

Agenda

Board of Commissioners

Fiscal Year 2026-28 Budget Retreat

9 a.m. March 1, 2025

Board Meeting Room of Town Hall Annex, 105 E. Corbin St.



8:30 a.m. — Doors open (light breakfast)

9 a.m. — Welcome, introductions, ground rules and icebreaker

9:30 a.m. — Fiscal Years 2026-28: Framing and Overview

- Financial foundations (Town Manager Eric Peterson)
- Revenue updates (Budget Director Emily Bradford)
- Think-Write-Share Exercise — Threats to fiscal health, service delivery and operational stability

10:30 to 10:45 a.m. — Break

10:45 a.m. — Bottom line, how to prioritize, and strategy options for building the FY26-28 budget

- How the early picture looks by fund
- Prioritization and strategy approaches to reduce budget deficits
- Think-Write-Share Exercise — What strategies do you disagree with, are concerned about, or think should be reconsidered?

11:30 a.m. — Strategic Plan: Updates and Amendments (Administrative Services Director Jen Della Valle)

Noon — Lunch

12:45 p.m. — New operating requests, Capital Improvement Program, Q&A and board direction (Budget Director Emily Bradford and Budget and Management Analyst Josh Fernandez)

- Operating requests
- Capital Improvement Program

2 to 2:15 p.m. — Break

2:15 p.m. — Continued discussions

2:45 p.m. — Review of parking lot items (discuss, direct or other)

3 p.m. — Review of key directives from the town board and plus/change on the day

3:15 p.m. — Adjournment



Town of Hillsborough

North Carolina

FY26 Budget Retreat

March 1, 2025

919-732-1270

www.hillsboroughnc.gov

101 E. Orange St.



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Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: March 1, 2025
Department: Administration
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

ITEM TO BE CONSIDERED

Subject: Key decision points (capital & other major requests)

Attachments:

1 – FY26 Operating & Capital Requests

Summary:

This is a preview of the various needs, including capital, personnel and operating, that have been submitted by departments. At this time, staff have not yet had an opportunity to review or develop a plan for which requests the town may be able to fund and when.

Since we are early in the budget process, this is a good time to hear from the board, including whether there are any other capital or major requests that are not reflected on the list that need to be, and receive any feedback related to the requests that are included. The board can also use this time to ask any questions about any of the projects or request additional information that may be helpful in making budget decisions moving forward.

Financial impacts:

Bottom line numbers reflected in the packet are for the Continuation budget only (i.e. continue doing what we're doing today, with no new items/initiatives). No items on the Unfunded list are included in the bottom-line figures. We are still early in the budget development process. Staff is continuing to refine revenue and expenditure projections, and work on budget balancing strategies to address the large deficits in all three major funds for FY26+.

Staff recommendation and comments:

None.

Action requested:

Provide staff feedback on requests.



Town of Hillsborough

North Carolina

Operating & Capital Requests

FY26 Budget Retreat

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General Fund



Financial Summary: General Fund

FY2026 Operating & Capital Budget

Revenues

General Fund Revenues (by type)

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Property Tax	\$9,931,383	\$10,347,500	\$10,517,500	\$10,707,500	\$10,897,500
Sales Tax	\$3,355,972	\$3,352,568	\$3,249,500	\$3,249,500	\$3,249,500
Intergovernmental	\$1,791,344	\$1,772,770	\$1,666,500	\$1,666,500	\$1,666,500
Interest	\$778,203	\$600,000	\$125,000	\$125,000	\$125,000
Interfund Transfers	\$167,500	\$522,091	\$20,000	\$20,000	\$20,000
Other	\$313,311	\$99,600	\$99,600	\$99,600	\$99,600
Licenses/Permits/Fees	\$173,550	\$122,100	\$102,100	\$102,100	\$102,100
Fund Balance Appropriated	\$0	\$238,669	\$0	\$0	\$0
TOTAL	\$16,511,264	\$17,055,298	\$15,780,200	\$15,970,200	\$16,160,200

Expenditures

General Fund Expenditures (by function)

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Function					
Public Safety	\$6,145,848	\$6,664,109	\$6,933,873	\$7,320,578	\$7,715,503
General Government	\$4,420,283	\$5,368,553	\$5,058,601	\$5,181,843	\$5,378,878
Public Works	\$2,972,043	\$3,391,264	\$2,499,791	\$2,470,088	\$2,523,797
Transfers	\$2,652,247	\$4,074,309	\$1,863,000	\$2,013,000	\$2,138,000
Special Appropriations	\$200,897	\$375,375	\$261,087	\$297,655	\$364,974
Non-Departmental	\$0	\$0	\$450,000	\$450,000	\$450,000
Cemetery	\$15,648	\$15,750	\$15,750	\$5,750	\$5,750
FUNCTION TOTAL	\$16,406,966	\$19,889,360	\$17,082,102	\$17,738,914	\$18,576,902
TOTAL	\$16,406,966	\$19,889,360	\$17,082,102	\$17,738,914	\$18,576,902

Financial Summary

General Fund Revenues vs Expenditures

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Revenues	\$16,511,264	\$17,055,298	\$15,780,200	\$15,970,200	\$16,160,200
Expenses	\$16,406,966	\$19,889,360	\$17,082,102	\$17,738,914	\$18,576,902
REVENUES LESS EXPENSES	\$104,298	-\$2,834,062	-\$1,301,902	-\$1,768,714	-\$2,416,702

Fund Balance

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Fund Balance Appropriation		\$2,834,062	\$1,301,902	\$1,768,714	\$2,416,702
Remaining Balance	\$12,536,714	\$9,702,652	\$8,400,750	\$6,632,036	\$4,215,334
Fund Balance as % of Operating Budget	76.4%	48.8%	49.2%	37.4%	22.7%



Unfunded Requests: General Fund

FY2026 Operating & Capital Budget

General Government

Department	Request	Description	FY26	FY27	FY28
Administration	Public Records Request Software	Centralize, organize, and track public records requests through use of CivicPlus software.	-	-	5,898
Planning	Welcome Sign Easement Plat	Survey and determine easement area around sign at Churton/Mayo St for future maintenance and upgrade access.	6,000	-	-
Facilities Management	WWTP Flooring	Epoxy flooring at WWTP for easier cleaning and consistent flooring material throughout building.	18,300	-	-
Facilities Management	WWTP Painting & Ceiling Tiles	Replace and paint damaged ceiling tiles for better energy efficiency and cosmetic improvement.	10,065	-	-
Facilities Management	Parking Lot Improvements	Repair existing asphalt areas and add speed bumps in parking lot around HPD HQ.	23,058	-	-
Public Space	Cates Creek Park Basketball Court	CIP Impact: Transfer from GF to project fund for FY27 design and FY8 construction.	-	20,000	200,000
Public Space	Story Walk	16 aluminum frames placed along Gold Park walkways and four story inserts (changed quarterly). Preference for multicultural / multilingual stories. Requested by Parks and Recreation Advisory Board.	-	12,000	-
Information Technology	Equipment Operator	IT costs to outfit Stormwater Equipment Operator with computer, phone, and IT licenses.	-	2,205	765

Public Safety

Department	Request	Description	FY26	FY27	FY28
Police	Evidence Drying Cabinet	Drying cabinet for wet biological evidence will improve integrity of sample and reduce chance of contamination.	14,600	-	2,400
Police	Evidence Room Camera Additions	Half funding (other half may come from NCLM safety grant). Recommended by risk review and will help with accreditation and improve accountability.	5,202	-	-
Police	Flock Camera System	Camera system installed around town that aids in reactive and preventative crime response. Cameras equipped to identify vehicle make, color, model, etc. Will allow collaboration with private flock camera users as well as neighboring jurisdictions in regional efforts.	44,000	37,500	37,500
Police	In-Car Camera Replacements	Current in-car cameras are out of date and causing maintenance and repair issues. Current camera video quality is also behind the current technology. The initiative to replace cameras are spread out over five years.	46,000	48,000	50,000
Police	Police Vehicle Replacements	Replace two HPD vehicles each year and rotate old vehicles off front-line service.	257,500	206,000	206,000
Police	Speed Sign Replacements	Electronic speed detection system used for analysis of speeding complaints. Town currently has two pieces of equipment, but one does not work at all, and the other does not provide usable data when extracted.	3,000	-	-
Police	Thermal Cameras	Thermal cameras for use in low-light situations or night shifts. Allows officers to see suspects in the dark, or identify safety hazards such as downed power lines.	5,000	-	-
Fire	Fire Vehicles Ramp-Up	Begin setting funds aside for debt buy-down and/or debt payment on ORFD fire response vehicles.	50,000	100,000	150,000

Public Works

Department	Request	Description	FY26	FY27	FY28
Streets	Salt Spreader	Replace undersized and rusty salt spreader (8-10 years old)	4,500	-	-
Streets	Dump Body	The new solid waste truck is compatible for interchangeable hauling equipment, allowing it to be used year-round instead of just leaf season. This dump body equipment allows the truck to function like a typical dump truck.	45,000	-	-
Solid Waste	Garbage Truck Replacements	Replacement garbage truck for current truck (10+ years old). Expected delivery FY27.	387,006	-	-
Solid Waste	Knuckleboom Truck Replacements	Replace 2018 brush truck. Expected delivery FY27.	242,006	-	-
Solid Waste	Roll-Off Containers	Cancel contract for bulk solid waste hauling and associated container fees, buy containers, and allow town staff to haul bulk solid waste.	15,000	-	-

Special Appropriations

Department	Request	Description	FY26	FY27	FY28
Special Appropriations	Affordable Housing Ramp-Up to 2-Cents	Continued allocation of town's commitment for 2-cent tax rate equivalent towards affordable housing efforts.	189,309	259,309	259,309
Special Appropriations	Compensation & Class Study Implementation	Estimated funding needed to implement recommendation from PTRC at conclusion of biennial pay and class study.	165,000	165,000	165,000
Special Appropriations	Hillsborough Merchants Association	Second year of funding for Hillsborough Merchants Association coordinated by Chamber of Commerce.	15,000	-	-
Special Appropriations	Veterans' Memorial Contribution	Town's share of contribution to Orange County Veterans' Memorial located in Chapel Hill.	7,500	7,500	7,500

Total Unfunded Requests

Total Unfunded Requests	FY26	FY27	FY28
General Fund	1,553,046	857,514	1,084,372

General Government



Governing Body: Dues & Training

FY2026 Operating & Capital Budget

Dues & Subscriptions

Governing Body Dues & Subscriptions

Itemization Description	2024-25	2025-26	2026-27	2027-28	Total
NCLM Annual Dues	\$11,173	\$11,173	\$11,173	\$11,173	\$44,692
Hillsborough Chamber of Commerce	\$6,000	\$6,000	\$6,000	\$6,000	\$24,000
Central Pines Regional Council	\$4,357	\$4,357	\$4,357	\$4,357	\$17,428
School of Government Annual Dues	\$1,524	\$1,524	\$1,524	\$1,524	\$6,096
Chapel Hill Chamber of Commerce	\$1,400	\$1,455	\$1,455	\$1,455	\$5,765
National League of Cities	\$1,276	\$1,314	\$1,314	\$1,314	\$5,218
Miscellaneous	\$500	\$500	\$500	\$500	\$2,000
NC Mayors Association	\$300	\$300	\$300	\$300	\$1,200
NC Women in Municipal Government	\$75	\$75	\$75	\$75	\$300
NC Black Elected Municipal Officials	\$75	\$75	\$75	\$75	\$300
Southern City Subscription	\$22	\$22	\$22	\$22	\$88
TOTAL	\$26,702	\$26,795	\$26,795	\$26,795	\$107,087

Training, Conferences, & Conventions

Governing Body Training/Conference/Conventions

Itemization Description	2024-25	2025-26	2026-27	2027-28	Total
Inter City Visits	\$16,000	\$0	\$16,000	\$0	\$32,000
Miscellaneous Training	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000
NCLM City Vision	\$3,600	\$3,600	\$3,600	\$3,600	\$14,400
Women in Municipal Government Conference Charlotte, NC	\$2,500	\$2,500	\$2,500	\$2,500	\$10,000
International LGBTQ Leaders Conference	\$1,800	\$1,800	\$1,800	\$1,800	\$7,200
NC 365 Conference	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
UNC SOG Advanced Leadership Corps.	\$1,000	\$1,000	\$1,000	\$1,000	\$4,000
Newly Elected Officials School (FY24/26/28)	\$0	\$1,500	\$0	\$1,500	\$3,000
Travel Reimbursement for Meetings Outside County	\$600	\$600	\$600	\$600	\$2,400
NC Mayors Association Member Meeting	\$400	\$400	\$400	\$400	\$1,600
NCLM Town and State Dinner	\$300	\$300	\$300	\$300	\$1,200
Central Pines Regional Summit	\$300	\$300	\$300	\$300	\$1,200
State of the Community Report	\$280	\$280	\$280	\$280	\$1,120
NCLM Town Hall Day (1)	\$30	\$30	\$30	\$30	\$120
TOTAL	\$32,810	\$18,310	\$32,810	\$18,310	\$102,240

Priority Rank	Frequency	Justification Type
1	Recurring	New Service or Investment

Describe Request

NextRequest is a public records software under CivicPlus that allows agencies to receive, track, and fulfill records requests and manage workflows through an online portal.

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact if Not Funded

Challenges with not having a management tool in place:

- The increase in volume and complexity of requests, highlighting the need for additional support, tools, and automation.
- The challenge of tracking requests, easily knowing their status, and meeting due dates (especially when multiple departments are involved); things can easily slip through the cracks.
- The decentralized use of multiple tools and the overall impact to time and workflow; logging, tracking, routing, emailing, file-sharing, redacting, etc. all in different systems.
- The lack of internal visibility, which can lead to duplication of work or other inefficiencies.

Additional Information

- N/A

Budget Justification Expenditures

10-10-4200 - Public Records Request Software

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$0	\$0	\$12,288	\$12,288
TOTAL	\$0	\$0	\$0	\$12,288	\$12,288

Priority Rank	Frequency	Justification Type
1	One Time	"Taking Care of What We've Got"

Describe Request

The town has a 'Welcome to Hillsborough' sign located at the corner of NC 86/S Churton Street and Mayo Street, near the Ford Dealership. Planning staff has not been able to locate any formal documentation of town ownership or maintenance requirements of this sign, however the town trims the hedges around it and 'rents' the space over it for hanging community event banners. It would be helpful for the town to get a formal sign maintenance easement from the Ford Dealership. This would allow us to legally maintain the sign as well as make upgrades to the sign in the future.

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact if Not Funded

- N/A

Additional Information

- Ideas for upgrades include, refacing the sign to match new town branding, installing a more stable/useful banner holder frame, re-landscaping the sign area. We would need a surveyor to field locate the sign and designate a sign easement area around it and then have the dealership execute the plat recording the easement. These funds would allow for future projects/beautification of the monument sign for the town.

Budget Justification Expenditures

Welcome Sign Easement Plat

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$6,000	\$0	\$0	\$6,000
TOTAL	\$0	\$6,000	\$0	\$0	\$6,000



Police Parking Lot Improvements

Budget Justification Form (FY26-FY28)

Priority Rank

1

Frequency

One Time

Justification Type

"Taking Care of What We've Got"

Describe Request

Mill existing pavement, apply liquid tack, repave parking lot to a 2" depth and add three speed bumps to slow cut-through traffic to Churton and Tryon streets.

Link to Strategic Plan or Departmental Priorities

- The current condition of the parking lot and travel land around the Police Annex is in need of repair. One minor injury has occurred when an officer was exiting their vehicle and stepped on an area that was missing asphalt. Two temporary patches have been made by our Public Works Department in two years.

Alternatives & Operational Impact if Not Funded

- Continue to make temporary patch repairs to deteriorated areas. The repairs will increase as other areas will continue to degrade.
- Operational impact on the Public Works Department with increased work orders for repairs and additional potential injuries to staff and the public using the parking lot and travel lane.

Additional Information

- N/A

Budget Justification Expenditures

Police Parking Lot Improvements

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$37,800	\$0	\$0	\$37,800
TOTAL	\$0	\$37,800	\$0	\$0	\$37,800



Wastewater Treatment Plant Flooring

Budget Justification Form (FY26-FY28)

Priority Rank

2

Frequency

One Time

Justification Type

"Taking Care of What We've Got"

Describe Request

Installation of an epoxy floor throughout the Wastewater Plant's administrative building.

- Easier cleaning.
- Samples, reagents, and chemicals can often be spilled on the floor of laboratories. With the current tile and grout that we have now, cleaning up spills is much more difficult.
- Sweeping and mopping are not as sanitary because of the depressions in the floor from the grout.
- We often deal with biologically contaminated samples, and the safety of the wastewater plant staff would be increased with a new epoxy floor.
- For the connecting hallway, providing a continuous floor will provide a much more professional look and feel, while also providing a surface that is easier to clean than a tile floor.
- No cost of replacing/repairing future broken ceramic tiles

Link to Strategic Plan or Departmental Priorities

- Floor will be easier to clean, requiring less chemicals.
- No yearly stripping and waxing to maintain finish.
- Finish gets refreshed after 5 years of daily use.

Alternatives & Operational Impact if Not Funded

If not funded:

- Unpredictable cost of future repairing and replacing damaged tiles
- More effort and chemicals to clean
- Spills of contaminated samples are more difficult to clean
- Increase possibility to exposure to contamination

Additional Information

- N/A

Budget Justification Expenditures

Wastewater Treatment Plant Flooring

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$30,000	\$0	\$0	\$30,000
TOTAL	\$0	\$30,000	\$0	\$0	\$30,000



Wastewater Treatment Plant Painting and Ceiling Tiles

Budget Justification Form (FY26-FY28)

Priority Rank

3

Frequency

One Time

Justification Type

"Taking Care of What We've Got"

Describe Request

Replace old, broken, and stained drop-ceiling tiles in the WWTP administration building.

Link to Strategic Plan or Departmental Priorities

- Increase energy efficient with a more solid and uniform ceiling to keep conditioned air in the facility.

Alternatives & Operational Impact if Not Funded

- Replace only broken tiles and spray the stained tile with a bleach solution to try and remove water stains.
- If not funded, the facility will have increased heating and cooling cost and the ceiling will be visually unappealing.

Additional Information

- N/A

Budget Justification Expenditures

Wastewater Treatment Plant Painting and Ceiling Tiles

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$16,500	\$0	\$0	\$16,500
TOTAL	\$0	\$16,500	\$0	\$0	\$16,500

Priority Rank	Frequency	Justification Type
1	One Time	New Service or Investment

Describe Request

The Parks and Recreation Board would like to add a story walk to Gold Park. Story walks are comprised of individual framed stands that hold the pages of a book at various locations along a path so that path users can read a book as they go along. The books are geared toward school age children. This proposal includes 16 aluminum framed units, fabricated and installed, in Gold Park and funds for the first year's worth of books switched out quarterly. The books can be switched out at any interval the town prefers. Most story walks exchange books at least quarterly to keep interest from the public. Several companies offer book leasing and maintenance agreements. The Parks and Recreation Board prefers to work with a company that offers bilingual and multicultural stories.

Link to Strategic Plan or Departmental Priorities

- This proposal helps to advance equity and accessibility in a town park, a Public Space and Sustainability Division priority.

Alternatives & Operational Impact if Not Funded

- N/A

Additional Information

An example of a company that provides bilingual story walks:

- <https://syncreticpress.com/pages/book-walks>
- <https://youtu.be/kXIS3frzVjQ>

Budget Justification Expenditures

Story Walk

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$0	\$12,000	\$0	\$12,000
TOTAL	\$0	\$0	\$12,000	\$0	\$12,000

Public Safety

Priority Rank	Frequency	Justification Type
1	One Time	"Taking Care of What We've Got"

Describe Request

Our current system is starting to show its age and we are starting to have issues with maintenance and cameras failing and having to be repaired. In addition, the quality of our video is behind the current technology. We put some additional money into doing some improvements on the system several years ago, but are now reaching the point that we have to consider replacement. Replacing the system will be a major expense, and the contract with Axon is spread over 5 fiscal years.

We have researched a number of systems but are still continuing to try and determine exactly which system is going to be the best one for us. Current estimates are approximately \$259,172.99 (including tax) to replace our whole system.

Link to Strategic Plan or Departmental Priorities

- This is linked to community safety and service excellence. These updated in-car camera systems increase the efficiency and functionality of our patrol officers and their ability to detect and preserve evidence to solve crimes. The new system integrates into our currently body-worn camera systems and helps ensure accountability and helps with our efforts to provide transparency.

