



TOWN OF CHAPEL HILL

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Town Council

Meeting Minutes - Final

Mayor Pam Hemminger
Mayor pro tem Karen Stegman
Council Member Jessica Anderson
Council Member Camille Berry
Council Member Tai Huynh

Council Member Paris Miller-Foushee
Council Member Michael Parker
Council Member Amy Ryan
Council Member Adam Searing

Monday, November 14, 2022

6:30 PM

Library Meeting Room B

Language Access Statement

For interpretation or translation services, call 919-969-5105.

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Para servicios de interpretación o traducción, llame al 919-969-5105.

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In-Person Meeting Notification

The Chapel Hill Town Council will meet in person for the meeting. Public attendance is welcome. The Town of Chapel Hill wants to know more about who participates in its programs and processes, including Town Council meetings. Please participate in a voluntary demographic survey <https://www.townofchapelhill.org/demosurvey>.

We will not live stream the event, but will provide the Post-Meeting Video <https://www.townofchapelhill.org/councilvideo/>

Parking

• Parking is available at the Library lots. The Library is served by CL Route, D Route, and GoTriangle Routes of Chapel Hill Transit.

Entry and COVID-19 Protocols

• Meeting Room B is to the right from the main entrance.
• Visitors and employees will self-screen. Do not enter if you have these symptoms: Fever, chills, cough, sore throat, shortness of breath, loss of taste or smell, headache, muscle pain

- Attendees are encouraged to wear masks in the building and may sit physically distanced.

ROLL CALL

Council Member Huynh was absent, excused.

Present: 8 - Mayor Pam Hemminger, Mayor pro tem Karen Stegman, Council Member Jessica Anderson, Council Member Camille Berry, Council Member Paris Miller-Foushee, Council Member Michael Parker, Council Member Amy Ryan, and Council Member Adam Searing

Absent: 1 - Council Member Tai Huynh

OTHER ATTENDEES

Town Manager Maurice Jones, Deputy Town Manager Mary Jane Nirdlinger, Deputy Town Manager Loryn Clark, Town Attorney Ann Anderson, Business Management Director Amy Oland, Technology Solutions Director Chris Butts, Deputy Fire Chief Stacey Graves, Fire Chief Vence Harris, CHFD Administrative Services Manager Ryan Campbell, Emergency Management Coordinator Kelly Drayton, Manager of Engineering & Infrastructure Chris Roberts, Administrative Assistant-Planning Diedra Whittenburg-McEntyre, Assistant to the Town Manager for Administrative and Program Management Ross Tompkins, Police Officer Drew Smith, Assistant Town Clerk Brenton Hodge, and Communications and Public Affairs Director/Town Clerk Sabrina Oliver.

OPENING

Mayor Hemminger called the meeting to order at 6:30 p.m. and reviewed the agenda.

0.01. Mayor Hemminger shared Council meeting logistics

[\[22-0872\]](#)

Mayor Hemminger explained that Council work sessions did not normally include public input unless there was extra time at the end. Distracting items, such as signs and paddles, were not allowed, she said.

ANNOUNCEMENTS BY COUNCIL MEMBERS

0.02. November 18 Arbor Day Celebration and Tree Planting

[\[22-0873\]](#)

Mayor Hemminger said that she would be joining Glenwood Elementary School students on November 18th for a tree planting ceremony at North Columbia Housing. There had been many such events in 2022 and another was scheduled for December 3rd, she said.

0.03. Update on November 16 Council Meeting

[\[22-0874\]](#)

Mayor Hemminger announced that a regular Council business meeting would be held on November 16, 2022. One item had been moved from that agenda to the November 30th work session to allow for a broader discussion, she said.

AGENDA ITEMS**1. Develop a Master Plan for Design and Rebuild of Chapel Hill Fire Stations and Facilities.**[\[22-0843\]](#)

Deputy Fire Chief Stacy Graves began the presentation on Chapel Hill Fire Department (CHFD) facilities and station needs. He said that a recent evaluation had identified building deficiencies and that staff had come to present design and replacement options. He thanked the Council for considering fire stations and facilities in its five-year budget plan for the Town.

CHFD Administrative Services Manager Ryan Campbell provided information on a recent study of Town fire stations' current and future staffing and apparatus needs. He described the methodology that had been used and discussed the findings, which had been grouped into four categories: station condition, apparatus performance, station lay-out across Town, and fire truck lay-out within station areas.

