

**DRAFT SUMMARY MINUTES OF A WORK SESSION
OF THE CHAPEL HILL TOWN COUNCIL
WEDNESDAY, MARCH 18, 2015, AT 6:00 PM**

Council Members Present: Mayor Mark Kleinschmidt, Mayor pro tem Sally Greene, Council Member Donna Bell, Council Member George Cianciolo, Council Member Maria T Palmer, Council Member Lee Storrow, and Council Member Jim Ward.

Council Member(s) Absent: Council Member Matt Czajkowski, and Council Member Ed Harrison.

Staff members present: Town Manager Roger Stancil, Deputy Town Manager Florentine Miller, Town Attorney Ralph Karpinos, Mayoral Aide Jeff Deluca, Public Works Director Lance Norris, Business Management Director Ken Pennoyer, Solid Waste Services Superintendent Wendy Simmons, Police Officer Rick Fahrer, Fire Marshal Tommy Gregory, and Communications and Public Affairs Director and Town Clerk Sabrina Oliver.

AGENDA ITEMS

1. Approve Agenda (no attachment)

Mayor Mark Kleinschmidt called the meeting to order at 6:00 p.m.

COUNCIL MEMBER JIM WARD MOVED, SECONDED BY COUNCIL MEMBER SALLY GREENE, TO APPROVE THE AGENDA AS AMENDED. THE MOTION WAS ADOPTED UNANIMOUSLY (7-0).

3. Follow-up: Capital Financing Plan and Bond Referendum (no attachment)

Town Manager Roger Stancil and Business Management Director Kenneth Pennoyer presented an update on the Town's capital financing strategy and the possible structure of an upcoming bond referendum. They described the Town's long-term funding approach, including the use of pay as you go contributions, two thirds bonds, installment financing, and the issuance of general obligation bonds. These tools would collectively support a range of capital projects intended to meet ongoing community needs.

Mr. Stancil and Mr. Pennoyer outlined the major project categories being considered for future funding including investments in streets and sidewalks, with an estimated \$16.2 million required for anticipated improvements; public safety facilities, including the remediation of the Police Department site and the replacement of a fire station; trail and greenway expansions within the Morgan Creek and Bolin Creek systems; enhancements to parks, recreation, and cultural facilities; the siting of a solid waste transfer station on Town property; stormwater system improvements funded through the enterprise stormwater program; and the replacement of 42 transit buses requiring substantial capital investment. Council members discussed the timeline for advancing the bond referendum, including preliminary Council action scheduled for March 23, a findings resolution planned for April 27, the introduction of the bond order in May, and a public hearing in June. Mr. Stancil emphasized that the proposed projects were expected to be managed within the Town's existing tax rate, and Council members were encouraged to submit questions regarding specific project elements prior to the upcoming meetings.

2. Recycling Program Funding

Public Works Director Lance Norris and Orange County Solid Waste Director Gayle Wilson provided an overview of the Solid Waste Advisory Group's ongoing work to develop a long-term funding model for recycling services. Mr. Norris emphasized the deadline for selecting a funding option prior to the end of April so that Orange County could implement the associated fees in the upcoming fiscal year. Council was informed that the two principal proposals under consideration included a structure that distinguished between municipal and rural properties and a second option that charged a single uniform fee for all developed properties countywide.

Council members explored the questions of fairness and program effectiveness that differed between the two approaches. They also considered the potential impact on residents and the importance of maintaining uninterrupted recycling service. Council members expressed concern that town residents might face higher costs under a single-fee structure. Council expressed a clear preference for the option that differentiated between municipal and rural fees because it more accurately reflected service patterns and was seen as more equitable. Council agreed that Mayor Kleinschmidt and Council Member Ward would be Chapel Hill's SWAG representatives. They will present Chapel Hill's unified support for the municipal/rural fee model at the March 26 Assembly of Governments meeting.

The meeting adjourned at 7:54 p.m.