Alternatives & Operational Impact if Not Funded

- We can continue to defer this, but may encounter problems and failures of our systems. The limitations of our current systems present themselves frequently when delays occur with sending video footage to the DA's office or in our ability to maintain oversight of our police operations.

Additional Information

- Provides unlimited cloud storage which is backed up to allow us to carry out police operations without storage limitations.
- An alternative is to do away with in-car systems and rely only on the body worn cameras, but we have concerns should something happen and we do not have adequate video.
- Request was initially requested to start in FY25, but is being deferred a year as we have not had significant failures and the timing to make the change is not ideal. We are hoping to link the change with some new technology options.

Budget Justification Expenditures

In-Car Camera Replacements

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$46,000	\$48,000	\$50,000	\$144,000
TOTAL	\$0	\$46,000	\$48,000	\$50,000	\$144,000

Priority Rank	Frequency	Justification Type
2	Recurring	New Service or Investment

Describe Request

We can deploy Flock cameras strategically around town to assist in both preventative and reactive public safety. Utilizing Flock Safety can provide evidence we will need to solve, deter and reduce crime across neighborhoods, schools, businesses and the entire town. This system will allow for collecting objective evidence free from human bias to prevent, deter and solve crime. The system is designed with checks and balances to ensure ethical use of it's technology.

Flock Safety goes beyond capturing license plates. Unlike traditional license plate readers, the unique Vehicle Fingerprint technology accelerates investigations by allowing us to filter our search based on the vehicle's specific characteristics, including body type, make, color, and more. This is key in producing investigative leads for law enforcement when a suspect vehicle has no visible plates. Flock Safety is proven to help solve and reduce violent and non-violent crime. Some of the main types of property crime Flock Safety addresses include mail and package theft, home invasions, vandalism, trespassing, and burglary. This system is also used to solve violent crimes such as assaults, kidnappings, shootings and homicides.

Once deployed we will be linked not only with our neighboring communities, but communities through the state, surrounding states, and the country who also utilize Flock cameras. Currently, our neighboring communities utilizing this system include Burlington, Durham, Roxboro, Greensboro, Raleigh, and Elon. More than 50 agencies (2000+ cameras) in NC have Flock cameras deployed.

Link to Strategic Plan or Departmental Priorities

- Community Safety and Connected Community: Once the system is active, we can increase our partnerships with our community stakeholders and businesses by providing them the ability to install their own Flock cameras that will connect to our system. This will be a great asset to solving and preventing the numerous and ever rising vehicle thefts and break ins the Town has experienced over the past few years. In doing so, this will increase the number of cameras without increasing cost to the Town.

Alternatives & Operational Impact if Not Funded

- The current cost includes an upgraded package (FlockOS Advanced) that would expand our ability to access business security systems with their permission. This could be removed from the quote, reducing the overall cost and we can reassess the need during the next budget cycle.
- If unable to move forward with Flock Safety, we will miss out on opportunities to more effectively and efficiently investigate and solve crimes with this technology.

Additional Information

- The Flock System is scalable. For example, motion activated cameras installed in our parks and the Riverwalk areas could be programed to only activate after closing. Officers would get alerts that people have entered these restricted areas allowing them to respond before dispatch.

Budget Justification Expenditures

Flock Camera System

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$44,000	\$37,500	\$37,500	\$119,000
TOTAL	\$0	\$44,000	\$37,500	\$37,500	\$119,000



Police Vehicle Replacements

Budget Justification Form (FY26-FY28)

Priority Rank

3

Frequency

Recurring

Justification Type

"Taking Care of What We've Got"

Describe Request

Start regularly budgeting for patrol vehicles in an effort to cycle some of the older patrol vehicles out of frontline service. It will also give us more flexibility on having spares vehicles when others go down for maintenance.

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact if Not Funded

- If we do not start replacing the older cars and have a regular replacement plan, we will end up having to make major purchases as much of our fleet may need replacement at the same time.
- Having the replacement plan will also allow us to better plan and adjust as our fleet needs change.

Additional Information

- N/A

Budget Justification Expenditures

Police Vehicle Replacements

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Capital	\$0	\$250,000	\$200,000	\$200,000	\$650,000
Operating	\$0	\$7,500	\$6,000	\$6,000	\$19,500
TOTAL	\$0	\$257,500	\$206,000	\$206,000	\$669,500



Evidence Room Cameras

Budget Justification Form (FY26-FY28)

Priority Rank

4

Frequency

One Time

Justification Type

"Taking Care of What We've Got"

Describe Request

One of the recommendations to come out of the Risk Review was to add cameras inside our property room for better accountability. This is a request to add additional cameras to our building camera system so we can install cameras inside the property room.

Link to Strategic Plan or Departmental Priorities

- Completing the NCLM Risk review was a priority and we are now starting to work on state accreditation. Implementing this recommendation will help us in that process and increase departmental accountability.
- This request falls under service excellence, ensuring accountability within the police department and maintaining strong security measures for items of evidentiary value.

Alternatives & Operational Impact if Not Funded

- The recommendation is not mandatory for the Risk Review, but made based on best practices. We are not sure if the state accreditation will require the additional cameras. If not this is not a required action.

Additional Information

- Will apply for NCLM Offers safety grants to help pay for half of the system. We are only requesting funding for half anticipating receipt of the grant.

Budget Justification Expenditures

Evidence Room Cameras

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$5,202	\$0	\$0	\$5,202
TOTAL	\$0	\$5,202	\$0	\$0	\$5,202



Thermal Cameras

Budget Justification Form (FY26-FY28)

Priority Rank

5

Frequency

One Time

Justification Type

New Service or Investment

Describe Request

Two thermal imaging devices to help officers increase their safety and awareness during low-light conditions and night shifts. Thermal imaging cameras are specifically designed to detect heat, enabling law enforcement professionals to see in complete darkness. Unlike night vision cameras, thermal imaging cameras do not rely on ambient light and maintain their clarity regardless of lighting conditions. These cameras help officers quickly and effectively clear dark rooms or track suspects, enhancing personal safety and situational awareness. They are also beneficial in search and rescue operations and for recovering discarded evidence.

A thermal imager can significantly improve officer safety in various situations. For example, it can help identify fluid leaks or downed power lines at a collision scene. When entering areas such as fields or yards, a thermal imager can reveal hidden hazards like fences or dogs that may not be visible within an officer's flashlight range. Additionally, officers can use thermal imagers to locate individuals who may be hiding or observing from the shadows.

Link to Strategic Plan or Departmental Priorities

- Prioritizes employee safety and leverage technology for ongoing improvements. This forward-thinking mindset is a key value outlined in the town's strategic plan, alongside our commitment to quality public service.

Alternatives & Operational Impact if Not Funded

- Research and identify various funding sources, such as grants, partnerships, or reallocate funds from less critical projects.

Additional Information

- In one incident this year, Officer Lorenson used his thermal imager during an active shooter situation on King Street. He guided officers safely through a wooded backyard, ensuring that no thermal signatures were detected in the darkness. As a result, the officers were able to locate the suspect and subsequently charged him with a firearms-related crime.

Budget Justification Expenditures

Thermal Cameras

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$5,000	\$0	\$0	\$5,000
TOTAL	\$0	\$5,000	\$0	\$0	\$5,000



Evidence Drying Cabinet

Budget Justification Form (FY26-FY28)

Priority Rank

6

Frequency

One Time

Justification Type

Current Service Expansion or Investment

Describe Request

An evidence drying cabinet provides a secure and ventilated area to dry wet blood evidence. Blood might be biohazardous, so law enforcement officials must take every precaution during storage procedures. Law enforcement agencies can use a drying cabinet to protect the integrity of samples collected at a crime scene. When wet evidence is not correctly dried, it's very likely that bacterial growth will destroy the biological material. Crime scene investigators must gather evidence and make sure it dries safely without DNA cross-contamination.

Link to Strategic Plan or Departmental Priorities

- As a temporary storage solution, drying cabinets provide the security and infrastructure needed to maintain the integrity of the evidence until someone is able to process it. This will advance the department's mission to ensure thorough investigations, likely violent crimes, to successful prosecutions.

Alternatives & Operational Impact if Not Funded

- Continue to use the clothes line installed in the metal building at the Town garage. This will continue the risk of cross contamination and bio-evidence being destroyed.

Additional Information

- N/A

Budget Justification Expenditures

Evidence Drying Cabinet

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$14,600	\$0	\$2,400	\$17,000
TOTAL	\$0	\$14,600	\$0	\$2,400	\$17,000

Priority Rank	Frequency	Justification Type
7	One Time	Current Service Expansion or Investment

Describe Request

The department currently has two-speed signs that are over 10 years old and previously used for citizen traffic complaints. One of the signs no longer functions, and the second sign functions, but we cannot extract usable data from it for analysis.

To deploy the existing units requires Public Works to put up a signpost at a requested location and then mount the sign to the post. After approximately five days, the sign would be removed (either needing to be recharged or mission complete), and the data would be extracted on the computer. Analyzing the data would then take several hours to see if the original complaint by the citizen was perceived or, in fact, a traffic safety issue.

The new Stalker Traffic Data Collector 2 is easy to install, is solar powered, and data can be extracted wirelessly or with a flash drive; in some instances, the officer will not even need to exit the vehicle to do this. Although this data collector is not a visual cue, it covertly collects the needed data and analyzes it on user-friendly software. Ultimately, these signs will accomplish traffic safety tasks while reducing the person-hours required to install, recover, and analyze.

Link to Strategic Plan or Departmental Priorities

- Prioritizes employee safety and leverage technology for ongoing improvements. This forward-thinking mindset is a key value outlined in the town's strategic plan, alongside our commitment to quality public service.

Alternatives & Operational Impact if Not Funded

- If not funded, we can still use the visual sign with assistance from Public Works. While we won't have data for analytics, these visual signs will inform citizens that we are monitoring that area for traffic safety issues.
- An alternative option is to have Public Works deploy some of their traffic management equipment to help us gather data while the visual sign is in place.
- While these alternatives exist, they may not be the most cost-effective or efficient in terms of workforce resources.

Additional Information

- N/A

Budget Justification Expenditures

Speed Sign Replacements

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$3,000	\$0	\$0	\$3,000
TOTAL	\$0	\$3,000	\$0	\$0	\$3,000



Fire Vehicles Ramp-Up

Budget Justification Form (FY26-FY28)

Priority Rank

1

Frequency

Recurring

Justification Type

"Taking Care of What We've Got"

Describe Request

Start an annual ramp-up to fund debt service on large fire apparatus replacements, including the engine and ladder trucks. Reserved funds will be used to reduce the amount the town will need to borrow to replace these trucks.

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact if Not Funded

- If delayed, a larger annual contribution will be needed to meet the debt service payments.

Additional Information

- N/A

Budget Justification Expenditures

Fire Vehicles Ramp-Up

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Interfund Transfers	\$0	\$50,000	\$100,000	\$150,000	\$300,000
TOTAL	\$0	\$50,000	\$100,000	\$150,000	\$300,000

Public Works



Salt Spreader

Budget Justification Form (FY26-FY28)

Priority Rank

1

Frequency

One Time

Justification Type

Current Service Expansion or Investment

Describe Request

Replace an 8-10-year-old salt spreader. The frame is undersized and become rusty. The replacement will have more capacity and will be more reliable during salting operations.

Link to Strategic Plan or Departmental Priorities

- To stay reliable during winter weather events.

Alternatives & Operational Impact if Not Funded

- Continue to repair and replace parts on the existing salt spreader while trying to stay efficient and reliable.

Additional Information

- N/A

Budget Justification Expenditures

Salt Spreader

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$4,500	\$0	\$0	\$4,500
TOTAL	\$0	\$4,500	\$0	\$0	\$4,500

Priority Rank	Frequency	Justification Type
2	One Time	Current Service Expansion or Investment

Describe Request

Dump body for the new hooklift/rolloff chassis that was ordered to replace the leaf collection truck. The new truck has the ability to unload the leaf collection body and load other miscellaneous bodies, such as a dump body. This will turn that chassis into a dump truck to haul materials like a standard dump truck. This will allow Public Works to utilize the chassis year round rather than just during leaf season. It will also serve to replace the divisions existing 2007 International Dump Truck.

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact if Not Funded

- Continue to use the 2007 International dump truck, which is 18 years old and has lots of rust from spreading salt.

Additional Information

- Become more versatile within the division by being able to use different bodies on one chassis.
- Save money by purchasing a dump body rather than a new dump truck.
- With leaf trucks being only used 3 months out of the year, this will also benefit the engine of the truck because diesel trucks that sit for 9 months out of the year typically have issues.
- If the dump body isn't funded, then the extra money spent on the hooklift/rolloff chassis for the leaf truck will be wasted, as it will only be a leaf collection truck.

Budget Justification Expenditures

Dump Body

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Capital	\$0	\$45,000	\$0	\$0	\$45,000
TOTAL	\$0	\$45,000	\$0	\$0	\$45,000



Priority Rank	Frequency	Justification Type
1	One Time	Current Service Expansion or Investment

Describe Request

Two roll-off containers for use on the hooklift/rolloff leaf truck chassis. Town currently pays a contractor to haul bulk items from the Public Works yard to the transfer station, which includes the cost of the items being disposed of as well as a monthly fee to have their roll-off containers at the town's facility. The roll-off containers would allow the town to cancel the contract and haul items to the transfer station ourselves. This will improve efficiency as there are times staff struggle to finish bulk collection routes because we have to wait for the contractor to come and empty the containers. By having two containers, there will always have at least one that is empty to ensure we can continue our operations. We will also be able to go out and set these containers in areas where we may have large cleanups of brush or litter debris (volunteers sometimes have very large piles).

Link to Strategic Plan or Departmental Priorities

- Become more efficient during our Solid Waste collection and save money.

Alternatives & Operational Impact if Not Funded

- Continue to pay contractor to haul our bulk items, and sometimes experience collection delays for the citizens.
- If not funded, the the hook-lift/roll-off leaf truck will be underutilized.

Additional Information

- N/A

Budget Justification Expenditures

Roll-Off Containers

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Capital	\$0	\$15,000	\$0	\$0	\$15,000
TOTAL	\$0	\$15,000	\$0	\$0	\$15,000



Special Appropriations



Compensation and Classification Study Implementation

Budget Justification Form (FY26-FY28)

Priority Rank

1

Frequency

Recurring

Justification Type

"Taking Care of What We've Got"

Describe Request

Funds to implement tri-annual comp & class study results.

Link to Strategic Plan or Departmental Priorities

- Taking care of what we've got.

Alternatives & Operational Impact if Not Funded

- Recruitment and retention efforts could suffer if salaries are not regularly reviewed and adjusted as necessary to reflect the market.

Additional Information

- N/A

Budget Justification Expenditures

Compensation & Class Study Implementation

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$165,000	\$165,000	\$165,000	\$495,000
TOTAL	\$0	\$165,000	\$165,000	\$165,000	\$495,000

Priority Rank

None

Frequency

Recurring

Justification Type

Current Service Expansion or Investment

Describe Request

Ramp-up contributions to affordable housing efforts over several years until reach the equivalent of 2-cents on the tax rate.

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact If Not Funded

- N/A

Additional Information

Current/Planned Funding Allocation	FY25	FY26	FY27	FY28
Community Home Trust	2,500	2,500	2,500	2,500
HOME Funds Match	6,281	6,281	6,281	6,281
OC Partnership to End Homelessness	51,910	51,910	51,910	51,910
Transfer to Housing Reserve	114,309	189,309	259,309	259,309
TOTAL	175,000	250,000	320,000	320,000



Hillsborough Merchants Association

Budget Justification Form (FY26-FY28)

Priority Rank

None

Frequency

Recurring

Justification Type

New Service or Investment

Describe Request

2-year partnership with Hillsborough Merchants Association to help the HMA become more engaged and resilient (\$15,000/yr).

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact if Not Funded

- N/A

Additional Information

- N/A

Budget Justification Expenditures

Hillsborough Merchants Association

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$15,000	\$0	\$0	\$15,000
TOTAL	\$0	\$15,000	\$0	\$0	\$15,000



Veterans' Memorial

Budget Justification Form (FY26-FY28)

Priority Rank

None

Frequency

Recurring

Justification Type

Other New Request

Describe Request

Multi-year funding commitment to fund the Orange County Veteran's Memorial.

Link to Strategic Plan or Departmental Priorities

- N/A

Alternatives & Operational Impact if Not Funded

- N/A

Additional Information

- N/A

Budget Justification Expenditures

Veteran's Memorial

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$7,500	\$7,500	\$7,500	\$22,500
TOTAL	\$0	\$7,500	\$7,500	\$7,500	\$22,500

Water & Sewer Fund



Financial Summary: Water & Sewer Fund

FY2026 Operating & Capital Budget

Revenues

Water & Sewer Fund Revenue (by type)

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Licenses/Permits/Fees	\$13,452,087	\$12,505,000	\$13,340,000	\$14,235,000	\$15,195,000
Interfund Transfers	\$2,081,540	\$342,990	\$0	\$0	\$0
Interest	\$637,447	\$385,500	\$50,000	\$50,000	\$50,000
Other	\$130,383	\$13,500	\$13,500	\$13,500	\$13,500
TOTAL	\$16,301,457	\$13,246,990	\$13,403,500	\$14,298,500	\$15,258,500

Expenditures

Water & Sewer Fund Expenditures (by function)

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Water and Sewer	\$15,598,718	\$14,776,145	\$13,057,791	\$13,182,493	\$13,772,005
General Government/Water and Sewer/Stormwater	\$0	\$0	\$400,000	\$400,000	\$400,000
TOTAL	\$15,598,718	\$14,776,145	\$13,457,791	\$13,582,493	\$14,172,005

Financial Summary

Water & Sewer Revenue vs Expenditures

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Revenues	\$16,301,457	\$13,246,990	\$13,403,500	\$14,298,500	\$15,258,500
Expenses	\$13,140,333	\$14,776,145	\$13,457,791	\$13,582,493	\$14,172,005
REVENUES LESS EXPENSES	\$3,161,124	-\$1,529,155	-\$54,291	\$716,007	\$1,086,495

Fund Balance

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Fund Balance Appropriation		\$1,529,155	\$54,291	(\$716,007)	(\$1,086,495)
Remaining Balance	\$10,999,979	\$9,470,824	\$9,416,533	\$10,132,540	\$11,219,035
Fund Balance as % of Operating Budget	83.7%	64.1%	70.0%	74.6%	79.2%
Days of Cash on Hand	428	328	308	326	343



Unfunded Requests: Water & Sewer Fund

FY2026 Operating & Capital Budget

Administration of Enterprise

Department	Request	Description	FY26	FY27	FY28
Administration of Enterprise	Compensation & Class Study Implementation	Estimated funding needed to implement recommendation from PTRC at conclusion of biennial pay and class study.	90,000	90,000	90,000

Utilities Administration

Department	Request	Description	FY26	FY27	FY28
Utilities Administration	Sewer Lift Station Abandonment Analysis	Study abandonment alternatives for several current stations and analyze potential alignments for future gravity sewer extensions, allowing existing gravity systems to bypass the pumping stations and flow downstream via gravity.	95,000	-	-

Water Treatment Plant

Department	Request	Description	FY26	FY27	FY28
Water Treatment Plant	Sodium Hypochlorite Conversion	CIP Impact: Transfer from WSF to project fund for engineering in FY26 and construction in FY27.	375,000	1,590,600	-
Water Treatment Plant	Standby Power Generator Replacement	CIP Impact: Purchase within WSF, but no impact due to use of leftover project funds. No new funding required.	-	-	-
Water Treatment Plant	Tracer Test	Perform a tracer study to ensure that all requirement in the EPA Surface Water Treatment Rule are being met.	22,000	-	-

Water Distribution

Department	Request	Description	FY26	FY27	FY28
Water Distribution	Adron F. Thompson	CIP Impact: Debt service + funds for swing space trailers.	139,924	249,848	249,848
Water Distribution	Hasell Water Tank	CIP Impact: Transfer from WSF to project fund to ramp-up for debt service.	95,000	190,000	285,000
Water Distribution	Water Distribution Master Plan Improvements	CIP Impact: Transfer from WSF to project fund.	-	400,000	400,000
Water Distribution	Hydrant & Valves Project	CIP Impact: Transfer from WSF to project fund.	-	-	270,000
Water Distribution	Vacuum Excavator	CIP Impact: Purchase within WSF with cash.	155,000	-	-
Water Distribution	Chlorine Level Auto Flushers	Mechanism to reduce wasted non-revenue water by installing automatic chlorine flushing equipment rather than letting current system run overnight.	50,000	50,000	50,000
Water Distribution	Ford F-450	Add vehicle to WD fleet, bringing vehicles up to one for each crew member. Division has been using other fleet backup trucks or undersized vehicles to this point.	90,000	-	-

Wastewater Collection

Department	Request	Description	FY26	FY27	FY28
Wastewater Collection	Adron F. Thompson	CIP Impact: Debt service payments.	124,924	249,848	249,848
Wastewater Collection	Cates Creek Outfall Upgrade	CIP Impact: Transfer from WSF for engineering, surveying, design, permit, and bidding.	100,000	200,000	300,000
Wastewater Collection	Eno River Interceptors	CIP Impact: 1st debt service payment in FY28 (half-payment).	-	-	235,113

Wastewater Collection	Sewer Jetter/Flush Truck	CIP Impact: Purchase within WSF with cash.	222,006	-	-
Wastewater Collection	Elizabeth Brady Pump Station and Force Main	CIP Impact: 1st debt service payment in FY28 (half-payment).	-	-	209,506
Wastewater Collection	Lawndale Basin Rehabilitation	CIP Impact: Debt service payments.	33,357	33,357	33,358
Wastewater Collection	Ford F-350	Currently one Utility Mechanic using undersized truck. This request would equip all mechanics with the same truck.	90,000	-	-
Wastewater Collection	Undersized Sewer Main Replacements	CIP Impact: Transfer from WSF to project fund.	-	85,150	-

Wastewater Treatment Plant

Department	Request	Description	FY26	FY27	FY28
Wastewater Treatment Plant	Solids Storage Mixing Pump Replacement	Purchase new pump in FY26, allowing for old pump to be serviced and rebuilt in FY27, and allowing for one operating and one backup pump for the future. Current pump is approximately 10 years old and due for maintenance. Maintenance on old pump will take three months or more, and cannot happen without another pump operating at the plant.	65,000	40,000	-
Wastewater Treatment Plant	Treatment Basins Grit Removal	Remove heavy inorganic materials from wastewater tanks to improve effluent water quality. Last grit removal 10 years ago.	85,000	-	-
Wastewater Treatment Plant	Reseal Caustic & Alum Containment Area	Addresses issue noted by stormwater inspection - water seeping through walls of chemical containment area. This project will reseal the interior of the containment area with industrial epoxy material.	29,000	-	-

Total Unfunded Requests

Total Unfunded Requests	FY26	FY27	FY28
Water & Sewer Fund	1,861,211	3,178,803	2,372,673



Compensation & Classification Study Implementation

Budget Justification Form (FY26-FY28)

Priority Rank

1

Frequency

Recurring

Justification Type

"Taking Care of What We've Got"

Describe Request

Implement tri-annual compensation and classification study.

