000 is budgeted in Capital Outlay Equipment for two (2) RAS (Return Activated Sludge) pumps.

Action Requested: Receive the preliminary FY 2014-2015 Budget, discuss and provide direction where appropriate.