

**DRAFT SUMMARY MINUTES OF A WORK SESSION  
OF THE CHAPEL HILL TOWN COUNCIL  
CHAPEL HILL PUBLIC LIBRARY  
MONDAY, JUNE 3, 2013 AT 6:00 P.M.**

**Council Members Present:** Mayor Mark Kleinschmidt, Mayor pro tem Ed Harrison, Council Member Matt Czajkowski, Council Member Sally Greene, Council Member Gene Pease, and Council Member Lee Storrow.

**Council Member Absent:** Council Member Donna Bell, Council Member Laurin Easthom, and Council Member Jim Ward.

**Others present:** Town Manager Roger Stancil, Deputy Town Manager Florentine Miller, Town Attorney Ralph Karpinos, Interim Transit Director Brian Litchfield, Business Management Director Ken Pennoyer, Assistant to the Town Manager Jason Damweber, Mayoral Aide Mark McCurry, Budget Manager Matthew Brinkley, Transit Administrator Analyst Rick Shreve, Supervisor for Festivals and Community Celebrations Wes Tilghman, Business Management Assistant Director Jeanne Tate, and Communication and Public Affairs Director and Town Clerk Sabrina Oliver.

#### **AGENDA ITEMS**

##### Item 1: Approve Agenda

Mayor Mark Kleinschmidt called the meeting to order at 6:03 p.m.

##### Item 2: FY 2013-2014 Chapel Hill Transit Budget Update

Town Manager Roger Stancil introduced the update, noting pressures on the current year's budget, revenue considerations for future years, and the role of the ongoing sustainability study. He emphasized that the proposed Transit tax increase would be the Town's first in nine years.

Interim Transit Director Brian Litchfield presented the FY2013-2014 Transit budget, following the prepared materials. Mr. Litchfield summarized the system operations, funding formulas, and budget challenges, including reduced State Maintenance Assistance Program revenues and efforts to maximize grant funding and reduce partner contributions. He noted that Chapel Hill Transit remained focused on maintaining existing services, controlling discretionary spending, and ensuring the Transit fleet and facilities remained in good repair.

Council members discussed the structure of the fare-free system, with Mayor pro tem Harrison explaining that fare-free operations were supported through UNC's student referendum and partner contributions. Council members reviewed comparative funding among regional transit systems, noting that Chapel Hill taxpayers pay less than peer jurisdictions even though systems that charge fares often still rely heavily on local taxes.

Council also considered options if UNC or other partners modified participation. They discussed the feasibility of contracting out particular routes and impacts to long-term planning. Council

Member Pease stressed the importance of regular financial planning updates, so future Councils avoid multi-year gaps in long-range fiscal analysis. Council Member Storrow expressed support for the proposed transit tax rate change, noting the high quality of the plan and the system's cost-effectiveness. Mayor Kleinschmidt emphasized that after years of cost containment and operational efficiencies, the budget represented the most responsible plan for sustaining transit service levels.

### Item 3: Continued Budget Discussion

Council Members continued discussing budget elements beyond transit, including library operating hours, stormwater fees, Other Post-Employment Benefits (OPEB) liability, and a proposed social media/communications position.

Council Member Greene reported updated information indicating increased County library contributions—approximately \$64,000 more than expected—which allowed the Manager to recommend increasing library hours from 58 to 68 hours per week. Council discussed whether to adopt expanded hours immediately or wait for the arrival of the new Library Director.

Council Member Czajkowski questioned whether the library could shift existing hours to better meet peak demand rather than expand overall hours. Council Member Pease expressed confidence in staff's prior analysis and supported increased hours, though he suggested limiting impacts to employee compensation funding. Council Member Greene emphasized the importance of supporting the new director with adequate staffing and hours, given a 30% increase in patronage. Council Member Storrow suggested reconsidering weekend hours specifically to support community use patterns. Mr. Stancil committed to returning with options for hours between 58 and 68 and addressing questions about weekend allocations.

Council members then turned to stormwater fees, where Council Member Greene affirmed her support for the proposed fee increase. Council Member Czajkowski raised the question whether the Town should seek an additional assessment to validate long-term assumptions. Business Management Director Pennoyer explained that the Town's tight budget made significant OPEB contributions challenging, even though the liability was real and partially influenced by the number of employees enrolled in the defined-contribution retiree health program—estimated at more than 160. He also noted that the long-term liability may not fully materialize because not all employees retire from the Town and some may never draw benefits.

Lastly, Council members held an extended discussion on the proposed communications and social-media position. Council Member Greene stressed the need for improved public engagement strategies, especially options that promote interactive communication and better reach younger residents. Council Member Storrow suggested that the role might be best situated within long-range planning or strategic initiatives to support two-way engagement on issues such as Chapel Hill 2020, the Library, and Central West. Council Member Harrison emphasized the operational need for staff across departments to have a knowledgeable point of contact for communications assistance. Mr. Stancil acknowledged the importance of the position and noted that its mission and responsibilities were more significant than which department housed it; he also agreed to explore examples from peer jurisdictions to help refine expectations.

Mayor Kleinschmidt reminded Council Members to submit any remaining budget questions promptly ahead of the final vote. Mr. Stancil Manager responded to an inquiry from Matt Czajkowski by confirming that a 1-percent tax increase would generate approximately \$300,000 in revenue.

The meeting adjourned at 8:10 p.m.

**Brittney Hunt**  
**Town Clerk**