Link to Strategic Plan or Departmental Priorities

- Taking care of what we've got.

Alternatives & Operational Impact if Not Funded

- Recruitment and retention efforts could suffer if salaries are not regularly reviewed and adjusted as necessary to reflect the market.

Additional Information

- N/A

Budget Justification Expenditures

Compensation & Class Study Implementation

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$90,000	\$90,000	\$90,000	\$270,000
TOTAL	\$0	\$90,000	\$90,000	\$90,000	\$270,000



Sewer Lift Station Abandonment Analysis

Budget Justification Form (FY26-FY28)

Priority Rank	Frequency	Justification Type
1	One Time	"Taking Care of What We've Got"

Describe Request

The town currently owns and operates 25 sanitary sewer pumping stations throughout its service area (one is at the WTP for the alum pond discharge). The majority of these were built by developers and are very old. These stations are more expensive to operate and maintain than gravity sewers. Many of them were slated for upgrades due to the collection system modeling, but others simply due to dilapidation. Town staff are very diligent about caring for the stations, but the small crew size focuses almost all their attention on them, instead of other priority duties within the rest of the collection system.

The proposed project would study abandonment alternatives for several current stations. The study would analyze potential alignments for future gravity sewer extensions that would allow existing gravity systems to bypass the pumping stations and flow downstream via gravity. Elimination of stations would not only decrease cost of operation and staff maintenance, but also dampen or equalize the wastewater flow into the treatment plant, making operation more predictable.

Eliminating pumping stations will reduce overall operations and maintenance costs. The Utilities Department need to take care of what it has and also ensure staff is efficient. You will never hear anyone say that they want a sewage pumping station or that they are a breeze to maintain!

Link to Strategic Plan or Departmental Priorities

- Town priority of reducing operating costs.

Alternatives & Operational Impact if Not Funded

- If the proposed project is not pursued, the number of pumping stations the town owns and operates will likely remain unchanged until future development is able to abandon the stations.
- The town will continue to operate and maintain the stations and may also have to perform significant capital improvements as components age or as basins increase in density. Pursuing the proposed project will allow these potential future costs to be avoided in addition to elimination of current, ongoing operational expenses.

Additional Information

- The abandonments to be studied would include Governor Burke to Strouds Creek, Lawndale to Rencher, Cemetery to Corbinton Commons, Cedar Creek into Cates Creek outfall, Gatemoore, Coachwood and Magnolia, as well as other potential abandonments throughout the system given their proximity to gravity sewers or other stations.
- The study would also verify the downstream pumping station has capacity for the proposed abandonment where abandonment to a gravity sewer that drains to a pumping station is proposed.

- The costs of the proposed abandonments relative to the costs of future pumping station operations will also be considered.

Budget Justification Expenditures

Sewer Lift Station Abandonment Analysis

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$95,000	\$0	\$0	\$95,000
TOTAL	\$0	\$95,000	\$0	\$0	\$95,000



Priority Rank	Frequency	Justification Type
1	One Time	"Taking Care of What We've Got"

Describe Request

The USEPA Surface Water Treatment Rule established that all public water systems treating surface water with filtration and disinfection must achieve a minimum removal/inactivation for Giardia and viruses. This request is to perform a tracer study to ensure that all requirements in the rule are being met.

Contact time (CT) is the amount of time a water-borne pathogen, such as Giardia or other viruses, may be in contact with a disinfectant, in this case Chlorine. Tracer studies are used to determine a system's effective CT at a particular flow rate. The effective CT is the time it takes for 10% of the water flowing through a segment of the treatment plant to exit that segment.

The most recent tracer test study is almost 20 years old and was performed before the current disinfection strategy was implemented. The study was based upon some assumptions and extrapolations instead of actual measurements at the time and the results leave little operational bandwidth to account for flow, chlorine residual and storage variability while meeting the minimum regulatory requirements. It is recommended that a new tracer test study be performed to update the baffling factor, make sure the current disinfection strategy will achieve a 1-log Giardia inactivation and provide an adequate safety factor to ensure safe drinking water to our customers.

Link to Strategic Plan or Departmental Priorities

- Service Excellence - Objective 2: Provide quality municipal services through operational excellence and a culture of innovation.

Alternatives & Operational Impact if Not Funded

- The tracer study was recommended by the consulting engineers that completed the WTP Disinfection Process Analysis in FY25 (located in section 4.3.1). The study will ensure adequate disinfection is being met or identify operational changes to improve disinfection.

Additional Information

- Staff recommends approval of \$22,000 for the completion of a tracer study in FY26.

Budget Justification Expenditures

Tracer Test

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$22,000	\$0	\$0	\$22,000
TOTAL	\$0	\$22,000	\$0	\$0	\$22,000



Ford F-450 Truck

Budget Justification Form (FY26-FY28)

Priority Rank

1

Asset Type

Vehicle

New or Replacement

New

Describe Request

Add an F-450 with a utility body for the Water Distribution crew. A new position was added to the crew, but it didn't come with a vehicle. This position has been using a 2008 Toyota Tacoma that used to be Wastewater Collection crew vehicle, but has been operating as a loaner vehicle for Fleet Maintenance for the last three years. The addition of a new F-450 would put all of the Water Distribution employees in a service body truck that has the capability of pulling/towing all of the division's equipment and tools.

Link to Strategic Plan or Departmental Priorities

- Service Excellence, Objective 1 : Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

Alternatives & Operational Impact if Not Funded

- Alternatively, the Utility System Superintendent and Utility System Supervisor could share the use of the departments F-150 pickup. During emergency situations or after hours work it becomes difficult to juggle that shared use. Truck #281 (F-250 utility body), that was occupied by the Utility System Supervisor, was moved into use for the distribution crew to give them the additional utility body truck. Previously two distribution crew members shared the use of truck #396 (F-450 utility body) which made it both difficult and inconvenient for them to organize and work with to respond after hours/during emergencies. It would be a huge help to the department and crew to have the additional f-450.

Additional Information

- N/A

Budget Justification Expenditures

Ford F-450 Truck

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Capital	\$0	\$85,000	\$0	\$0	\$85,000
Operating	\$0	\$5,000	\$0	\$0	\$5,000
TOTAL	\$0	\$90,000	\$0	\$0	\$90,000



Ford F-350 Truck

Budget Justification Form (FY26-FY28)

Priority Rank	Asset Type	New or Replacement
1	Vehicle	New

Describe Request

Add a Ford F-350 utility truck for the Wastewater Collection crew. The Collections Department fleet currently consists of five Ford F-350 trucks with utility bodies, one Ford F-150 and one Ford Escape. A Utility Systems Mechanic position was added this year, but it didn't come with a vehicle (now a crew of 6 without the addition of a utility truck). The division now has one mechanic in the F-150 with a standard truck bed and the Utility Mechanic Supervisor in the Ford Escape. The purchase of another F-350 utility truck would standardize the fleet and put all of our Utility Systems Mechanics in utility trucks to be able to have all necessary tools onsite at all times, and the ability to pull all equipment/trailers necessary for each job/project. This would also allow the Utility Mechanic Supervisor to drive the F-150 to assist the crew with delivering parts and materials, pulling smaller trailers, and assistance during emergency situations and other events that would require a generator or other larger materials/equipment. The Ford Escape would then be utilized as a backup vehicle for out-of-town travel for schools/trainings, commuter vehicle for Utility Systems Superintendent and any other commuter vehicle needs for the Water & Sewer Department.

Link to Strategic Plan or Departmental Priorities

- Service Excellence, Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

Alternatives & Operational Impact if Not Funded

- The operational impacts of not adding this truck include unnecessary drive/down time for the mechanic that currently drives the F-150 to obtain a truck that is capable of hauling materials, equipment and/or trailers needed, and a lack of assistance for the crew from the Utility Mechanic Supervisor due to current vehicle limitations (Ford Escape).

Additional Information

- N/A

Budget Justification Expenditures

Ford F-350 Truck

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Capital	\$0	\$85,000	\$0	\$0	\$85,000
Operating	\$0	\$5,000	\$0	\$0	\$5,000
TOTAL	\$0	\$90,000	\$0	\$0	\$90,000



Solids Storage Mixing Pump Replacement

Budget Justification Form (FY26-FY28)

Priority Rank	Frequency	Justification Type
1	Recurring	"Taking Care of What We've Got"

Describe Request

The solids storage mixing pump runs 24/7/365. This pump is critical to plant operations and does not have a backup. The 10-year service/rebuild came due in FY25. While planning to perform the maintenance, staff discovered that access to the internal parts of the pump must be done by the manufacturer in their repair shop. The service/rebuild completed by the manufacturer is expected to take three to six months.

The extended time needed for the service/rebuild will cause extreme difficulties for plant operations. To eliminate having the main sludge holding tank out of service for over three months, staff would like to purchase a new pump in FY26 and have the old pump rebuilt in FY27. Doing so will eliminate the extreme equipment downtime and maintain normal plant operations. Additionally, doing this will provide a back-up pump in the event of an unexpected pump failure.

Link to Strategic Plan or Departmental Priorities

- Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.
- Objective 2: Provide quality municipal services through operational excellence and a culture of innovation.

Alternatives & Operational Impact if Not Funded

- If the pump is sent back to the manufacturer to be rebuilt, sludge quality will be greatly reduced, and a significant amount of overtime pay will be needed to keep the plant operating within permit limits. Additionally, staff moral will be impacted due to the increased workloads.

Additional Information

- Providing a backup pump was "value engineered" out of the last plant upgrade because we expected to do another upgrade in 5-years (2019). It was expected that a new backup pump was going to be installed then. Since wastewater effluent quality is much better than originally expected, the 2019 upgrade has been significantly postponed. Now that the pump has been running 24/7/365 for over ten years, it is past due for a rebuild.

Budget Justification Expenditures

Solids Storage Mixing Pump Replacement

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Capital	\$0	\$65,000	\$40,000	\$0	\$105,000
TOTAL	\$0	\$65,000	\$40,000	\$0	\$105,000





Treatment Basins Grit Removal

Budget Justification Form (FY26-FY28)

Priority Rank	Frequency	Justification Type
2	Recurring	"Taking Care of What We've Got"

Describe Request

Grit is made up of heavy inorganic materials that flow through the wastewater collection system and end up at the wastewater treatment plant. The inorganic materials include gravel, crushed asphalt and concrete, anthracite, coffee grounds, nut shells, and many other things that are heavy and sink quickly. Most of the grit is removed before the wastewater moves into the treatment basins. However, during times of storm events, grit can make it past the grit removal process. Also, grit can get into the treatment basins during equipment failure or maintenance. An excessive amount of grit can inhibit treatment efficiency by reducing tank volume that is needed to treat the water.

It has been ten years since the grit was removed and the tanks were cleaned. Staff is starting to see indications that the grit needs to be removed before impacting effluent water quality.

Link to Strategic Plan or Departmental Priorities

- Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.
- Objective 2: Provide quality municipal services through operational excellence and a culture of innovation.

Alternatives & Operational Impact if Not Funded

- Removal of grit in the treatment basins is a normal maintenance procedure of a wastewater treatment facility. If this work is not completed, it will eventually result in violations of our discharge permit.

Additional Information

- Much of the work will be completed by town staff. However, a contractor with access to specialized equipment will also be needed. The grit will be separated from the water utilizing a specialized mobile filtering process. The grit will then be loaded into a roll off dumpster and hauled to a landfill. This work will need to be completed quickly to minimize impacts on treatment and effluent quality.

Budget Justification Expenditures

Treatment Basins Grit Removal

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$85,000	\$0	\$0	\$85,000
TOTAL	\$0	\$85,000	\$0	\$0	\$85,000





Reseal Caustic & Alum Containment Area

Budget Justification Form (FY26-FY28)

Priority Rank	Frequency	Justification Type
3	One Time	"Taking Care of What We've Got"

Describe Request

During the 2024 stormwater inspection, the Hillsborough Stormwater and Environmental Services inspector noted that water was seeping through the walls of the bulk chemical containment area. The inspection report noted that the interior of the containment area needs to be resealed to prevent water from escaping the containment area.

The chemical containment area is designed to prevent chemicals from reaching the environment in the event of a major chemical leak. The sealant used must be chemical resistant so that it is not damaged by the extremely high or low pH of the chemicals being stored. Because of the extreme conditions, an industrial grade epoxy must be used.

Link to Strategic Plan or Departmental Priorities

- Service Excellence, Objective 1: Maintain, protect, and optimize assets and infrastructure to drive reliability, cost effectiveness, and efficiency.

Alternatives & Operational Impact if Not Funded

- If the chemical containment area isn't resealed, water will continue to seep through the walls and chemicals may reach the environment in the event of a major leak.

Additional Information

- N/A

Budget Justification Expenditures

Reseal Caustic & Alum Containment Area

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$29,000	\$0	\$0	\$29,000
TOTAL	\$0	\$29,000	\$0	\$0	\$29,000



Stormwater Fund



Financial Summary: Stormwater Fund

FY2026 Operating & Capital Budget

Revenues

Stormwater Revenues (by type)

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Licenses/Permits/Fees	\$756,872	\$875,100	\$973,100	\$1,110,100	\$1,110,100
Interest	\$47,850	\$50,000	\$10,000	\$10,000	\$10,000
TOTAL	\$804,722	\$925,100	\$983,100	\$1,120,100	\$1,120,100

Expenditures

Stormwater Expenditures (by function)

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Stormwater	\$824,606	\$1,201,754	\$1,165,296	\$1,196,586	\$1,140,666
Non-Departmental	\$99,276	\$0	\$0	\$0	\$0
TOTAL	\$923,882	\$1,201,754	\$1,165,296	\$1,196,586	\$1,140,666

Financial Summary

Stormwater Fund Revenues vs Expenditures

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Revenues	\$804,722	\$925,100	\$983,100	\$1,120,100	\$1,120,100
Expenses	\$923,882	\$1,201,754	\$1,165,296	\$1,196,586	\$1,140,666
REVENUES LESS EXPENSES	-\$119,160	-\$276,654	-\$182,196	-\$76,486	-\$20,566

Fund Balance

	FY24 Actual	FY25 Estimate	FY26 Budget	FY27 Projection	FY28 Projection
Fund Balance Appropriation		\$276,654	\$182,196	\$76,486	\$20,566
Remaining Balance	\$817,180	\$540,526	\$358,330	\$281,844	\$261,278
Fund Balance as % of Operating Budget	96.4%	45.0%	30.8%	23.6%	22.9%



Unfunded Requests: Stormwater Fund

FY2026 Operating & Capital Budget

Stormwater

Department	Request	Description	FY26	FY27	FY28
Stormwater	Compensation & Classification Study Implementation	Implement tri-annual comp and class study. Study conducted in FY25, implemented in FY26.	7,500	7,500	7,500
Stormwater	Equipment Operator	Stormwater work is more time intensive than Street repairs. Adding an equipment operator will help with increasing amount of Stormwater work. It will also help address staff shortages created by leave and training. During these times crews are pulled off of stormwater work to ensure solid waste routes are covered.	84,308	86,277	91,448
Stormwater	Elizabeth Brady Culvert Rehabilitation	CIP Impact: Transfer from SW Fund to project fund. Replace deteriorating corrugated metal pipes	100,000	100,000	-
Stormwater	JetVac Truck	CIP Impact: Debt service payments. JetVac Truck for cleaning stormwater infrastructure such as catch basins and pipes. Currently using contractor.	-		136,903

Total Unfunded Requests

Total Unfunded Requests	FY26	FY27	FY28
Stormwater Fund	191,808	193,777	235,851



Compensation and Class Study Implementation

Budget Justification Form (FY26-FY28)

Priority Rank

1

Frequency

Recurring

Justification Type

"Taking Care of What We've Got"

Describe Request

Implement tri-annual compensation and classification study.

Link to Strategic Plan or Departmental Priorities

- Taking care of what we've got.

Alternatives & Operational Impact if Not Funded

- Recruitment and retention efforts could suffer if salaries are not regularly reviewed and adjusted as necessary to reflect the market.

Additional Information

- N/A

Budget Justification Expenditures

Compensation & Class Study Implementation

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Operating	\$0	\$7,500	\$7,500	\$7,500	\$22,500
TOTAL	\$0	\$7,500	\$7,500	\$7,500	\$22,500



Equipment Operator

Personnel Expansion Form (FY26-FY28)

Priority Rank

2

Position Start Date

07/01/2026

Describe Request

Add an equipment operator to Public Works, enabling them to split into two three-person crews for Stormwater work. Stormwater work is increasingly comprising the majority of Public Works time. Maintaining the two crews will be difficult, as it is already difficult to maintain adequate coverage for solid waste collection due to staff shortages created by leave or training. In addition, the creation of the Stormwater Technician position and proactive assessment of the stormwater system will lead to additional workload.

Link to Strategic Plan or Departmental Priorities

- Continue implementing watershed improvement projects under the Interim Alternative Implementation Approach for compliance with the Falls Lake Stage 1 Existing Development Rule for Stormwater.

Alternatives & Operational Impact if Not Funded

- Staff will continue to struggle to keep up with needed stormwater work if position isn't funded.