Mr. Campbell said that consultants had deemed three of five stations to be in poor condition. Their recommendations had addressed emergency response, apparatus and equipment, and the time required to get to an incident and back, he said. He outlined several recommendations, which included starting a long-range station replacement planning process and creating a new training facility within Town.

Mr. Campbell discussed the need for an additional modern ladder truck but noted the lack of space in Town to accommodate and care for one. He displayed a chart that showed the estimated year when several fire engines would need to be replaced. He pointed out that the CHFD's "temporary" training facility was 15 years old.

Mr. Campbell showed a list of improvements that staff believed would be realistic to achieve between FY 2023 and FY 2028. Those had been based on the consultants' recommendation regarding how to make significant progress toward where the Town would need to be in FY 2032, he said.

Mr. Campbell proposed that the Town engage with Orange County Emergency Management Services and others in a design and build process. He proposed that the Council begin to discuss replacing facilities, beginning with Fire Station 3. He said that funding might be available from Orange County if it continued to partner with the Town on Fire Station 2.

Mayor Hemminger and Fire Chief Vence Harris discussed previous discussions about relocating or possibly selling a portion of Station 4, which had been appraised at about \$3.2 million. The Mayor confirmed with Chief Harris that recent cost estimates for building a new station

ranged \$400 to \$800 per square foot, depending on the building's needs and the current cost of construction.

Chief Harris said that Economic Development Officer Dwight Bassett had estimated that a 10,000 square-foot building would cost about \$6 million. He pointed out that Station 4 would cost less than that, however, due to its smaller footprint.

Mayor Hemminger confirmed with Chief Harris that Orange County remained willing to partner, had allocated \$300,000 for design, and had \$3.5 million for potential construction of Station 3. She also confirmed that the County was willing to partner in a similar way regarding Station 4. Chief Harris said that doing so while also selling half of Station 4's land would probably leave a \$1.5 million to \$2 million funding gap.

The Council confirmed with Chief Harris that the CHFD and other Town departments had discussed the possibility of co-locating together. The Council also confirmed that 5-20 acres would be needed for a training facility, depending on the assessed need. The Council and Town Manager Maurice Jones discussed possible opportunities to partner with the private sector.

Council Members verified that Station 3 would not need a drive-through and probably was not large enough to accommodate one anyway. They confirmed that the total cost of all recommendations combined would be \$20-25 million over a 10-year period. The Council ascertained from Management Director Amy Oland that UNC's contribution to the CHFD (which was set by NC state legislature) had been about \$1.1 million annually.

Mayor Hemminger asked what effect moving Station 4 to Cedar Falls Park would have on service, and Chief Harris said that it would open up a larger coverage gap between areas 1 and 4. She mentioned a possible lot for Station 3 at Greenfield Station, but Chief Harris said that putting it there would increase the gap because it was more toward Durham. The Mayor pointed out, however, that a number of new developments were being proposed for that area.

Mayor Hemminger confirmed that the CHFD preferred that any new facility be at, or in the vicinity of, Station 3's current location. If it were there, then a new Station 6 would not be needed, but there would be a response gap, Chief Harris said. He and Mayor Hemminger discussed areas of Town that were covered by Orange County's FD as well as residences that the Town covered that were not technically in Chapel Hill.

Mayor Hemminger said that the Council was very supportive, understood the need, and wanted to see some numbers on how to proceed. She

understood the preference for staying in the current vicinity, she said. She pointed out that the CHFD was proposing a plan that would stagger improvements over the next few years.

Chief Harris and the Council also discussed the effects of COVID-19 on staffing, recruitment, and fire coverage.

This item was received as presented.

2. Update on Five-Year Budget Strategy for FY23-34.

[\[22-0844\]](#)

Mr. Jones began the Town's five-year budget strategy discussion with a PowerPoint presentation on long-term issues and "hard truths" associated with meeting expectations and needs. While remaining committed to racial equity, social justice, affordable housing, environmental sustainability, Downtown revitalization, and economic sustainability, the Town needed to focus on issues related to maintenance and employee compensation as well, he pointed out.

Mr. Jones said that the Town had responded to much of what the community had asked of it over recent years, but that a long list of deferred needs related to buildings, equipment, vehicles, technology, and employee support remained. The Town had fallen behind in funding many of its core operations and a long list of needs had to be addressed, he said.