Additional Information

- N/A

Budget Justification Expenditures

Equipment Operator

Department	2024-25	2025-26	2026-27	2027-28	Total
Stormwater	\$0	\$79,713	\$84,682	\$89,853	\$254,248
Information Technology	\$0	\$4,595	\$1,595	\$1,595	\$7,785
TOTAL	\$0	\$84,308	\$86,277	\$91,448	\$262,033

Capital Improvement Plan

General Capital Improvement Plan



General Capital Improvement Plan Summary

Capital Improvement Plan (FY26-FY32)

General Capital Improvements Expenditures by Project

General CIP Expenses by Project

Worksheet Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Passenger Rail/Multi-Modal Station (expenses)	\$10,439,000	\$0	\$0	\$0	\$35,000	\$35,000	\$35,000
Fire Station (expenses)	\$750,000	\$375,000	\$450,000	\$8,425,000	\$15,000	\$15,000	\$15,000
Ridgewalk Greenway - North Segment	\$542,003	\$0	\$0	\$0	\$6,500,000	\$0	\$0
Ridgewalk Greenway - South Segment	\$0	\$0	\$800,000	\$0	\$0	\$6,000,000	\$0
NC86 Facility Renovation	\$4,825,982	\$0	\$0	\$0	\$0	\$0	\$0
Ladder Truck (expenses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Garbage Truck Replacements	\$0	\$387,006	\$0	\$0	\$387,006	\$387,006	\$0
Engine Truck (expenditures)	\$0	\$0	\$0	\$0	\$0	\$802,006	\$0
Leaf Truck Replacements	\$0	\$0	\$0	\$0	\$377,006	\$0	\$0
Knuckleboom Truck Replacements	\$0	\$242,006	\$0	\$0	\$242,006	\$0	\$0
Cates Creek Park Basketball Court (expenses)	\$0	\$0	\$20,000	\$200,000	\$0	\$0	\$0
South Churton Street Improvements Cost Share	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0
Police Station (expenses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$16,556,985	\$1,004,012	\$1,270,000	\$8,625,000	\$7,656,018	\$7,239,012	\$50,000

Worksheet Name	2031-32	Total
Passenger Rail/Multi-Modal Station (expenses)	\$35,000	\$10,579,000
Fire Station (expenses)	\$15,000	\$10,060,000
Ridgewalk Greenway - North Segment	\$0	\$7,042,003
Ridgewalk Greenway - South Segment	\$0	\$6,800,000
NC86 Facility Renovation	\$0	\$4,825,982
Ladder Truck (expenses)	\$2,002,006	\$2,002,006
Garbage Truck Replacements	\$0	\$1,161,018
Engine Truck (expenditures)	\$0	\$802,006
Leaf Truck Replacements	\$377,006	\$754,012
Knuckleboom Truck Replacements	\$0	\$484,012
Cates Creek Park Basketball Court (expenses)	\$0	\$220,000
South Churton Street Improvements Cost Share	\$0	\$100,000
Police Station (expenses)	\$0	\$0
TOTAL	\$2,429,012	\$44,830,039

General Capital Improvements Revenues by Type

General CIP Revenues by Object Type

Object Type	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$2,110,000	\$0	\$0	\$7,900,000	\$6,500,000	\$6,425,000	\$0
Interfund Transfers	\$5,036,653	\$1,000,000	\$1,270,000	\$725,000	\$1,100,000	\$760,000	\$0
Intergovernmental	\$8,236,000	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance Appropriated	\$1,090,332	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$84,000	\$4,012	\$0	\$0	\$56,018	\$54,012	\$50,000
Restricted Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$16,556,985	\$1,004,012	\$1,270,000	\$8,625,000	\$7,656,018	\$7,239,012	\$50,000

Object Type	2031-32	Total
Debt Issuance Proceeds	\$1,300,000	\$24,235,000
Interfund Transfers	\$1,075,000	\$10,966,653
Intergovernmental	\$0	\$8,236,000
Fund Balance Appropriated	\$0	\$1,090,332
Other	\$54,012	\$302,054
Restricted Revenue	\$0	\$0

Object Type	2031-32	Total
TOTAL	\$2,429,012	\$44,830,039

General Capital Improvements Financial Summary

General CIP Rev V. Exp

Expenses	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Revenues	\$16,556,985	\$1,004,012	\$1,270,000	\$8,625,000	\$7,656,018	\$7,239,012	\$50,000
Expenses	\$16,556,985	\$1,004,012	\$1,270,000	\$8,625,000	\$7,656,018	\$7,239,012	\$50,000
TOTAL	\$33,113,970	\$2,008,024	\$2,540,000	\$17,250,000	\$15,312,036	\$14,478,024	\$100,000

Expenses	2031-32	Total
Revenues	\$2,429,012	\$44,830,039
Expenses	\$2,429,012	\$44,830,039
TOTAL	\$4,858,024	\$89,660,078

General Capital Improvements: Operating Budget Impact

Department	Project	FY26	FY27	FY28	Total
Public Space	Cates Creek Park Basketball Court	\$0	\$20,000	\$200,000	\$220,000
Public Space	Ridgewalk Greenway	\$383,000	\$433,000	\$483,000	\$1,299,000
Fire Protection	Engine Truck	\$30,000	\$30,000	\$30,000	\$90,000
Fire Protection	Ladder Truck	\$30,000	\$30,000	\$30,000	\$90,000
Fire Protection	N. Churton Fire Station	\$375,000	\$450,000	\$525,000	\$1,350,000
Solid Waste	Truck Replacements	\$335,000	\$343,000	\$343,000	\$1,021,000
Special Appropriations	Passenger Rail Station	\$0	\$36,104	\$152,208	\$188,312
Total		\$1,153,000	\$1,342,104	\$1,763,208	\$4,258,312



Ridgewalk Greenway - North Segment

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

Design and construct a greenway connecting downtown to the new train station and the Collins Ridge Greenway.

Project Justification

The Ridgewalk greenway is included in the Comprehensive Sustainability Plan as a transportation priority. It is a paved, urban, accessible greenway that provides pedestrian and bicycle access between downtown Hillsborough to Cates Creek Park. Ridgewalk may be implemented in phases. The north segment of Ridgewalk connects downtown Hillsborough and Riverwalk to the Collins Ridge greenway via the future train station site. The alignment is shown as Alternative 1 in the Ridgewalk Feasibility Study Phase II. The conditions of the approval for Collins Ridge require the developer to build and dedicate to the town a segment of greenway and to work with the town to determine the location and specific design details for pedestrian and bicycle connectivity between the parcel south of I-85 and the public rights-of-way, sidewalks, greenways, and trails in Collins Ridge. The Collins Ridge greenway is required to be complete by December 2027.

The train station is scheduled for completion in February 2027 but permitting delays may cause the schedule to shift.

Project Highlights

Ridgewalk was identified by the Board of Commissioners as a transportation priority in September 2021 and included as a priority in the Comprehensive Sustainability Plan.

An initial feasibility study and schematic design of the greenway system between downtown Hillsborough and Cates Creek Park was completed in FY24. The engineer cost estimates were higher than anticipated, so additional feasibility work was completed in FY25. A Benefits Analysis was also developed. The Ridgewalk Feasibility Study Phase II shows alternative alignments for the trails which result in cost savings. The Benefits Analysis shows great support for the greenway by community groups and members. The initial feasibility study was funded via a Surface Transportation Block Grant through the Metropolitan Planning Organization and 20% local match. It is uncertain though if Ridgewalk will compete well for funding through the Transportation Improvement Plan. Additional funding options, including grants, will be pursued once the feasibility of the project is determined.

North Segment: Downtown to Collins Ridge Greenway (via train station site)

South Segment: Collins Ridge Greenway to Cates Creek Park

This project will be funded with cash transfers from the General Fund for design/engineering work and installment financing for the construction portion estimated in Fiscal Year 2029.

Project Expenditures

Ridgewalk Greenway - North Segment (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Ridgewalk Greenway	\$458,003	\$0	\$0	\$0	\$6,500,000	\$0	\$0
Miscellaneous	\$84,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$542,003	\$0	\$0	\$0	\$6,500,000	\$0	\$0

Object	2031-32	Total
Ridgewalk Greenway	\$0	\$6,958,003
Miscellaneous	\$0	\$84,000
TOTAL	\$0	\$7,042,003

Project Revenues

Ridgewalk Greenway - North Segment (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Installment Financing - Ridgewalk Greenway	\$0	\$0	\$0	\$0	\$6,500,000	\$0	\$0
Transfer From GF - Ridgewalk Greenway	\$458,003	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$84,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$542,003	\$0	\$0	\$0	\$6,500,000	\$0	\$0

Object	2031-32	Total
Installment Financing - Ridgewalk Greenway	\$0	\$6,500,000
Transfer From GF - Ridgewalk Greenway	\$0	\$458,003
Miscellaneous	\$0	\$84,000
TOTAL	\$0	\$7,042,003

Operating Budget Impact

Ridgewalk Greenway - North Segment (Operating Impact)

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Interfund Transfers	\$333,000	\$383,000	\$433,000	\$483,000	\$1,632,000
TOTAL	\$333,000	\$383,000	\$433,000	\$483,000	\$1,632,000



Ridgewalk Greenway - South Segment

Capital Improvement Project (FY26-FY32)

Priority Rank

2

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

Design and construct a greenway connecting the Collins Ridge Greenway to Cates Creek Park.

Project Justification

The Ridgewalk greenway is included in the Comprehensive Sustainability Plan as a transportation priority. It is a paved, urban, accessible greenway that provides pedestrian and bicycle access between downtown Hillsborough to Cates Creek Park. Ridgewalk may be implemented in phases. The south segment of Ridgewalk connects the Collins Ridge greenway to Cates Creek Park. The alignment is shown as Alternative 4 in the Ridgewalk Feasibility Study Phase II. The conditions of the approval for Collins Ridge require the developer to build and dedicate to the town a segment of greenway and to work with the town to determine the location and specific design details for pedestrian and bicycle connectivity between the parcel south of I-85 and the public rights-of-way, sidewalks, greenways, and trails in Collins Ridge. The Collins Ridge greenway is required to be complete by December 2027.

The train station is scheduled for completion in February 2027 but permitting delays may cause the schedule to shift.

Project Highlights

Ridgewalk was identified by the Board of Commissioners as a transportation priority in September 2021 and included as a priority in the Comprehensive Sustainability Plan.

An initial feasibility study and schematic design of the greenway system between downtown Hillsborough and Cates Creek Park was completed in FY24. The engineer cost estimates were higher than anticipated, so additional feasibility work was completed in FY25. A Benefits Analysis was also developed. The Ridgewalk Feasibility Study Phase II shows alternative alignments for the trails which result in cost savings. The Benefits Analysis shows great support for the greenway by community groups and members. The initial feasibility study was funded via a Surface Transportation Block Grant through the Metropolitan Planning Organization and 20% local match. It is uncertain though if Ridgewalk will compete well for funding through the Transportation Improvement Plan. Additional funding options, including grants, will be pursued once the feasibility of the project is determined.

North Segment: Downtown to Collins Ridge Greenway (via train station site)

South Segment: Collins Ridge Greenway to Cates Creek Park

This project will be funded with cash transfers from the General Fund for design/engineering work and installment financing for the construction portion estimated in Fiscal Year 2030.

Project Expenditures

Ridgewalk Greenway - South Segment (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Ridgewalk Greenway	\$0	\$0	\$800,000	\$0	\$0	\$6,000,000	\$0
TOTAL	\$0	\$0	\$800,000	\$0	\$0	\$6,000,000	\$0

Object	2031-32	Total
Ridgewalk Greenway	\$0	\$6,800,000
TOTAL	\$0	\$6,800,000

Project Revenues

Ridgewalk Greenway - South Segment (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Installment Financing - Ridgewalk Greenway	\$0	\$0	\$0	\$0	\$0	\$6,000,000	\$0
Transfer From GF - Ridgewalk Greenway	\$0	\$0	\$800,000	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$800,000	\$0	\$0	\$6,000,000	\$0

Object	2031-32	Total
Installment Financing - Ridgewalk Greenway	\$0	\$6,000,000
Transfer From GF - Ridgewalk Greenway	\$0	\$800,000
TOTAL	\$0	\$6,800,000

Operating Budget Impact

No operating impact FY26-FY28.



Cates Creek Park Basketball Court

Capital Improvement Project (FY26-FY32)

Priority Rank

3

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

This project include the design, engineering, and construction of outdoor basketball courts at Cates Creek Park.

Project Justification

The Parks and Recreation Board adopted an update to the Cates Creek Park Master Plan in August 2024. The update includes a recommendation for the construction of basketball courts on one end of the existing multi-use field. The Parks and Recreation Board recognizes the field is over-sized for the type of play the town allows and, as a result, is underutilized recreation space. There are very few public outdoor basketball courts in Hillsborough and none in town-owned parks. The Parks and Recreation Board has identified basketball courts as a priority for many years, trying to incentivize the construction of courts as part of new developments by increasing the value of points allotted for courts in the Unified Development Ordinance. Recent developments have not included basketball courts as a recreation resource. There is a lack of available basketball courts in town.

The addition of the Hillsborough Skate Spot has brought a lot of welcome activity to Cates Creek Park. The skatepark appeals to all ages of skaters but was built with teenagers in mind. Teens are an underserved population in Hillsborough parks. The Cates Creek Park Master Plan recommends additional investment in teen resources. The Parks and Recreation Board believes the addition of basketball courts will further attract teenagers to the park, providing valuable outdoor recreational opportunities for underserved population.

Project Highlights

Initial estimates for basketball courts:

- Design/Engineering: \$20,000
- Construction: \$200,000

Construction cost estimates are likely to change once design and engineering is completed.

There is no specific project timeline identified in the Cates Creek Park Master Plan but it is recommended as a top priority.

Project Expenditures

Cates Creek Park Basketball Court (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Infrastructure	\$0	\$0	\$20,000	\$200,000	\$0	\$0	\$0
TOTAL	\$0	\$0	\$20,000	\$200,000	\$0	\$0	\$0

Object	2031-32	Total
Capital - Infrastructure	\$0	\$220,000
TOTAL	\$0	\$220,000

Project Revenues

Cates Creek Park Basketball Court (Revenue)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From Fund 10 - General Fund	\$0	\$0	\$20,000	\$200,000	\$0	\$0	\$0
TOTAL	\$0	\$0	\$20,000	\$200,000	\$0	\$0	\$0

Object	2031-32	Total
Transfer From Fund 10 - General Fund	\$0	\$220,000
TOTAL	\$0	\$220,000

Operating Budget Impact

Cates Creek Park Basketball Court (Operating Impact)

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Interfund Transfers	\$0	\$0	\$20,000	\$200,000	\$220,000
TOTAL	\$0	\$0	\$20,000	\$200,000	\$220,000



North Churton Street Fire Station

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

Renovation, Remodel, or Replacement

Project Description

Build a new station north of town to replace the downtown station.

Project Justification

The current station lacks sufficient space for staff and modern fire vehicles. The new station will serve as the Orange Rural Fire Department's (ORFD) headquarters. The new station will be located at 604 N. Churton St, near the intersection of N. Churton Street and Corbin St.

Project Highlights

The town began setting aside funds in FY22 to fund design and offset construction costs.

Anticipated Station Timeline:

- FY27 - Design
- FY28 - Construction
- FY29 - First Debt Payment (\$7.9M @ 5.0% for 20 years = \$634k/yr)

Project Expenditures

N. Churton Street Fire Station (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Fire Station	\$750,000	\$375,000	\$450,000	\$8,425,000	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$15,000	\$15,000	\$15,000
TOTAL	\$750,000	\$375,000	\$450,000	\$8,425,000	\$15,000	\$15,000	\$15,000

Object	2031-32	Total
Fire Station	\$0	\$10,000,000
Utilities	\$15,000	\$60,000
TOTAL	\$15,000	\$10,060,000

Project Revenues

N. Churton Street Fire Station (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$0	\$7,900,000	\$0	\$0	\$0
Transfer From GF - Fire Station	\$750,000	\$375,000	\$450,000	\$525,000	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$15,000	\$15,000	\$15,000
TOTAL	\$750,000	\$375,000	\$450,000	\$8,425,000	\$15,000	\$15,000	\$15,000

Object	2031-32	Total
Debt Issuance Proceeds	\$0	\$7,900,000
Transfer From GF - Fire Station	\$0	\$2,100,000

Object	2031-32	Total
Miscellaneous	\$15,000	\$60,000
TOTAL	\$15,000	\$10,060,000

Operating Budget Impact (Ramp-Up)

N. Churton Street Fire Station (Operating Impact)

Object	2025-26	2026-27	2027-28	Total
Transfer To General Capital Improvement Fund	\$375,000	\$450,000	\$525,000	\$1,350,000
TOTAL	\$375,000	\$450,000	\$525,000	\$1,350,000



Engine Truck

Capital Improvement Project (FY26-FY32)

Priority Rank

2

Category

Renovation, Remodel, or Replacement

Project Description

Replace the 2015 engine truck used by Orange Rural Fire Department (ORFD).

Project Justification

The truck is expected to run for 15 years as a front-line vehicle, followed by an additional 5 years as a backup.

Project Highlights

Lead times on trucks can often be extensive and may necessitate ordering earlier than anticipated. The town will monitor lead times as truck nears replacement.

The town plans to issue debt in the amount of \$800,000 in Fiscal Year 2030 to finance this vehicle.

Project Expenditures

Engine Truck (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$800,000	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$802,006	\$0

Object	2031-32	Total
Capital - Vehicles	\$0	\$800,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
TOTAL	\$0	\$802,006

Project Revenues

Engine Truck (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$425,000	\$0
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$0	\$375,000	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$802,006	\$0

Object	2031-32	Total
Debt Issuance Proceeds	\$0	\$425,000
Transfer from Fund 78 - Committed Funds - GF	\$0	\$375,000
Miscellaneous	\$0	\$2,006
TOTAL	\$0	\$802,006

Operating Budget Impact

Fire Vehicles Ramp-Up

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Interfund Transfers	\$0	\$50,000	\$100,000	\$150,000	\$300,000
TOTAL	\$0	\$50,000	\$100,000	\$150,000	\$300,000



Ladder Truck

Capital Improvement Project (FY26-FY32)

Priority Rank

3

Category

Renovation, Remodel, or Replacement

Project Description

Replace the 2012 ladder truck used by Orange Rural Fire Department (ORFD).

Project Justification

The truck is expected to run for 20 years as a front-line vehicle, followed by an additional 5 years as a backup.

Project Highlights

- Lead times on trucks can often be extensive and may necessitate ordering earlier than anticipated. The town will monitor lead times as truck nears replacement.
- The town plans to issue debt in the amount of \$2,000,000 in Fiscal Year 2032 to finance this vehicle.

Project Expenditures

Ladder Truck (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Capital - Vehicles	\$2,000,000	\$2,000,000
Miscellaneous - Tax, Tags, Etc.	\$2,006	\$2,006
TOTAL	\$2,002,006	\$2,002,006

Project Revenues

Ladder Truck (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Debt Issuance Proceeds	\$1,300,000	\$1,300,000
Transfer from Fund 78 - Committed Funds - GF	\$700,000	\$700,000
Miscellaneous	\$2,006	\$2,006
TOTAL	\$2,002,006	\$2,002,006

Operating Budget Impact (Ramp-Up)

Fire Vehicles Ramp-Up

Object Type	2024-25	2025-26	2026-27	2027-28	Total
Interfund Transfers	\$0	\$50,000	\$100,000	\$150,000	\$300,000
TOTAL	\$0	\$50,000	\$100,000	\$150,000	\$300,000



South Churton Street Improvements Cost Share

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

Renovation, Remodel, or Replacement

Project Description

Pedestrian improvements in the S. Churton Street corridor, from the Eno River to the Interstate 40 interchange.

Project Justification

This project is funded in the NCDOT Transportation Improvement Plan and is listed as a widening, but will also allow for the construction of bicycle and pedestrian improvements in the entire corridor.

Current NCDOT policy would require the town to financially participate in the provision of pedestrian improvements where they do not already exist in the corridor. In FY19, the town's participation was estimated at \$68,000 (20% of actual sidewalk construction cost). Given the passage of time and escalation of prices, staff is estimating the town's participation at \$100,000. Changes in design and NCDOT policy may impact whether and how much the town must participate in this project. The FY29 funds are placeholder funds.

It is possible the town will not have to participate in this project if NCDOT amends their policies to robustly implement their Complete Streets policy. At this time, the town should plan on participating. Missing this opportunity to install pedestrian improvements in this corridor would commit the town to fully funding any future sidewalk improvements in the corridor. Such a project would be in the millions of dollars rather than the modest amount estimated by participating at the time of widening.

Project Highlights

- FY23 & FY24 - The town is funding a feasibility study with Surface Transportation Block Grant funds passed through from the Metropolitan Planning Organization. The town approved a \$50,000 contribution of local funds in FY23 to pair with \$150,000 of block grant funding to complete the feasibility study. This effort will include detailed outreach to ensure the final design is fully acceptable to the community as a whole and matches the town's long-term interests.
- FY26 - NCDOT is anticipated to start right-of-way acquisition.
- FY29 - NCDOT is anticipated to start construction, but this is subject to adjustment as the schedules of other state projects becomes clearer. The town's funding portion is planned as a cash transfer from the General Fund in Fiscal Year 2029.

Project Expenditures

S. Churton Street Improvements Cost Share (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Miscellaneous	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0

Object	2031-32	Total
Miscellaneous	\$0	\$100,000
TOTAL	\$0	\$100,000

Project Revenues

S. Churton Street Improvements Cost Share (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From Fund 10 - General Fund	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0
Restricted Revenue - MPO	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0

Object	2031-32	Total
Transfer From Fund 10 - General Fund	\$0	\$100,000
Restricted Revenue - MPO	\$0	\$0
Miscellaneous	\$0	\$0
TOTAL	\$0	\$100,000

Operating Budget Impact

No operating impact for FY26-FY28.



Garbage Truck Replacements

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

Renovation, Remodel, or Replacement

Project Description

Replace garbage trucks on a 7-year replacement cycle.

Project Justification

Solid Waste vehicles are replaced on a 7-year replacement cycle to ensure reliability and reduce downtime and maintenance costs. Replaced trucks move into reserve status for several years before being retired.

- #229, a 2015 Mack Automated garbage truck - The truck is already 9 years old with 56k+ miles, and is now being used as a backup with the delivery of the new additional automated truck in summer 2023.
- #202, a 2022 Peterbilt
- Replace 2023 garbage truck added to fleet in FY23.
- Replace 2023 small rear loader. Should be able to get 10 years out of this vehicle.

Project Highlights

Truck replacements will be paid for with set-aside funding committed for solid waste vehicles.

- #229 - Order truck in FY26 for delivery in FY27.
- #202 - Order truck in FY29 for delivery in FY30.
- 2023 Garbage Truck - Order truck in FY30 for delivery in FY31.
- 2023 Rear Loader - Order truck in FY34 for deliver in FY35.

Project Expenditures

Garbage Truck Replacements (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Vehicles	\$0	\$385,000	\$0	\$0	\$385,000	\$385,000	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006	\$0	\$0	\$2,006	\$2,006	\$0
TOTAL	\$0	\$387,006	\$0	\$0	\$387,006	\$387,006	\$0

Object	2031-32	Total
Capital - Vehicles	\$0	\$1,155,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$6,018
TOTAL	\$0	\$1,161,018

Project Revenues

Garbage Truck Replacements (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer from Fund 78 - Committed Funds - GF	\$0	\$385,000	\$0	\$0	\$385,000	\$385,000	\$0
Miscellaneous	\$0	\$2,006	\$0	\$0	\$2,006	\$2,006	\$0
TOTAL	\$0	\$387,006	\$0	\$0	\$387,006	\$387,006	\$0

Object	2031-32	Total
Transfer from Fund 78 - Committed Funds - GF	\$0	\$1,155,000
Miscellaneous	\$0	\$6,018
TOTAL	\$0	\$1,161,018

Operating Budget Impact

Object	2025-26	2026-27	2027-28
Capital - Vehicles	\$385,000	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$2,006	\$0	\$0
Transfer from Committed Funds	(\$385,000)	\$0	\$0
NET	\$2,006	\$0	\$0



Knuckleboom Truck Replacements

Capital Improvement Project (FY26-FY32)

Priority Rank

2

Category

Renovation, Remodel, or Replacement

Project Description

Replace Knuckleboom trucks on a 7-year replacement cycle.

Project Justification

Solid Waste vehicles are replaced on a 7-year replacement cycle to ensure reliability and reduce downtime and maintenance costs. Replaced trucks move into reserve status for several years before being retired.

- #253, a 2018 Freightliner.
- #279, a 2022 Freightliner.

Project Highlights

The purchase of knuckleboom trucks will be paid for with set-aside funding committed for solid waste vehicles.

- #253 - Order truck in FY26 for delivery in FY27.
- #279 - Order truck in FY29 for delivery in FY30.

Project Expenditures

Knuckleboom Truck Replacements (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Vehicles	\$0	\$240,000	\$0	\$0	\$240,000	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006	\$0	\$0	\$2,006	\$0	\$0
TOTAL	\$0	\$242,006	\$0	\$0	\$242,006	\$0	\$0

Object	2031-32	Total
Capital - Vehicles	\$0	\$480,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$4,012
TOTAL	\$0	\$484,012

Project Revenues

Knuckleboom Truck Replacements (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer from Fund 78 - Committed Funds - GF	\$0	\$240,000	\$0	\$0	\$240,000	\$0	\$0
Miscellaneous	\$0	\$2,006	\$0	\$0	\$2,006	\$0	\$0
TOTAL	\$0	\$242,006	\$0	\$0	\$242,006	\$0	\$0

Object	2031-32	Total
Transfer from Fund 78 - Committed Funds - GF	\$0	\$480,000
Miscellaneous	\$0	\$4,012
TOTAL	\$0	\$484,012

Operating Budget Impact

Object	2025-26	2026-27	2067-28
Capital - Vehicles	\$240,000	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$2,006	\$0	\$0
Transfer from Committed Funds	(\$240,000)	\$0	\$0
NET	\$2,006	\$0	\$0



Leaf Truck Replacements

Capital Improvement Project (FY26-FY32)

Priority Rank

3

Category

Renovation, Remodel, or Replacement

Project Description

Replace leaf trucks on a 7-year replacement cycle.

Project Justification

Solid Waste vehicles are replaced on a 7-year replacement cycle to ensure reliability, and reduce downtime and maintenance costs. Replaced trucks move into reserve status for several years before being retired.

- #833, a 2022 Freightliner.
- Replace 2024 Model, added to the fleet in FY25.

Project Highlights

The purchase of these trucks will be paid for with set-aside funding committed for solid waste vehicles.

- #833 - Order in FY29 for delivery in FY30.
- 2024 Model, order in FY32 for delivery in FY33.

Project Expenditures

Leaf Truck Replacements (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Vehicles	\$0	\$0	\$0	\$0	\$375,000	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$2,006	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$377,006	\$0	\$0

Object	2031-32	Total
Capital - Vehicles	\$375,000	\$750,000
Miscellaneous - Tax, Tags, Etc.	\$2,006	\$4,012
TOTAL	\$377,006	\$754,012

Project Revenues

Leaf Truck Replacements (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$375,000	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$2,006	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$377,006	\$0	\$0

Object	2031-32	Total
Transfer from Fund 78 - Committed Funds - GF	\$375,000	\$750,000
Miscellaneous	\$2,006	\$4,012
TOTAL	\$377,006	\$754,012

Operating Budget Impact

No operating impact for FY26-FY28.



Passenger Rail/Multi-Modal Station

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

Construct a train station building and parking to facilitate passenger rail service in Hillsborough.

Project Justification

The station will include a ticket office and waiting room, as well as a town board meeting room and a few permanent town offices (approximately 18% of the overall building). This facility is largely funded by the state and regional transit partners, excluding the cost of town offices, up-fitting the facility, and any expense that exceeds the allotted allocation. The town will accept long-term maintenance and ownership responsibility for the building.

Site improvements will include an access road from Orange Grove Street, two parking lots with a combined 100 parking spaces, some of which could be used as a local transit park-and-ride facility, stormwater treatment and bringing utilities to the site. Regional transit partners will be asked to modify routes to provide connected service from the Hillsborough Circulator, 420 route and other bus service to the train station. Feasibility of pedestrian connectivity to the station from downtown Hillsborough was included in the design of this project, but the construction of those improvements is considered outside the scope of this project and will be requested separately.

Station design includes several sustainability initiatives with the goal of eventually providing a net zero building, including a green roof, green stormwater infrastructure, and photo-voltaic rooftop solar arrays. The project also advances the town's sustainability goals by providing a transit connection for regular commuting and travel not currently available to town residents. The station and expected surrounding development will also provide enhanced connectivity and walkability to a new area of town and is expected to serve as a bridge to connect downtown to activity areas south of the river. The creation of a station that serves as a transit hub and public gathering place represents a significant investment in the town's physical and social infrastructure.

Project Highlights

The town, NCDOT and Go Triangle have approved an interlocal agreement for the project, committing the state and local tax funding to the project. The project must be completed within 7 years of the funding agreement date, or the town will be expected to reimburse the outside funding to the partners. Project costs will be run through the town's budget and reimbursed later.

- FY15 - Conceptual station plan was completed
- FY23 - Station design completed
- FY24 - Design submitted to NC Railroad for approval
- FY25 & FY26 - Design
- FY26 - Construction (spring '26 is earliest possible date)

NOTE: Budget does not currently include \$600k for solar panels or EV charging infrastructure.

Project Expenditures

Passenger Rail/Multi-Modal Station (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Construction	\$8,200,000	\$0	\$0	\$0	\$0	\$0	\$0
Design	\$891,000	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$505,500	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance - Buildings	\$0	\$0	\$0	\$0	\$30,000	\$30,000	\$30,000
Legal	\$42,500	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance - Grounds	\$0	\$0	\$0	\$0	\$2,500	\$2,500	\$2,500
Utilities	\$0	\$0	\$0	\$0	\$2,500	\$2,500	\$2,500
TOTAL	\$10,439,000	\$0	\$0	\$0	\$35,000	\$35,000	\$35,000

Object	2031-32	Total
Construction	\$0	\$8,200,000
Design	\$0	\$891,000
Contingency	\$0	\$800,000
Miscellaneous	\$0	\$505,500
Maintenance - Buildings	\$30,000	\$120,000
Legal	\$0	\$42,500
Maintenance - Grounds	\$2,500	\$10,000
Utilities	\$2,500	\$10,000
TOTAL	\$35,000	\$10,579,000

Project Revenues

Passenger Rail/Multi-Modal Station (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
State TIP	\$6,914,000	\$0	\$0	\$0	\$0	\$0	\$0
Debt Issuance Proceeds	\$2,110,000	\$0	\$0	\$0	\$0	\$0	\$0
NCDOT Rail (TIP)	\$870,000	\$0	\$0	\$0	\$0	\$0	\$0
Transit Tax	\$452,000	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$35,000	\$35,000	\$35,000
Transfer From Fund 10 - General Fund	\$73,710	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From Fund 43 - Rail Station	\$19,290	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$10,439,000	\$0	\$0	\$0	\$35,000	\$35,000	\$35,000

Object	2031-32	Total
State TIP	\$0	\$6,914,000
Debt Issuance Proceeds	\$0	\$2,110,000
NCDOT Rail (TIP)	\$0	\$870,000
Transit Tax	\$0	\$452,000
Miscellaneous	\$35,000	\$140,000
Transfer From Fund 10 - General Fund	\$0	\$73,710
Transfer From Fund 43 - Rail Station	\$0	\$19,290
TOTAL	\$35,000	\$10,579,000

Operating Budget Impact

No operating impact for FY26-28.

Water & Sewer Capital Improvement Plan



Water & Sewer Capital Improvement Plan Summary

Capital Improvement Plan (FY26-FY32)

Water & Sewer Capital Improvements Expenditures by Project

W&S CIP Expenses by Project

Worksheet Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Cates Creek Outfall Upgrade (expenses)	\$0	\$100,000	\$900,000	\$300,000	\$5,100,000	\$500,000	\$4,120,000
Adron F. Thompson Facility Renovation & Expansion (expenses)	\$7,295,600	\$15,000	\$0	\$0	\$0	\$0	\$0
Hasell Water Tank Replacement (expenses)	\$115,000	\$95,000	\$190,000	\$285,000	\$5,160,000	\$0	\$0
Eno River Interceptor Upgrade - East (expenses)	\$750,000	\$0	\$5,050,000	\$0	\$0	\$0	\$0
Elizabeth Brady Pump Station and Force Main Upgrade (expenses)	\$300,000	\$450,000	\$4,550,000	\$0	\$0	\$0	\$0
US-70 Business Water Improvements (expenses)	\$305,000	\$0	\$0	\$50,000	\$2,970,000	\$0	\$0
Water Distribution System Master Plan Improvements (expenses)	\$0	\$0	\$400,000	\$400,000	\$400,000	\$500,000	\$500,000
Eno River Interceptor Upgrade - West (expenses)	\$0	\$0	\$0	\$0	\$350,000	\$1,790,000	\$0
WTP Sodium Hypochlorite (expenses)	\$0	\$375,000	\$1,590,600	\$0	\$0	\$0	\$0
Bellevue Mill Interceptor Upgrade (expenses)	\$0	\$0	\$0	\$0	\$0	\$140,000	\$40,000
Exchange Club Interceptors (expenses)	\$380,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0
Hydrant & Valve Project (expenses)	\$487,647	\$0	\$0	\$270,000	\$275,000	\$0	\$0
Undersized Sewer Main Replacements (expenses)	\$0	\$0	\$500,000	\$0	\$0	\$500,000	\$0
Galvanized Water Main and Lead/Galvanized Service Replacement (expenses)	\$160,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000
Standby Power Generator Replacement (expenses)	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0
Sewer Jetter/Flush Truck (expenses)	\$0	\$222,006	\$0	\$0	\$0	\$0	\$0
Tertiary Filter Flocculators (expenses)	\$0	\$0	\$0	\$0	\$10,000	\$180,000	\$0
Vacuum Excavator (expenses)	\$0	\$155,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$9,793,247	\$2,862,006	\$13,180,600	\$1,305,000	\$14,265,000	\$3,810,000	\$4,860,000

Worksheet Name	2031-32	Total
Cates Creek Outfall Upgrade (expenses)	\$0	\$11,020,000
Adron F. Thompson Facility Renovation & Expansion (expenses)	\$0	\$7,310,600
Hasell Water Tank Replacement (expenses)	\$0	\$5,845,000
Eno River Interceptor Upgrade - East (expenses)	\$0	\$5,800,000
Elizabeth Brady Pump Station and Force Main Upgrade (expenses)	\$0	\$5,300,000
US-70 Business Water Improvements (expenses)	\$0	\$3,325,000
Water Distribution System Master Plan Improvements (expenses)	\$0	\$2,200,000
Eno River Interceptor Upgrade - West (expenses)	\$0	\$2,140,000
WTP Sodium Hypochlorite (expenses)	\$0	\$1,965,600
Bellevue Mill Interceptor Upgrade (expenses)	\$1,320,000	\$1,500,000
Exchange Club Interceptors (expenses)	\$0	\$1,480,000
Hydrant & Valve Project (expenses)	\$0	\$1,032,647
Undersized Sewer Main Replacements (expenses)	\$0	\$1,000,000
Galvanized Water Main and Lead/Galvanized Service Replacement (expenses)	\$0	\$560,000
Standby Power Generator Replacement (expenses)	\$0	\$350,000
Sewer Jetter/Flush Truck (expenses)	\$0	\$222,006
Tertiary Filter Flocculators (expenses)	\$0	\$190,000
Vacuum Excavator (expenses)	\$0	\$155,000
TOTAL	\$1,320,000	\$51,395,853

Water & Sewer Capital Improvements Revenues by Type

W&S CIP Revenues by Object Type

Object Type	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$6,500,000	\$0	\$9,550,000	\$0	\$9,180,000	\$1,790,000	\$3,520,000
Interfund Transfers	\$3,223,247	\$2,035,000	\$2,880,600	\$1,305,000	\$5,085,000	\$2,020,000	\$1,340,000
Other	\$70,000	\$827,006	\$750,000	\$0	\$0	\$0	\$0
TOTAL	\$9,793,247	\$2,862,006	\$13,180,600	\$1,305,000	\$14,265,000	\$3,810,000	\$4,860,000

Object Type	2031-32	Total
Debt Issuance Proceeds	\$1,320,000	\$31,860,000
Interfund Transfers	\$0	\$17,888,847
Other	\$0	\$1,647,006
TOTAL	\$1,320,000	\$51,395,853

Water & Sewer Capital Improvements Financial Summary

W&S CIP Revenue v. Expenditures

Expenses	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Revenues	\$9,793,247	\$2,862,006	\$13,180,600	\$1,305,000	\$14,265,000	\$3,810,000	\$4,860,000
Expenses	\$9,793,247	\$2,862,006	\$13,180,600	\$1,305,000	\$14,265,000	\$3,810,000	\$4,860,000
TOTAL	\$19,586,494	\$5,724,012	\$26,361,200	\$2,610,000	\$28,530,000	\$7,620,000	\$9,720,000

Expenses	2031-32	Total
Revenues	\$1,320,000	\$51,395,853
Expenses	\$1,320,000	\$51,395,853
TOTAL	\$2,640,000	\$102,791,706

Water & Sewer Capital Improvements: Operating Budget Impact

Department	Project	FY26	FY27	FY28	Total
Water Treatment Plant	Hypochlorite Conversion	\$375,000	\$1,590,600	\$0	\$1,965,600
Water Treatment Plant	Standby Power Generator	\$0	\$0	\$0	\$0
Water Distribution	Galvanized Water Mains	\$0	\$0	\$0	\$0
Water Distribution	Hasell Water Tank	\$95,000	\$190,000	\$585,000	\$870,000
Water Distribution	Hydrants & Valves	\$0	\$0	\$270,000	\$270,000
Water Distribution	US-70 Water Improvements	\$0	\$0	\$0	\$0
Water Distribution	Vacuum Excavator	\$155,000	\$0	\$0	\$155,000
Water Distribution	Water Distribution Master Plan Improvements	\$0	\$400,000	\$400,000	\$800,000
Water Dist./Wastewater Collection	Adron Thompson Renovation	\$264,848	\$499,696	\$499,696	\$1,264,240
Wastewater Collection	Bellevue Mill Interceptors	\$0	\$0	\$0	\$0
Wastewater Collection	Cates Creek Outfall	\$0	\$0	\$67,216	\$67,216
Wastewater Collection	Elizabeth Brady Pump Station and Force Main	\$450,000	\$400,000	\$333,007	\$1,183,007
Wastewater Collection	Eno River Interceptors - East	\$0	\$454,202	\$454,202	\$908,404
Wastewater Collection	Eno River Interceptors - West	\$0	\$0	\$0	\$0
Wastewater Collection	Exchange Club Interceptors	\$0	\$0	\$0	\$0
Wastewater Collection	Sewer Jetter/Flush Truck	\$220,000	\$0	\$0	\$220,000
Wastewater Collection	Undersized Sewer Mains	\$0	\$500,000	\$0	\$500,000
Wastewater Treatment Plant	Tertiary Filter Flocculator	\$0	\$0	\$0	\$0
Total		\$1,559,848	\$4,034,498	\$2,609,121	\$8,203,467



Water Treatment Plant Standby Power Generator

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

Renovation, Remodel, or Replacement

Project Description

Replace the water treatment plant's existing twenty-year-old 600kW standby power generator.

Project Justification

The existing standby power generator at the water treatment plant was installed in 2004. The twenty-year-old generator has begun to show signs of aging. In FY22 the top end of the motor had to be rebuilt at approximately \$57,000. In FY24, the control panel failed, and replacement of that controller was \$31,000.

Staff is very concerned that the old generator's critical components are getting harder to find as they become obsolete. Staff would like to replace the old generator with a new one to avoid costly repairs and ensure reliability of this critical equipment.

Project Highlights

The current lead time for a new 600 kW generator is about 65 weeks. If the project is approved and funded in FY26, the generator would be installed in FY27.

Replacement Estimate:

- New generator: \$260,000
- Installation: \$70,000
- Mobile generator rental: \$20,000

This project will be cash-funded within the Water & Sewer Operating Fund and partially facilitated by the use of leftover revenue bond proceeds from the WFER project.

Project Expenditures

Standby Power Generator Replacement (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Equipment	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Capital - Equipment	\$0	\$350,000
TOTAL	\$0	\$350,000

Project Revenues

Standby Power Generator Replacement (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From Fund 69 - Utilities Capital Improvement Fund	\$0	\$288,465	\$0	\$0	\$0	\$0	\$0
Transfer from Fund 66 - WFER	\$0	\$61,535	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Transfer From Fund 69 - Utilities Capital Improvement Fund	\$0	\$288,465
Transfer from Fund 66 - WFER	\$0	\$61,535
TOTAL	\$0	\$350,000

Operating Budget Impact

Object	2025-26	2026-27	2027-28	Total
Capital - Equipment	\$350,000	\$0	\$0	\$350,000
Unused Project Funds	(\$288,465)	\$0	\$0	(\$288,465)
WFER Debt Service Offset	(\$61,535)	\$0	\$0	(\$61,535)
Net	\$0	\$0	\$0	\$0



Water Treatment Plant Sodium Hypochlorite Conversion

Capital Improvement Project (FY26-FY32)

Priority Rank

2

Category

Renovation, Remodel, or Replacement

Project Description

The water treatment plant currently utilizes chlorine gas for primary disinfection and to form chloramines for secondary disinfection. Due to the extreme toxic and corrosive nature of chlorine, and the large quantities of chlorine stored at the plant, the USEPA Risk Management Program Rule requires that a hazard assessment be completed. The hazard assessment for the water treatment plant (attached) estimates that in a worst-case scenario, a major chlorine leak at the water plant could be toxic to a population of 13,365.

A disinfection process analysis was completed in FY25 (attached). This was a comprehensive review of the existing disinfection system and considerations for conversion from chlorine gas to sodium hypochlorite. Utilizing sodium hypochlorite will eliminate the potential hazards of chlorine gas.