Mr. Jones emphasized that employees were at the heart of providing services, which was the Town's core function. He reviewed the significant investments in employee compensation and benefits that the Town had made during the last year. However, some employees were beginning to feel the burden of being overworked and working with outdated tools, he said.

Mr. Jones stressed the importance of prioritizing core business functions, addressing reductions in departmental budgets, and confronting maintenance issues, fleet reduction, and deferred capital expenses. He is seeking feedback from Council and would return in January with scenarios for Council consideration, he said.

Director of Business Management Amy Oland said she agreed with the Manager that capital priorities had not been adequately funded in recent years. Those priorities were related to fleet, facility maintenance, staffing, and operating resources, she said. She discussed prior cuts to the Town fleet's replacement budget and said that a \$5.6 million backlog in 2021 had grown to \$9.1 million in 2022 due to cost increases and additional needs.

Ms. Oland reported a more than \$11.4 million backlog in pay-go capital and facility maintenance funds, not including maintenance costs for Town park facilities. She discussed short- and long-term funding goals that

would keep the Town's fleet up to date and operating effectively. The short-term replacement goal was \$1 million, but the longer-term goal was about \$1.5 million, which would allow about \$1 million for smaller pay-go capital projects and about \$500,000 for facility upkeep, she said.

Ms. Oland emphasized that staff salaries needed to remain consistent with the cost of living in order to remain competitive. She said that the Town had made great strides with employee pay adjustments and a cost-of-living adjustment for the current year, but she emphasized the importance of maintaining competitive benefits.

Ms. Oland discussed employee burn-out resulting from a hiring freeze that had been in effect during COVID-19 and said that workloads seemed to be increasing as well. She pointed out that a Class and Compensation Study had not looked at the Town's support employees. She said that the current competitive market had made hiring and maintaining good talent more challenging and that retention was about benefits, work/life balance, and professional development. All of those things would be discussed during FY 2024 budget deliberations, she said.

Ms. Oland said that Town departments lacked the resources to address core services for the next five years and that inflation and supply chain problems were adding to that difficulty. She said that the current backlog of FY 2023 requests from Town departments was \$2 million and that an additional \$7.8 million would be needed to expand staffing and resources in order to carry out Council priorities.

Mr. Jones noted that the Town's tax rate of 52.2 cents put it in the middle when compared to other NC municipalities. However, the total tax rate for Chapel Hill residents was much higher when Orange County taxes were accounted for, he pointed out. He emphasized the need for a community discussion regarding Town needs and a strategy for addressing those over the next 2-5 years.

Mr. Jones said that Council feedback would influence staff discussions with Town departments and that he would develop department scenarios to share with the Council in January 2023. The Council would continue that discussion at its February retreat and there would be several months of discussion during the FY 2023-2024 budget season, he said.

Council Member Berry confirmed with staff that ARPA funds could be used to cover departmental costs for holding ZOOM meetings. Mr. Jones pointed out, however, that virtual meetings might continue and that ARPA money was intended for one-time expenses. Ms. Oland said that some departments had experienced savings during COVID as well, since they not been able to attend training sessions. However, departments had reached a tipping point where they had absorbed all that they could, she said.

Council Member Parker confirmed with Ms. Oland that electrifying Town vehicles had not been included in cost estimates. She and Mr. Jones pointed out, however, that the Town's Climate Action team was an integral part of the work and that such items would be part of that budget.

In response to Council questions about whether Town residents were getting a fair return on the taxes they pay to Orange County, Mr. Jones said that the Town and County work closely on many different services and that he would need to do a deeper analysis before being able to answer accurately. He summarized some of the meetings and discussions that the Town had been having with Orange County regarding various memos of understanding.

Council Member Anderson confirmed with Mr. Jones that he and the Council would look at trade-offs and scenarios and would make hard choices during budget discussions. The five-year budget would be a guideline, not something that the Town would be wedded to for five years, Mr. Jones pointed out.

Council Member Anderson asked about the probability of evaluating what was working and was not working and the effectiveness of what the Town was spending. Mr. Jones replied that such an analysis probably would find that the organization was quite lean and should add on but might help determine areas that could be reduced in the future.

Council Member Searing requested that staff provide a list of how much was being spent on things other than core services. He confirmed with Ms. Oland that the strong sales tax revenues were being driven, in part, by inflationary costs. She believed that the Town would continue to see higher collections than in the past but that the large percentage growth would level out, Ms. Oland said.