This project is for the engineering, management, and construction of new facilities needed to convert our existing chlorine gas feed system to sodium hypochlorite.

Project Justification

Chlorine is stored and shipped by the chemical supplier as a liquefied gas under pressure in one-ton cylinders. These are unloaded and stored in a covered outdoor area adjacent to the treatment plant administrative area. There are typically two one-ton cylinders at the water plant.

Chlorine gas is highly toxic and corrosive and has been placed in Toxicity Category I (indicating the highest degree of acute toxicity) for oral, dermal, eye and inhalation effects. When chlorine liquid converts to gas, it expands 457 times. Additionally, chlorine gas is 2.5 times heavier than air. In the event of a catastrophic chlorine leak at the water plant, a significant amount of the town will need to be evacuated. However, the Raleigh regional HAZMAT team is the dedicated responder, and it would take some time for them to arrive given the distance. Significant impacts are unlikely to be avoided.

The disinfection process analysis included recommendations to improve the safety, accuracy and efficiency of the existing chlorine system. The existing procedures for delivery drivers to unload the cylinders is not in accordance with standard practices. Improvements to the loading dock and cylinder handling devices are needed. Additionally, only having a sliding steel door in front of the cylinders to keep them from public view is a vulnerability.

The analysis also included recommendations to convert from a chlorine disinfection process to a sodium hypochlorite disinfection process. Conversion to a sodium hypochlorite disinfection system eliminates the safety concerns of using chlorine gas. This is likely the reason most water treatment facilities now use sodium hypochlorite for disinfection. Additionally, since the demand for chlorine gas is now so low, there is only one chlorine gas supplier in North Carolina. With only one supplier, the cost and availability are of concern. We have received several force majeure notices of shortages and price hikes during and since the COVID-19 pandemic.

The Hillsborough water treatment plant has been using chlorine gas for disinfection since the early 1970s and has had no major chlorine leaks. Major chlorine leaks that cause widespread injuries are rare. However, it can and does happen. Since utilizing sodium hypochlorite will eliminate the public health risk, staff is recommending conversion of the disinfection process to sodium hypochlorite.

Project Highlights

Conversion to sodium hypochlorite for disinfection:

- Safety concerns of using chlorine is eliminated
- Regulations are much less stringent
- Eliminates the need for a Risk Management Plan (\$4,200 per year for compliance management)
- Eliminates the need for a Hazard Assessment
- Additional operational costs anticipated to be minimal
- Chemical costs estimated to increase between \$20,000 and \$30,000 /year
- Total Construction Cost (2024 Dollars) estimated at \$1,590,600
- Engineering and construction administration services estimated at \$375,000

Project Expenditures

Sodium Hypochlorite Conversion (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Infrastructure	\$0	\$375,000	\$1,590,600	\$0	\$0	\$0	\$0
TOTAL	\$0	\$375,000	\$1,590,600	\$0	\$0	\$0	\$0

Object	2031-32	Total
Capital - Infrastructure	\$0	\$1,965,600
TOTAL	\$0	\$1,965,600

Project Revenues

Sodium Hypochlorite Conversion (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From Water Fund	\$0	\$375,000	\$1,590,600	\$0	\$0	\$0	\$0
TOTAL	\$0	\$375,000	\$1,590,600	\$0	\$0	\$0	\$0

Object	2031-32	Total
Transfer From Water Fund	\$0	\$1,965,600
TOTAL	\$0	\$1,965,600

Operating Budget Impact

Sodium Hypochlorite Conversion (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Transfer To Fund 69 - Utility Capital Improvement Fund	\$0	\$375,000	\$1,590,600	\$0	\$1,965,600
TOTAL	\$0	\$375,000	\$1,590,600	\$0	\$1,965,600



Adron F. Thompson Facility Renovation & Expansion

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

Renovation, Remodel, or Replacement

Project Description

Renovate and expand of the Adron F. Thompson building to include a new welding shop, stock room for inventory, additional office space, storage and restrooms.

Project Justification

The Adron F. Thompson building was originally a water treatment plant built in 1936. The Water Distribution and Wastewater Collection divisions began using the building after the new water plant was built in 1972. The building was expanded in 2003 to provide a lunchroom and meeting area, but no longer meets the needs of staff, with sixteen employees sharing three offices and two small bathrooms. A study of the facility noted that there are components of the building that contain asbestos and lead. Furthermore, the welding shop is not properly ventilated, and it is not a good space to perform this work. Some of the workspaces are not conditioned, requiring staff to use floor heaters and fans. The building is also not ADA compliant.

A concept study shows that the existing facility can be remodeled with a small addition to accommodate current and future employees while maintaining the historic nature of the original building. Safety and building codes will be addressed in this project, including electrical, HVAC, sanitary, fire, and security. Improvements to the stock yard are also included, as well as bringing natural gas power to the building. The conceptual plan is ready to be more formalized through a two-phase design contract. The first phase will drill down on the concepts presented in the plan to formulate a design basis and estimated fee. The second phase will prepare the design, permit and bid the project. The last phase will be construction.

Project Highlights

Delaying this project will result in many avoidable issues. Sanitary issues with so many employees using the same small bathroom could result in excessive sick days. Working in a building with known lead and asbestos and no HVAC in parts is a hazard. Organization will continue to be difficult with multiple employees working out of a small space. Inventory will not be accounted for accurately. Assets stored outside will not be under cover and may need to be replaced sooner than anticipated. The welding shop may not be available for use.

The construction portion of this project is scheduled for a \$6.5M installment loan, likely in Fiscal Year 2025.

Project Expenditures

Adron F. Thompson Facility Renovation (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Adron Thompson Facility Renovation	\$7,295,600	\$15,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$7,295,600	\$15,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Adron Thompson Facility Renovation	\$0	\$7,310,600
TOTAL	\$0	\$7,310,600

Project Revenues

Adron F. Thompson Facility Renovation (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Installment Financing - Adron Thompson Facility Reno	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From WSF - Adron Thompson Facility Renovation	\$795,600	\$15,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$7,295,600	\$15,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Installment Financing - Adron Thompson Facility Reno	\$0	\$6,500,000
Transfer From WSF - Adron Thompson Facility Renovation	\$0	\$810,600
TOTAL	\$0	\$7,310,600

Operating Budget Impact

Adron F. Thompson Facility Renovation & Expansion

Object	2024-25	2025-26	2026-27	2027-28	Total
Debt Service - Interest	\$0	\$146,250	\$283,176	\$273,434	\$702,860
Debt Service - Principal	\$0	\$103,598	\$216,520	\$226,262	\$546,380
Transfer To Fund 69 - Utility Capital Improvement Fund	\$0	\$15,000	\$0	\$0	\$15,000
TOTAL	\$0	\$264,848	\$499,696	\$499,696	\$1,264,240



Hasell Water Tank Replacement

Capital Improvement Project (FY26-FY32)

Priority Rank

2

Category

Renovation, Remodel, or Replacement

Project Description

Replace Hasell Street Water Tank with a new elevated water tank.

Project Justification

The existing Hasell Street Water Tank was constructed in the mid-1930s and it is the oldest tank in the town system. It holds 200,000 gallons and is constructed of riveted steel. It is the controlling tank in the Central Pressure Zone (CPZ), where water is initially pumped from the Water Treatment Plant and then distributed to CPZ customers, as well as to the North Tank in the North Pressure Zone (NPZ) through a pumping station beside the tank, and to the South Pressure Zone (SPZ) from the Mayo pumping station located offsite from the tank. The small volume of the tank makes it difficult to manage water distribution, with customers near the tank experiencing more pressure fluctuations due to the quickly varying water levels of this tank style.

Development within the Central Pressure Zone (CPZ) has created additional water volume needs, and an elevated tank will enable use of the entire tank volume. The existing tank is a standpipe, with only about 40 percent usable volume. as the tank cannot drop more than about 30 feet of its 72 feet height. The proposed tank will be the same height, but the design will allow use of the entire tank volume. This will also help with water quality turnover and may improve operations at the plant where staff are continually filling tanks.

The new tank size will be much larger than the 200,000 gallon existing tank, ideally increased to 500,000 gallons or more and may be located near or on the same site as the existing tank. It may be that the town purchases the land adjacent to the current tank to construct the new tank or it is possible the preliminary engineering recommends a different site, but that is determined by topographical elevation.

Project Highlights

The tank structure is sound, and inspections are performed annually, so this project is slated for later in the CIP. Costs are based on the Waterstone tank, inflation and the current construction climate, in addition to other bid tabs for similar tanks in other locations. This project is semi-related but not codependent to the US-70 Business Water Main Improvements project as water from Hasell tank must get to the US-70A tank.

The town received a grant in the amount of \$40,000 from the State of North Carolina's Asset Inventory and Assessment (AIA) program for preliminary engineering of this project. The remaining costs of this project will be funded by a combination of leftover funds from completed projects and transfers from the Water & Sewer Operating Fund.

Funding Timeline

FY26 - \$25k - land acquisition

FY28 - \$450k - design

FY29 - \$240k - construction admin, \$15k - permitting & bidding, \$5.0M - construction

***Project is development driven and must be completed per the budgeted timeline.

Project Expenditures

Hasell Water Tank Replacement (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Hasell Water Tank	\$115,000	\$95,000	\$190,000	\$285,000	\$5,160,000	\$0	\$0
TOTAL	\$115,000	\$95,000	\$190,000	\$285,000	\$5,160,000	\$0	\$0

Object	2031-32	Total
Hasell Water Tank	\$0	\$5,845,000
TOTAL	\$0	\$5,845,000

Project Revenues

Hasell Water Tank Replacement (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Installment Financing - Hasell Water Tank	\$0	\$0	\$0	\$0	\$4,780,000	\$0	\$0
Transfer From WSF - Hasell Water Tank	\$75,000	\$95,000	\$190,000	\$285,000	\$380,000	\$0	\$0
Grant - AIA	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$115,000	\$95,000	\$190,000	\$285,000	\$5,160,000	\$0	\$0

Object	2031-32	Total
Installment Financing - Hasell Water Tank	\$0	\$4,780,000
Transfer From WSF - Hasell Water Tank	\$0	\$1,025,000
Grant - AIA	\$0	\$40,000
TOTAL	\$0	\$5,845,000

Operating Budget Impact (Ramp-Up)

Hasell Water Tank Replacement (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Transfer To Fund 69 - Utility Capital Improvement Fund	\$0	\$95,000	\$190,000	\$285,000	\$570,000
TOTAL	\$0	\$95,000	\$190,000	\$285,000	\$570,000



Hydrant & Valve Project

Capital Improvement Project (FY26-FY32)

Priority Rank

3

Category

Renovation, Remodel, or Replacement

Project Description

Replace old, obsolete fire hydrants and install valves on the hydrant legs where needed. Install new valves and piping where redundancy study recommends.

Project Justification

There are currently a large number of fire hydrants in the central pressure zone that were installed without a watch valve on the hydrant leg (valve on the pipe connecting the water main and the hydrant assembly). These cannot be turned off without turning off the water. Some of these hydrants date back to the 1930s and need to be replaced since parts are hard to find and they are sometimes difficult or impossible to disassemble. There are approximately 150 hydrants without watch valves. Additionally, in FY21, a consultant studied how many customers would be out of water if a pipe broke in various locations. The affected customers were prioritized based on the estimated demand of the outage area. This budget would include adding valves where needed to minimize impacts in four groups over the next several years.

If the town does not perform this work, it risks having these hydrants not work properly in the event of a fire, which could be catastrophic. Customers would also experience service disruptions or other impacts when ad-hoc repairs or replacements are needed. Additionally, there is an opportunity to reduce the risk of customers being out of service under certain main break scenarios by providing additional valves and piping in the system.

Project Highlights

This project has been funded with ARPA-enabled funds up to this point. Future allocations will come from Water & Sewer Operating Fund transfers in future years. This project is underway and is expected to take several years. Future allocations will ensure the project is completed in its entirety.

Project Expenditures

Hydrant & Valve Project (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Hydrant & Valve Project	\$487,647	\$0	\$0	\$270,000	\$275,000	\$0	\$0
TOTAL	\$487,647	\$0	\$0	\$270,000	\$275,000	\$0	\$0

Object	2031-32	Total
Hydrant & Valve Project	\$0	\$1,032,647
TOTAL	\$0	\$1,032,647

Project Revenues

Hydrant & Valve Project (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer from WSF - Hydrant & Valve	\$487,647	\$0	\$0	\$270,000	\$275,000	\$0	\$0
TOTAL	\$487,647	\$0	\$0	\$270,000	\$275,000	\$0	\$0

Object	2031-32	Total
Transfer from WSF - Hydrant & Valve	\$0	\$1,032,647
TOTAL	\$0	\$1,032,647

Operating Budget Impact

Hydrant & Valve Project (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Transfer To Fund 69 - Utility Capital Improvement Fund	\$0	\$0	\$0	\$270,000	\$270,000
TOTAL	\$0	\$0	\$0	\$270,000	\$270,000



US-70 Business Water Improvements

Capital Improvement Project (FY26-FY32)

Priority Rank

4

Category

Renovation, Remodel, or Replacement

Project Description

Replace over 9,000 linear feet of asbestos cement water main along US-70 with 16" ductile iron water main.

Project Justification

The main transmission line along Highway 70-A is only 12 inches in diameter and is made out of asbestos-cement. This pipe is no longer manufactured, is a hazard to repair due to the asbestos and is more prone to breakage. Ductile iron pipe or plastic pressure pipe is the current standard for water mains. This will provide long-term stability for this section of the water system. The increase in pipe size was recommended through system modeling to handle more flow to the US-70 tank, prevent the US-70 tank from emptying too much when the Forest Ridge Booster Pump Station is operating and to better meet the town's needs when we need to transfer water from Durham in an emergency situation. Modeling has confirmed that upsizing from 12" to 16" between Churton Street and the US 70-A tank should help with pressure and ability to receive a target flow of 2 MGD from Durham. The report also recommended a new express main from Valley Forge to US 70-A tank, however that is not under consideration at this time.

Some sections of this pipeline are the only way to move water along 70-A east of Elizabeth Brady Road. The town has been lucky not to have had many major breaks thus far along this pipeline, due to its age (built in 1973) and the substandard material. If a main break occurs in the area between Hwy 86 and Forest Ridge on US 70-A, water cannot get to the US-70 tank, which is problematic. When the town has to make repairs, it typically has to cut the pipe with a saw, which releases asbestos fibers, thus requiring a respirator. If the town does not perform this work, it risks this line deteriorating further and draining the US-70 Tank. The town can currently receive 1.6 MGD from Durham.

Project Highlights

- This project is related to the Hasell Street Tank Replacement project to help move water to other parts of the central zone, but the projects are not codependent.
- Phase I: Replace approximately 4,900 linear feet of 12-inch Asbestos-Cement (AC) water main along Highway 70-A between Highway 86/Elizabeth Brady Road to the Highway 70-A Water Tank with a new 16" ductile iron water main.
- Phase II: Replace approximately 4,320 linear feet of 12" AC water main along Highway 70-A between Churton Street and Highway 86 with a new 16" ductile iron water main.

Project Expenditures

US-70 Business Water Improvements (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
US-70 Water Improvements	\$305,000	\$0	\$0	\$50,000	\$2,970,000	\$0	\$0
TOTAL	\$305,000	\$0	\$0	\$50,000	\$2,970,000	\$0	\$0

Object	2031-32	Total
US-70 Water Improvements	\$0	\$3,325,000
TOTAL	\$0	\$3,325,000

Project Revenues

US-70 Business Water Improvements (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From Fund 75 - US-70 Water Improvements	\$275,000	\$0	\$0	\$50,000	\$1,704,234	\$0	\$0
Transfer From Water Fund	\$0	\$0	\$0	\$0	\$803,581	\$0	\$0
Transfer from Fund 70 - US70 Water Improvements	\$0	\$0	\$0	\$0	\$462,185	\$0	\$0
Grant - AIA	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$305,000	\$0	\$0	\$50,000	\$2,970,000	\$0	\$0

Object	2031-32	Total
Transfer From Fund 75 - US-70 Water Improvements	\$0	\$2,029,234
Transfer From Water Fund	\$0	\$803,581
Transfer from Fund 70 - US70 Water Improvements	\$0	\$462,185
Grant - AIA	\$0	\$30,000
Debt Issuance Proceeds	\$0	\$0
TOTAL	\$0	\$3,325,000

Operating Budget Impact

	FY26	FY27	FY28	Total
US-70 Water Improvements	\$0	\$0	\$50,000	\$50,000
Water SDFs	\$0	\$0	(\$50,000)	(\$50,000)
Net	\$0	\$0	\$0	\$0



Vacuum Excavator

Capital Improvement Project (FY26-FY32)

Priority Rank

5

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

Purchase a Pacific Tek PV500 Vacuum Excavator equipped with the Pacific Tek Valve Exerciser for use by the Water Distribution crew.

Project Justification

Pacific Tek Power Vac Vacuum Excavators are manufactured for potholing/"vacuum excavation." Every Pacific Tek Vacuum Excavator can non-destructively find utility lines and pipelines, clean out catch basins, and work with Pacific Tek Valve Exercisers. To aid in digging, water or air is used under low pressure to loosen up the dirt so that the Vacuum Excavator can vacuum the dirt into the Vacuum Excavator's debris tank.

These units are offered as a skid mounted vacuum or can be built onto a flatbed or trailer. Pacific Tek offers eight basic tank sizes with over 100 different configurations and options, depending on the customer's needs. The larger tanks have a reverse flow option where, at the flip of a lever, flow is reversed in the system which allows you to either pump liquid or slurry out of the tank to a higher place, or, to free up clogging in the pickup hose by having air blow the reverse direction. The specific model we are looking at is the PV500 with the optional PT1000 valve exerciser/valve operator mounted on the trailer.

Vacuum Excavating:

Vacuum Excavation, also known as "Potholing" is the process of using vacuum and sometimes an assisting process such as high pressure water jetting and high velocity air jetting to "suck" a hole in the ground. The hole size can be from 4 to 12 inches in diameter and can be from 1 to 20 feet deep. This process replaces manual or machine digging when there is the possibility of damage to anything in the underground vicinity of the area being uncovered.

With the number of utilities being run underground and the use of plastic pipe and conduit instead of heavier steel the risk of damage once a line is found by either a shovel or a backhoe is greatly increased. Vacuum excavation greatly reduces this risk and is referred to as a "non-destructive" digging method. Once on top of a line or cable the vacuum tube simply cannot continue down and the line being sought is safely found. This process is being used by gas companies, water and wastewater utilities, telephone companies, and underground contractors doing work for all of the above. Past interest in the process of vacuum excavation was not what it is today because at the time there were not as many delicate underground utilities such as fiber-optic cable and small plastic lines that we now have.

Valve Exercising:

Water distribution valves of all sizes are installed underground and mostly kept open so that water is available to everyone on the system. If left unattended those valves will rust, suffer cathodic damage, get stuck in place, become covered in dirt and silt from the street above, get paved over, or even shift with freezing and thawing conditions. The act of valve exercising / valve operating begins with locating

the valve. Once located chances are that the valve box will need to be cleaned just to give access to the top of the valve nut. Then, the act of operating the valve to ensure that it will work if necessary completes the task. In the act of operating the valve you sometimes find valves that were supposed to be open were somehow left closed by someone working on the system resulting in lower water pressure or flow. This is another benefit of the program. There are an enormous number of valves in any distribution system and the act of exercising needs to be documented to ensure that all of the valves get attention that need it and that inoperable valves are documented and scheduled for replacement.

Doing this project by hand is a chore that requires some muscle and some twisting motion that could leave your valve exerciser / valve operator at risk for lower back pain or injury. That is why most cities and towns have employed valve operating machines to assist with the task. Machines are equipped with revolution counters and torque read-out gauges or meters and some are connected to a computer with a GPS that confirms the location. Those computers capture data about the valve and can have other useful bits of information logged and documented as well. Machines can operate many more valves in a day than a person can manually and they can do it day after day after day.

Project Highlights

Purchasing the new Pacific Tek Vacuum Excavator w/Valve Exerciser would help tremendously with routine tasks such as valve/valve box maintenance, valve exercising, hydro excavating smaller service repairs, cleaning out meter boxes, potholing utilities and is a much more maneuverable unit for our crews to operate. The PV500 can be used dry to allow the excavated soil to be re-used as backfill or can be used with the attached water jetting system to "hydro" excavate. It will also have a class 2 hydraulic tool circuit kit installed to allow the use of our existing hydraulic tools in conjunction with the unit to complete tasks. The optional PT1000 valve exerciser has the option to add GIS management via the addition of their data logger.

Project Expenditures

Vacuum Excavator (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Equipment	\$0	\$155,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$155,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Capital - Equipment	\$0	\$155,000
TOTAL	\$0	\$155,000

Project Revenues

Vacuum Excavator (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Miscellaneous	\$0	\$155,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$155,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Miscellaneous	\$0	\$155,000
TOTAL	\$0	\$155,000

Operating Budget Impact

Vacuum Excavator (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Capital - Equipment	\$0	\$155,000	\$0	\$0	\$155,000
TOTAL	\$0	\$155,000	\$0	\$0	\$155,000



Water Distribution System Master Plan Improvements

Capital Improvement Project (FY26-FY32)

Priority Rank

6

Category

Renovation, Remodel, or Replacement

Project Description

Implement the recommendations of the Water Distribution Master Plan.

Project Justification

The Town is preparing a Water Distribution System Master Plan using a hydraulic model of the water distribution system. This master plan will provide recommendations on where improvements are needed to provide adequate fire flow to current and future customers, as well as improve drinking water quality and redundancy throughout the distribution system. The Master Plan recommendations may include waterline extensions, replacements, and installation of new appurtenances. This request is a place holder until specific projects are identified.

Project Highlights

Town staff recommends implementing the recommendations of the Water Distribution Master Plan once complete.

These projects will be facilitated by a cash transfer from the Water & Sewer Operating Fund.

Project Expenditures

Water Distribution System Master Plan Improvements (Expense)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Miscellaneous	\$0	\$0	\$400,000	\$400,000	\$400,000	\$500,000	\$500,000
TOTAL	\$0	\$0	\$400,000	\$400,000	\$400,000	\$500,000	\$500,000

Object	2031-32	Total
Miscellaneous	\$0	\$2,200,000
TOTAL	\$0	\$2,200,000

Project Revenues

Water Distribution System Master Plan Improvements (Revenue)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$400,000	\$400,000	\$400,000	\$500,000	\$500,000
TOTAL	\$0	\$0	\$400,000	\$400,000	\$400,000	\$500,000	\$500,000

Object	2031-32	Total
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$2,200,000
TOTAL	\$0	\$2,200,000

Operating Budget Impact

Water Distribution System Master Plan Improvements

Object	2024-25	2025-26	2026-27	2027-28	Total
Transfer To Fund 69 - Utility Capital Improvement Fund	\$0	\$0	\$400,000	\$400,000	\$800,000
TOTAL	\$0	\$0	\$400,000	\$400,000	\$800,000



Galvanized Water Main & Lead/Galvanized Service Replacement

Capital Improvement Project (FY26-FY32)

Priority Rank

7

Category

Renovation, Remodel, or Replacement

Project Description

Replace galvanized water mains, upsize to 6" and provide fire protection.

Project Justification

A revised lead and copper rule was recently passed by the Environmental Protection Agency. It requires utilities to identify lead service lines, perform additional sampling of schools and licensed daycares and replace lead pipes downstream of an area that tested high for lead, including galvanized pipes. In general, galvanized pipes are not used in today's water main construction. These pipes are typically very old and corrode. Additionally, they are small diameter mains, which do not provide fire flow for customers. A minimum pipe size for fire hydrants is 6 inches. There is time to identify such services and mains, but the town should begin planning for replacements. There is approximately 1.45 miles of identified galvanized mains in the GIS system. This could be reduced with physical verification.

Project Highlights

If the project is not performed, the town could be fined, have main breaks or high lead sample results, which would require replacement of lead service lines and mains anyway.

Project Expenditures

Galvanized Water Main & Service Replacement (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Galvanized Water Main Replacement	\$160,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000
TOTAL	\$160,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000

Object	2031-32	Total
Galvanized Water Main Replacement	\$0	\$560,000
TOTAL	\$0	\$560,000

Project Revenues

Galvanized Water Main & Service Replacement (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer from WSF - Galvanized Water Main Replacement	\$160,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000
TOTAL	\$160,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000

Object	2031-32	Total
Transfer from WSF - Galvanized Water Main Replacement	\$0	\$560,000
TOTAL	\$0	\$560,000

Operating Budget Impact

No operating impact for FY26-FY28.



Eno River Interceptor Upgrade - East

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

Renovation, Remodel, or Replacement

Project Description

Replace approximately 1 mile of 18" and 21" pipes with at least 30" and 36" pipes from the current River Pumping Station location to Churton Street, along with several manholes.

Project Justification

The Eno River Interceptors were constructed with the wastewater plant in the mid-70s, thus they are over 40 years old. They are concrete and subject to corrosion from hydrogen sulfide. The original interceptors were installed very shallow – in places less than 4 feet deep, making them susceptible to damage by excavation or directional drilling of communications lines. There is also corrosion from hydrogen sulfide.

No significant rehabilitation or replacement of the collection system in this area has ever occurred. Over the years, the interceptor manholes were raised to prevent sanitary sewer overflows due to wet weather surcharging (water other than wastewater entering the system) and because they were not protected from the floodplain and some lining has been performed. The original manholes are constructed of brick material and subject to groundwater intrusion. Hydraulic modeling shows that due to the shallowness and some flat sloped pipes, the pipes are exceeding their capacity during wet weather events and TS Debby verified this concern with multiple sanitary sewer overflows along this portion of pipe. The town has committed and projected growth. These and other similar projects will exacerbate the collection system's hydraulic capacity which is already restricted in wet weather, resulting in sanitary sewer overflows and violations, and possibly even a moratorium on growth until upsizing can occur. To support current needs and future growth through 2040, these pipes need to be upsized.

Since these interceptor pipes carry flow from areas that are the focus of growth, the Board has already agreed to defer large projects contributing wastewater into the River pumping station basin due to wet weather concerns as we investigate our most leaky basin, Lawndale, and secure funding for this replacement. These pipes are some of the oldest in town. This project intertwines with the River Pump Station project for which a federal grant award was received.

Project Highlights

Further development, as planned for the town, will exacerbate any hydraulically limited sewer pipes and cause overflows that result in noncompliance. This request supports the growth the town has worked hard to attract and approve. The money budgeted is what was submitted for funding to the state revolving fund (but not selected to date) and is reflective of 2040 projected flows. The current construction climate may result in an increase in costs. Much of the pipe need to be upsized to handle the projected 2025 growth. This cannot be deferred much longer.

The town currently plans to pursue the State of North Carolina's revolving loan program to finance the \$5.05M construction portion of this project. However, the loan program is based upon priority points for

various categories. As such, an award is NOT guaranteed. However, recent sanitary sewer overflows in this interceptor will add priority to future applications.

Project Expenditures

Eno River Interceptor Upgrade - East (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Eno River Interceptors	\$750,000	\$0	\$5,050,000	\$0	\$0	\$0	\$0
TOTAL	\$750,000	\$0	\$5,050,000	\$0	\$0	\$0	\$0

Object	2031-32	Total
Eno River Interceptors	\$0	\$5,800,000
TOTAL	\$0	\$5,800,000

Project Revenues

Eno River Interceptor Upgrade - East (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$5,050,000	\$0	\$0	\$0	\$0
Transfer From Fund 70 - Eno River Interceptors	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$750,000	\$0	\$5,050,000	\$0	\$0	\$0	\$0

Object	2031-32	Total
Debt Issuance Proceeds	\$0	\$5,050,000
Transfer From Fund 70 - Eno River Interceptors	\$0	\$750,000
TOTAL	\$0	\$5,800,000

Operating Budget Impact

Eno River Interceptors (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Debt Service - Principal	\$0	\$0	\$0	\$121,488	\$121,488
Debt Service - Interest	\$0	\$0	\$0	\$113,625	\$113,625
TOTAL	\$0	\$0	\$0	\$235,113	\$235,113



Exchange Club Interceptors

Capital Improvement Project (FY26-FY32)

Priority Rank

2

Category

Renovation, Remodel, or Replacement

Project Description

Replace 2,250 linear feet of gravity sewer with 15-inch (2040 committed) or 18-inch diameter (2040 committed + potential flows) between Orange Grove Road and Riverwalk.

Project Justification

This gravity sewer was installed in the early 1970s. Recent hydraulic modeling of the collection system revealed a capacity deficiency for existing and proposed growth conditions. There is also some configuration of the mains that may contribute to hydraulic flow restrictions (i.e., there are zig zags that do not provide smooth transitions and allow buildup of corrosive gases). The current brick manholes along this segment are in disrepair. The town has paid to rehabilitate the manholes to keep them from crumbling, leaking or allowing infiltration. This segment of sewers goes through Exchange Club Park and is generally between Orange Grove Road and the Riverwalk. Children play around the manholes. The town has budgeted to repair/replace this infrastructure in the past but not to the extent now known.

Project Highlights

Upsize this infrastructure with possible realignments to address current and future growth, and to improve its condition.

The construction portion of this project is scheduled for Fiscal Year 2026 and is anticipated to be paid for with a combination of System Development Fees (SDFs) and cash transfers from the Water & Sewer Operating Fund.

Project Expenditures

Exchange Club Interceptors (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Exchange Club Interceptors	\$380,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0
TOTAL	\$380,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Exchange Club Interceptors	\$0	\$1,480,000
TOTAL	\$0	\$1,480,000

Project Revenues

Exchange Club Interceptors (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer from Fund 76 - Exchange Club Interceptors	\$20,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0
Transfer From WSF - Exchange Club Interceptors	\$360,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$380,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Transfer from Fund 76 - Exchange Club Interceptors	\$0	\$1,120,000
Transfer From WSF - Exchange Club Interceptors	\$0	\$360,000
TOTAL	\$0	\$1,480,000

Operating Budget Impact

	FY26	FY27	FY28	Total
Exchange Club Interceptors	\$1,270,000	\$0	\$0	\$1,270,000
Sewer SDFs	(\$1,112,433)	\$0	\$0	(\$1,112,433)
Unused Project Funds	(\$157,567)	\$0	\$0	(\$157,567)
Total	\$0	\$0	\$0	\$0



Elizabeth Brady Pump Station & Force Main Upgrade

Capital Improvement Project (FY26-FY32)

Priority Rank

3

Category

Renovation, Remodel, or Replacement

Project Description

Design, bid and construct a public sanitary sewer pumping station upgrade at the existing Elizabeth Brady Pumping Station site. DEVELOPMENT RELATED - DO NOT MOVE

Project Justification

The station upgrades would enable new development in the Elizabeth Brady basin, as well as denser redevelopment of existing sites. The station was rebuilt in 2012 and sized for a quick upgrade of pump capacity, which is currently being implemented. Unfortunately, the level of development discharging to this station is much greater than this quick upgrade option can handle, extending the useful life only a few years at best.

A developer is proposing consolidation of two to three existing sanitary sewer pumping stations (Woods Edge Front, Woods Edge Back, and Nazarene) into a new, larger pumping station. The larger pumping station would be sized to handle the three existing station that would be abandoned, as well future buildout within the basin, including the new, proposed development. The new station would likely discharge into the existing Cates Creek interceptor that drains to the Elizabeth Brady station.

The new, larger pumping station's operating point is significant when compared to Elizabeth Brady's operating point, and even a phased approach to the buildout of the basin served by the new pumping station would require upgrades at Elizabeth Brady. The developer is working with town staff to provide funding, either with an advance of system development fees or a proffer of future funds, to enable this upgrade to serve the proposed development. The developer would also be required to build the new station and force main that enables the future abandonment of Wood Edge Front, Woods Edge Back, and Nazarene Pumping Stations to town standards with no cost participation by the town. The upgrade to the Elizabeth Brady station will require an upgrade of the existing force main to the wastewater treatment plant to ensure efficient pumping station operations.

Project Highlights

This project relates to the Cates Creek interceptor. If the decision is made to control the amount of development discharging to this station, then this project and the related Cates Creek outfall project scope can be minimized.

The town plans to pursue installment financing of \$3.75M in Fiscal Year 2028 for the construction portion of this project.

Project Expenditures

Elizabeth Brady Pump Station & Force Main Upgrade (Expenses)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Elizabeth Brady PS Upgrade	\$300,000	\$450,000	\$4,550,000	\$0	\$0	\$0	\$0
TOTAL	\$300,000	\$450,000	\$4,550,000	\$0	\$0	\$0	\$0

Object	2031-32	Total
Elizabeth Brady PS Upgrade	\$0	\$5,300,000
TOTAL	\$0	\$5,300,000

Project Revenues

Elizabeth Brady Pump Station & Force Main Upgrade (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Installment Financing - Elizabeth Brady	\$0	\$0	\$4,500,000	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$450,000	\$50,000	\$0	\$0	\$0	\$0
Transfer From Fund 70 - Elizabeth Brady Pump Station	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$300,000	\$450,000	\$4,550,000	\$0	\$0	\$0	\$0

Object	2031-32	Total
Installment Financing - Elizabeth Brady	\$0	\$4,500,000
Miscellaneous	\$0	\$500,000
Transfer From Fund 70 - Elizabeth Brady Pump Station	\$0	\$300,000
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0
TOTAL	\$0	\$5,300,000

Operating Budget Impact

Elizabeth Brady Pump Station and Force Main Upgrade

Object	2024-25	2025-26	2026-27	2027-28	Total
Debt Service - Principal	\$0	\$0	\$0	\$108,256	\$108,256
Debt Service - Interest	\$0	\$0	\$0	\$101,250	\$101,250
TOTAL	\$0	\$0	\$0	\$209,506	\$209,506



Cates Creek Outfall Upgrade

Capital Improvement Project (FY26-FY32)

Priority Rank

4

Category

Renovation, Remodel, or Replacement

Project Description

Upsize the Cates Creek Outfall to address anticipated demand from current and anticipated growth.

Project Justification

The Cates Creek Outfall is 3.4 miles long and was built in two phases. The upper reach, which discharges into the Elizabeth Brady Pumping Station was built in the mid-1990s. The lower portion, which is called Phase 2, was built in the early to mid-2000s when Waterstone began to develop. The entire line is the main pipeline in the Elizabeth Brady sewer basin.

Collection system modeling shows in the next ten years that the outfall will need to be monitored and upsized appropriately. While much newer than the River Pumping Station Eno River Interceptors, there is evidence of a wet weather response in the system. This schedule may need to be escalated however due to a recent inquiry about a significant development south of Waterstone Drive that was not accounted for in modeling, as well as the underestimation of demand proposals of sites that were accounted for. The scope and extent of the upsizing is currently unknown, but the proposed development, if it proceeds, would exceed the pipe capacity in some areas. Developers will be expected to cost share in necessary upgrades.

Project Highlights

This request relates to the Elizabeth Brady Pumping Station and Force Main project as both will need to be investigated and upsized accordingly, either sooner or later depending on development pacing. If the project is not approved, development will be limited, and sanitary sewer overflows may occur as the system ages and starts to leak more.

Funding Timeline:

- Preliminary Engineering: FY27 - \$200k & FY29 - \$200k
- Design/Permitting/Bidding: FY27 - \$800k & FY29 - \$800k
- Construction Administration: FY29 - \$400k & FY31 - \$420k
- Construction: FY29 - \$4.0M & FY31 - \$4.2M

***Project is development driven and must be completed per the budgeted timeline.

Project Expenditures

Cates Creek Outfall Upgrade (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Infrastructure	\$0	\$100,000	\$900,000	\$300,000	\$5,100,000	\$500,000	\$4,120,000
TOTAL	\$0	\$100,000	\$900,000	\$300,000	\$5,100,000	\$500,000	\$4,120,000

Object	2031-32	Total
Capital - Infrastructure	\$0	\$11,020,000
TOTAL	\$0	\$11,020,000

Project Revenues

Cates Creek Outfall Upgrade (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$4,400,000	\$0	\$3,520,000
Transfer From Water Fund	\$0	\$100,000	\$200,000	\$300,000	\$700,000	\$500,000	\$600,000
Miscellaneous	\$0	\$0	\$700,000	\$0	\$0	\$0	\$0
TOTAL	\$0	\$100,000	\$900,000	\$300,000	\$5,100,000	\$500,000	\$4,120,000

Object	2031-32	Total
Debt Issuance Proceeds	\$0	\$7,920,000
Transfer From Water Fund	\$0	\$2,400,000
Miscellaneous	\$0	\$700,000
TOTAL	\$0	\$11,020,000

Operating Budget Impact

Cates Creek Outfall Upgrade (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Transfer To Fund 69 - Utility Capital Improvement Fund	\$0	\$100,000	\$200,000	\$300,000	\$600,000
TOTAL	\$0	\$100,000	\$200,000	\$300,000	\$600,000



Undersized Sewer Main Replacements

Capital Improvement Project (FY26-FY32)

Priority Rank

5

Category

Renovation, Remodel, or Replacement

Project Description

Replace 4" & 6" sewer mains.

Project Justification

The town installed or allowed to be installed sewer mains less than the state minimum design criteria of 8" diameter. Several parcels are served by 4" and 6" sewer mains where normally, one residential home or low demand non-residential home has its own dedicated 4" sewer main. Some of the undersized mains installed were extended without a permit, and have already demonstrated to be clogged and have several sags. These undersized sewer mains cause extra staff time to clean, have multiple sags which holds sewage and debris, cross properties without established easements, and are not serving customers to the level of service the town wants to provide. This project would replace such sewers with a proper design and established right of entry (easement) for future accessibility and maintenance.

Project Highlights

Phase I: Mollies Ct., Hill St., and W. Corbin St.

Phase II: Lawndale Ave, Sherwood Ave and Waddell St.

Project Expenditures

Undersized Sewer Main Replacements (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Infrastructure	\$0	\$0	\$500,000	\$0	\$0	\$500,000	\$0
TOTAL	\$0	\$0	\$500,000	\$0	\$0	\$500,000	\$0

Object	2031-32	Total
Capital - Infrastructure	\$0	\$1,000,000
TOTAL	\$0	\$1,000,000

Project Revenues

Undersized Sewer Main Replacements (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From Water Fund	\$0	\$0	\$85,150	\$0	\$0	\$500,000	\$0
Transfer From Capital Reserve - Sewer	\$0	\$0	\$414,850	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$500,000	\$0	\$0	\$500,000	\$0

Object	2031-32	Total
Transfer From Water Fund	\$0	\$585,150
Transfer From Capital Reserve - Sewer	\$0	\$414,850
TOTAL	\$0	\$1,000,000

Operating Budget Impact

Undersized Sewer Main Replacements (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Transfer To Fund 69 - Utility Capital Improvement Fund	\$0	\$0	\$85,150	\$0	\$85,150
TOTAL	\$0	\$0	\$85,150	\$0	\$85,150



Eno River Interceptor Upgrade - West

Capital Improvement Project (FY26-FY32)

Priority Rank

6

Category

Renovation, Remodel, or Replacement

Project Description

Replace approximately 2,900 linear feet of 18" sewers with 24" sewers and 12 manholes.

Project Justification

This sewer interceptor is one of the oldest in town, built in the 1970s. The modeling report recommendation has shown that the sewer experiences wet weather capacity issues (leaks) and is undersized for potential 2040 growth. It will need to be upsized to meet future demands and due to general condition deterioration. The general vicinity of the work is west of Churton Street to Occoneechee Street on the south side of the river.

Project Highlights

With the high-density redevelopment and new development expected in the downtown and west Hillsborough area west of Churton Street, it is recommended to upsize this interceptor.

This project is planned for financing from the State of North Carolina's revolving loan program to pay for the \$1.8M construction costs in Fiscal Year 2030.

Project Expenditures

Eno River Interceptor Upgrade - West (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Infrastructure	\$0	\$0	\$0	\$0	\$350,000	\$1,790,000	\$0
TOTAL	\$0	\$0	\$0	\$0	\$350,000	\$1,790,000	\$0

Object	2031-32	Total
Capital - Infrastructure	\$0	\$2,140,000
TOTAL	\$0	\$2,140,000

Project Revenues

Eno River Interceptor Upgrade - West (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
State Revolving Loan	\$0	\$0	\$0	\$0	\$0	\$1,790,000	\$0
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$0	\$0	\$350,000	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0	\$350,000	\$1,790,000	\$0

Object	2031-32	Total
State Revolving Loan	\$0	\$1,790,000
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$350,000
TOTAL	\$0	\$2,140,000

Operating Budget Impact

No operating impact for FY26-FY28.



Sewer Jetter/Flush Truck

Capital Improvement Project (FY26-FY32)

Priority Rank

7

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

Sewer Jetter/Flush Truck - This truck incorporates a jet machine mounted to the chassis of a single axle truck, providing easy maneuverability for use in sewer line cleaning and flushing, clearing sewer blockages, and pressure washing. This truck would be an upgrade to our trailer mounted jet machine for everyday jetting/cleaning needs.