Mayor Hemminger commented on how it was currently very early in the budget season and said that the Council would see real numbers and projections at later stages. She pointed out that the current economy was unpredictable. Changing the interest rates had not reduced inflation as intended, she pointed out. She said that such dynamics made budgeting a little difficult but that the Town always liked a challenge.

This item was received as presented.

3. Shaping Our Future - Stormwater Regulations Review.

[\[22-0845\]](#)

Manager of Engineering and Infrastructure Chris Roberts provided an update on a 2021 petition from several Council members that had asked staff to amend the Town's stormwater ordinance to reflect climate change. He summarized the resulting project scope, timeline, and public engagement plan. Stormwater regulations had not been comprehensively

reviewed since 2003, and the Council petition has asked staff to determine whether the original goals remained valid, he said.

Mr. Roberts reminded the Council that staff had presented a document in October 2021 that had eventually become a set of text changes. The consultant working on the Town's Land Use Management Ordinance (LUMO) had then hired SRF Consulting to provide technical support regarding which regulations could be changed and which should wait until the LUMO rewrite, he said.

Kevin DeLong, senior project manager with SRF Consulting, said that much work was going into determining how climate change was impacting the Town's stormwater infrastructure. He summarized the plan to review current regulations, make technical changes, and create longer term solutions that could be worked into the LUMO. Places in the existing LUMO language that might conflict with stormwater regulations were also being looked at, he said.

Mr. DeLong showed a proposed timeline and engagement process that included staff, Council, professional stakeholders, Town advisory boards/commissions, and others. He would return to the Council in early December and would then present a report and recommendations in January or February 2023, he said.

Council Member Berry noted that one Public Housing community was located in a floodplain. She recommended that the Town's Affordable Housing partners and its Public Housing Department be included in discussions as well.

Some Council members asked how they might respond when community members complain that new construction was increasing flooding in areas below it. Council Member Parker said that the Town did not seem to be able to provide residents with good answers about the main causes of flooding and what could be done about it.

Council Member Searing said that residents had complained to him that the Town was not looking system-wide and considering the impacts of development on downstream areas. Mayor pro tem Stegman said it would be helpful to have some kind of matrix to help navigate whether an issue was something a homeowner would need to address or a systems issue for which the Town or homeowners association would be responsible.

Council Member Ryan and Mr. DeLong discussed the "lack of granularity" in Town topography and the absence of any system for exploring community complaints about a nearby development's effect on a neighboring septic system. Addressing water quality issues would be important as well, Council Member Ryan said.

Mr. Delong agreed with the Council that impervious surface was a challenging issue, which became especially difficult when a state government restricted how towns could address it. However, it might be possible to address things such as parking lot reductions in the LUMO, he said.

Council Member Miller-Foushee asked about remediation for existing communities that contribute to run-off, and Mr. Delong said that retrofits could sometimes be done through capital projects that have to be put in place due to a flooding issue. Remediation was everyone's responsibility even though some may be contributing to the problem more than others, he said.

Council Member Parker pointed out that some residents did not understand storm-related terminology. Town regulations had been largely incomprehensible and had led to inaccurate beliefs, he said, and Mr. Delong noted the importance of communicating with individual property-owners about the benefits to them and their neighbors of using best practices. Perhaps a handbook or flyer could address such issues, he said, and he described some of the clarifying information that it might contain.

Mayor Hemminger expressed satisfaction that the Council's petition had led to a better understanding of what the Town had, what was and was not working, and how to move forward. The Town's stormwater fee had been providing a source of funding to help address some issues, but the Town had not done a good job of explaining that to citizens, she said. She proposed providing a better explanation of that fee on the Town's website.

The Mayor said that the Town needed to find the best way to fix its infrastructure concerns and that the Council needed more clarity regarding future development. New regulations would not fix existing problems and the Town would need to address those as well, she pointed out. With regard to stream erosion and water quality, the Town needed to start restoring and figuring out who was responsible, she said.

Mayor Hemminger pointed out that UNC owned 40 percent of Chapel Hill property and she confirmed that staff would determine where the University stood on the "stormwater equation" and if there were stormwater concerns related to them. She and the Council wanted to engage the community, retrofit existing infrastructure, and determine if there were opportunities for doing something different, she said.

This item was received as presented.

ADJOURNMENT

This meeting was adjourned at 8:36 p.m.