Project Justification

Our current jet machine is a trailer mounted unit that has to be pulled by a larger utility truck in order to be used. It was purchased in 2008 (16 yrs old) and has been a vital asset to provide quality service to our customers in cleaning sewer lines, customers sewer laterals, and keeping the river walk clean by our Public Works Department. With our current machine, not all of our Collections crew staff is able to pull it due to vehicle size needed to tow. Having a truck mounted jet machine would allow all staff to respond to emergencies during and after operating hours, allow for quicker response times since trailer hookup is not needed and its size is more compact than the utility truck and trailer allowing for easier maneuverability around the narrower streets in Hillsborough and tighter sewer outfall easements.

Due to the age of our current jet machine and the amount of use it receives, this jet/flush truck would become a dependable and highly utilized piece of equipment with everyday tasks including sewer blockages and sewer line maintenance. Our state permit for the Collections system requires that we clean 10% of our sewer system each year which is growing exponentially. Having this truck would allow our team to operate 2 crews and 2 pieces of equipment to be more efficient with our state mandated cleaning which would free up the rest of the year to focus on other tasks/maintenance.

Project Highlights

- More compact for easier accessibility and maneuverability around town.
- A vehicle that every crew member can operate.
- Decrease trailer related incidents.
- Provides redundancy to improve sewer line cleaning efficiency and a backup for emergency response situations if a machine is down for repair/maintenance.

Project Expenditures

Sewer Jetter/Flush Truck (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Vehicles	\$0	\$220,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$222,006	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Capital - Vehicles	\$0	\$220,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
TOTAL	\$0	\$222,006

Project Revenues

Sewer Jetter/Flush Truck (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Miscellaneous	\$0	\$222,006	\$0	\$0	\$0	\$0	\$0
TOTAL	\$0	\$222,006	\$0	\$0	\$0	\$0	\$0

Object	2031-32	Total
Miscellaneous	\$0	\$222,006
TOTAL	\$0	\$222,006

Operating Budget Impact

Sewer Jetter/Flush Truck (Operating Impact)

Object	2024-25	2025-26	2026-27	2027-28	Total
Capital - Vehicles	\$0	\$220,000	\$0	\$0	\$220,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006	\$0	\$0	\$2,006
TOTAL	\$0	\$222,006	\$0	\$0	\$222,006



Bellevue Mill Interceptor Upgrade

Capital Improvement Project (FY26-FY32)

Priority Rank

8

Category

Renovation, Remodel, or Replacement

Project Description

Replace 2,700 linear feet of 8" sewers with 12" sewers and 15 manholes, from near the end of Forrest St southward to Eno St.

Project Justification

This Bellevue Mill interceptor was in existence prior to the town having a wastewater treatment plant, and presumably as early as the 1920s per mill maps. Unfortunately, portions of the sewer traverse through an identified brownfield so additional costs will be incurred for extra permitting and to identify and properly dispose of contaminated soils. Hydraulic modeling has shown this interceptor is undersized for 2040 growth scenarios. Regardless, it is well beyond its useful life and likely contributing to inflow and infiltration in the basin.

This interceptor is also paralleled by a 12" sewer and there are some interesting cross configurations between the two that need to be studied. It is believed the parallel 12" interceptor was constructed to take flow from the Eland force main, which has since been abandoned. If there is little flow in this line, it may be possible to reconfigure it for this purpose rather than replacing the existing 8" line. Additional work is needed to determine if this is a viable option, and the scope of the project can be reduced.

Project Highlights

If high density redevelopment and development in the western part of Hillsborough is desired, this main will definitely need to be upgraded. At a minimum, it is recommended to evaluate further to see if the parallel 12" line could be used for a portion of this project.

- \$1.2M - Construction (FY32)
- \$120k - Construction Administration (FY32)

This project will be paid for with cash transfers from the Water & Sewer Operating Fund.

Project Expenditures

Bellevue Mill Interceptor Upgrade (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Infrastructure	\$0	\$0	\$0	\$0	\$0	\$140,000	\$40,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$140,000	\$40,000

Object	2031-32	Total
Capital - Infrastructure	\$1,320,000	\$1,500,000
TOTAL	\$1,320,000	\$1,500,000

Project Revenues

Bellevue Mill Interceptor Upgrade (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$0	\$0	\$0	\$140,000	\$40,000
TOTAL	\$0	\$0	\$0	\$0	\$0	\$140,000	\$40,000

Object	2031-32	Total
Debt Issuance Proceeds	\$1,320,000	\$1,320,000
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$180,000
TOTAL	\$1,320,000	\$1,500,000

Operating Budget Impact

No operating impact for FY26-FY28.



Tertiary Filter Flocculators

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

Install new flocculators ahead of tertiary filtration to maximize the total phosphorous removal needed to meet the Falls Lake Rules and reduce chemical usage.

Project Justification

The 2014 Phase 1 Plant Expansion included new tertiary filtration. The structure was designed to have flocculators installed, but the installation was removed from the project to reduce costs. The pedestals and electrical conduit were however installed to provide for future needs.

Currently, a chemical called Polyaluminum Chloride (PAC) is used to precipitate Phosphorous out of a dissolved state to a solid form that can be removed by filtration. Currently, PAC is fed to the clarifier, which provides the mixing necessary to activate the chemical. This method currently works well but will be insufficient in the future to meet the removal efficiency needed to meet the Falls Lake Rules.

Feeding PAC directly to the filters is also much more efficient. Laboratory testing has shown that with the addition of flocculators, the town should be able to reduce its chemical feed by 28% or more. This equates to chemical savings of approximately \$4,500 per year.

Project Highlights

This project can be delayed until the current Phosphorous removal efficiency is inadequate to meet permit requirements, which is estimated to be in FY29. However, the town will not realize the cost savings of reduced chemical usage or the reduction in its carbon footprint. The PAC is manufactured and then delivered from out-of-state locations. Flocculation will not only reduce the carbon emissions from the chemical manufacturing process but also the semi-truck deliveries from hundreds of miles away.

Project Expenditures

Tertiary Filter Flocculators (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Tertiary Filter Flocculators	\$0	\$0	\$0	\$0	\$10,000	\$180,000	\$0
TOTAL	\$0	\$0	\$0	\$0	\$10,000	\$180,000	\$0

Object	2031-32	Total
Tertiary Filter Flocculators	\$0	\$190,000
TOTAL	\$0	\$190,000

Project Revenues

Tertiary Filter Flocculators (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer From WSF - Tertiary Filter Flocculators	\$0	\$0	\$0	\$0	\$10,000	\$180,000	\$0
TOTAL	\$0	\$0	\$0	\$0	\$10,000	\$180,000	\$0

Object	2031-32	Total
Transfer From WSF - Tertiary Filter Flocculators	\$0	\$190,000
TOTAL	\$0	\$190,000

Operating Budget Impact

No operating impact for FY26-FY28.

Stormwater Capital Improvement Plan



Stormwater Capital Improvement Plan Summary

Capital Improvement Plan (FY26-FY32)

Stormwater Capital Improvements Expenditures by Project

Stormwater CIP Expenses by Project

Worksheet Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
JetVac Truck (expenses)	\$0	\$0	\$608,020	\$1,000	\$1,000	\$1,000	\$1,000
Elizabeth Brady Rd Culvert Rehabilitation (expenses)	\$75,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0
TOTAL	\$75,000	\$100,000	\$708,020	\$1,000	\$1,000	\$1,000	\$1,000

Worksheet Name	2031-32	Total
JetVac Truck (expenses)	\$1,000	\$613,020
Elizabeth Brady Rd Culvert Rehabilitation (expenses)	\$0	\$275,000
TOTAL	\$1,000	\$888,020

Stormwater Capital Improvements Revenues by Type

Stormwater CIP Revenues by Type

Object Type	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$605,014	\$0	\$0	\$0	\$0
Interfund Transfers	\$75,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$3,006	\$1,000	\$1,000	\$1,000	\$1,000
TOTAL	\$75,000	\$100,000	\$708,020	\$1,000	\$1,000	\$1,000	\$1,000

Object Type	2031-32	Total
Debt Issuance Proceeds	\$0	\$605,014
Interfund Transfers	\$0	\$275,000
Other	\$1,000	\$8,006
TOTAL	\$1,000	\$888,020

Stormwater Capital Improvements Financial Summary

Stormwater CIP Revenue v. Expenditures

Expenses	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Revenues	\$75,000	\$100,000	\$708,020	\$1,000	\$1,000	\$1,000	\$1,000
Expenses	\$75,000	\$100,000	\$708,020	\$1,000	\$1,000	\$1,000	\$1,000
TOTAL	\$150,000	\$200,000	\$1,416,040	\$2,000	\$2,000	\$2,000	\$2,000

Expenses	2031-32	Total
Revenues	\$1,000	\$888,020
Expenses	\$1,000	\$888,020
TOTAL	\$2,000	\$1,776,040

Stormwater Capital Improvements: Operating Budget Impact

Department	Project	FY26	FY27	FY28	Total
Stormwater	Elizabeth Brady Rd Culvert Rehabilitation	\$100,000	\$100,000	\$0	\$200,000
Stormwater	JetVac Truck	\$608,020	\$1,000	\$1,000	\$610,020
	Total	\$708,020	\$101,000	\$1,000	\$810,020



Elizabeth Brady Road Culvert Rehabilitation

Capital Improvement Project (FY26-FY32)

Priority Rank

1

Category

Renovation, Remodel, or Replacement

Project Description

Rehabilitate the existing culverts under Elizabeth Brady Road at Cates Creek using spincasting.

Project Justification

The existing culverts are corrugated metal. Corrugated metal pipes have a functional age and the culverts are starting to deteriorate. Public Works staff has completed some maintenance work on the pipes to ensure they are clear and the downstream side (outlet side) is stabilized. This work has prolonged the life of the existing culverts, but within the next few years, the culvert pipes will need to be repaired. Rehabilitation through spincasting will reduce the risk of a failure similar to what occurred on Valley Forge Road and Cates Creek. The impact of a failure would be greater in that Elizabeth Brady Road serves more property owners, including the only ingress/egress to the town's wastewater plant.

Spincasting is a technique where the inside of existing pipes are sprayed with concrete. This process fixes damaged/aging pipes without having to replace them. This is a cost effective solution and has been utilized with smaller stormwater pipes in town. Based on the current status of the pipes, and work already completed by Public Works, the project is currently proposed for FY27. Public Works will continue to monitor the culverts, and if necessary adjust project timing.

Project Highlights

- An alternative would be to replace the pipes with a bridge or bottomless culvert. This would most likely be more expensive, but would improve the aquatic ecosystem in the area. It is possible to combine replacement with additional riparian buffer enhancement, which would mean a portion of the project cost would qualify for the joint compliance program currently approved for the Falls Lake rules.
- NuPipe is a unique contractor that provides spincasting services in our area. The NuPipe website gallery that shows before and after photos of various projects (<https://nu-pipe.webflow.io/gallery>).

Project Expenditures

Elizabeth Brady Rd Culvert Rehabilitation (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Elizabeth Brady Rd Culvert Replacement	\$75,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0
TOTAL	\$75,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0

Object	2031-32	Total
Elizabeth Brady Rd Culvert Replacement	\$0	\$275,000
TOTAL	\$0	\$275,000

Project Revenues

Elizabeth Brady Rd Culvert Rehabilitation (Revenues)

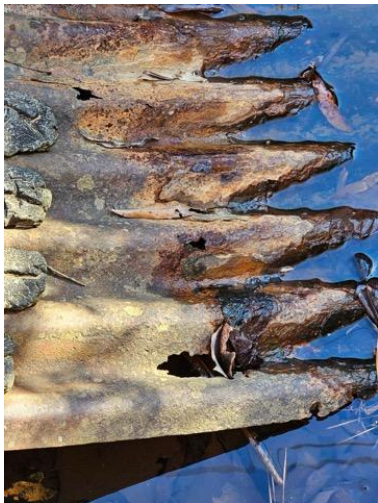
Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Transfer from Stormwater Fund	\$75,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0
TOTAL	\$75,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0

Object	2031-32	Total
Transfer from Stormwater Fund	\$0	\$275,000
TOTAL	\$0	\$275,000

Operating Budget Impact

Elizabeth Brady Rd Culvert Rehabilitation

Object	2024-25	2025-26	2026-27	2027-28	Total
Transfer To Stormwater CPF	\$0	\$100,000	\$100,000	\$0	\$200,000
TOTAL	\$0	\$100,000	\$100,000	\$0	\$200,000





JetVac Truck

Capital Improvement Project (FY26-FY32)

Priority Rank

2

Category

New Facility, Infrastructure, Vehicle, or Equipment

Project Description

JetVac Truck for cleaning stormwater infrastructure such as catch basins and pipes.

Project Justification

The town is required to have a stormwater infrastructure maintenance program pursuant to the town's NPDES Phase II MS4 stormwater permit. The JetVac would allow Public Works to clean, collect and dispose of sediment, debris, etc.

Currently, the town uses a contractor to do catch basin/pipe cleaning. This approach is workable for now, but having a JetVac truck would improve efficiency in maintaining the town's stormwater infrastructure and allow the town to respond to problems that arise in a more timely manner.

Project Highlights

The Water & Sewer Department is considering replacing their JetVac truck with a larger capacity model. If this happens, it is possible that the existing JetVac truck could be utilized by Public Works for stormwater maintenance.

A quote has been included for a GapVax 2024 MC1007-3S3X Combination Jet/Vac. Currently the price of the truck is listed in FY27.

Project Expenditures

JetVac Truck (Expenditures)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Capital - Vehicles	\$0	\$0	\$605,014	\$0	\$0	\$0	\$0
Gasoline	\$0	\$0	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$2,006	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$608,020	\$1,000	\$1,000	\$1,000	\$1,000

Object	2031-32	Total
Capital - Vehicles	\$0	\$605,014
Gasoline	\$1,000	\$6,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
TOTAL	\$1,000	\$613,020

Project Revenues

JetVac Truck (Revenues)

Object	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Debt Issuance Proceeds	\$0	\$0	\$605,014	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$3,006	\$1,000	\$1,000	\$1,000	\$1,000
TOTAL	\$0	\$0	\$608,020	\$1,000	\$1,000	\$1,000	\$1,000

Object	2031-32	Total
Debt Issuance Proceeds	\$0	\$605,014
Miscellaneous	\$1,000	\$8,006
TOTAL	\$1,000	\$613,020

Operating Budget Impact

	FY26	FY27	FY28	Total
Capital - Vehicles	\$0	\$605,014	\$0	\$605,014
Gasoline	\$0	\$1,000	\$1,000	\$2,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006	\$0	\$2,006
Debt Service - Principal	\$0	\$0	\$24,201	\$24,201
Debt Service - Interest	\$0	\$0	\$111,702	\$111,702
Debt Issuance Proceeds	\$0	(\$605,014)	\$0	(\$605,014)
Net	\$0	\$3,006	\$136,903	\$139,909



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	March 1, 2025
Department:	Administrative Services
Agenda Section:	Regular
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Administrative Services Director Jen Della Valle

ITEM TO BE CONSIDERED

Subject: Strategic Plan Mid-Year Update

Attachments:

1. Strategic Plan – Mid-Year Updates

Summary:

The town board adopted the [FY24-26 Strategic Plan](#) in June 2023. The strategic plan outlines the town's strategic direction for a three-year period and is an action-oriented road map that aligns the town's resources with priorities. Now that the strategic plan has been adopted, we are now in the plan implementation phase.

This is our first check-in with the town board for the FY25 plan year, providing an opportunity to discuss progress made on initiatives that were identified for the current fiscal year. The update attached includes the status of the initiatives, across each focus area, that were identified to be worked on during FY25.

Financial impacts:

No financial impacts at this time.

Staff recommendation and comments:

N/A

Action requested:

Receive update and provide feedback.



TOWN OF
HILLSBOROUGH
NORTH CAROLINA

Strategic Plan




Mid-Year Update

Focus Area Updates



Sustainability
Connected Community
Economic Vitality
Community Safety
Service Excellence

Sustainability

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
S 1.1		Overhaul the Unified Development Ordinance and Zoning Map to reflect current development trends and patterns to incorporate sustainability, environmental and climate best practices, economic resiliency measures, and equity in development and redevelopment as well as meet water and sewer system-wide needs.	Planning	FY24-FY25	A UDO update consultant has been selected and will be announced pending the budget and contract process. Estimated completion by end of FY27.
S 1.2		Update the Future Land Use Map to simplify land use categories and express current preferred future land use and growth patterns.	Planning	FY24-FY25	The Future Land Use Map update is in progress.
S 2.1		Assess renewable energy generation potential for solar photovoltaics and wind energy projects on town-owned properties and identify priority sites for planning and implementation.	Public Space	FY24-FY26	Staff is reaching out to solar providers to develop cost estimates for a solar rooftop analysis of town facilities.
S 2.2		Investigate opportunities and incorporate to the greatest extent possible sustainability and climate initiatives in facility development including geothermal, solar, weatherization, and green infrastructure.	Public Space	FY24-FY26	Facilities staff evaluates the feasibility of incorporating sustainability and climate measures in each facility repair and improvements project. This will be an ongoing item.
S 2.4		Evaluate the town's vehicle fleet to determine right-sizing and transition to electric vehicle (EV) potential. Transition the town's vehicle fleet to zero emission alternatives on a schedule consistent with vehicle lifecycles and market availability. Advance the schedule of this transition as feasible.	Fleet Maintenance	FY24-FY26	Fleet maintenance supervisor will be attending the Sustainable Fleet Technology Conference this summer to stay up to date on the latest in alternative fuel options. Fleet Maintenance is hosting a two day in-house training event on repair and maintenance on the police hybrid vehicles that the town owns. The training is from Ford Motor Company. Other government fleets in the area will be invited as room allows.
S 2.5		Ensure electric vehicle charging infrastructure is appropriately provided to support the town's vehicle transition.	Public Space	FY25	The town participated in two rounds of applying for a Charging and Fueling Infrastructure (CFI) grant in partnership with Chapel Hill, Carrboro, and Orange County but the project was not selected. Staff is awaiting comments back on the second application to understand why it was not funded. Staff will continue to look for other grant opportunities. Electric vehicle stations are planned for the Hwy 86 facility and future train station.
S 2.6		Work with regional partners to expand the number of EV charging stations in the town to support EV readiness and encourage widespread adoption, especially in key places like Gold Park and the Town Hall campus	Public Space	FY25-FY26	The town participated in two rounds of applying for a Charging and Fueling Infrastructure (CFI) grant in partnership with Chapel Hill, Carrboro, and Orange County but the project was not selected. Staff is awaiting comments back on the second application to understand why it was not funded. Staff will continue to look for other grant opportunities.
S 3.1		Develop and adopt a tree inventory for town-owned and town-maintained properties.	Public Space	FY25	Staff is developing a database of town-planted trees and investigating opportunities to develop a tree coverage database in GIS.
S 3.2		Develop and adopt a tree preservation policy for town-owned and town-maintained properties	Public Space	FY25-FY26	This project has not yet started but will be coupled with a native and adapted plant policy for town-owned properties. Expected to begin in FY26.
S 3.3		Develop and adopt a landscape management plan for town-owned and town-maintained properties	Public Space	Moved to FY25	The grounds maintenance contract was updated in FY25 to reflect best practices for landscape management of town-owned properties.
S 3.4		Develop and adopt a native and adapted plant policy that improves and expands habitat for wildlife and pollinators for town-owned and town-maintained properties	Public Space	FY25 - FY26	This project has not yet started but will be coupled with a tree preservation policy for town-owned properties. Expected to begin in FY26.

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
S 3.5		Investigate options to develop incentives for developers to incorporate sustainable environmental best practices for managed natural areas and landscapes.	Stormwater	FY25- FY26	<p>Will be completed in conjunction with Unified Development Ordinance (UDO) update and incentives will be explored as part of that update. This project will be led by the Planning Division with coordination and input from Public Space and Sustainability and Stormwater and Environmental Services divisions.</p> <p>Also currently working with the Upper Neuse River Basin Association (UNRBA) through the Falls Lake rules re-adoption process to incorporate these types of incentives for new development. Specifically, staff is working with the UNRBA to get soil amendment as an approved stormwater pollution reduction credit for new development.</p>
S 3.6		Update and adopt a comprehensive stormwater management plan.	Stormwater	FY25	<p>Initiative completed in 2024.</p> <p>Began implementing new comprehensive stormwater management plan in FY25. One of the key aspects for year one of this new plan is updated stormwater training for employees which is underway and will be completed this fiscal year.</p>
S 3.7		Continue implementing watershed improvement projects under the Interim Alternative Implementation Approach for compliance with the Falls Lake Stage 1 Existing Development Rule for Stormwater.	Stormwater	FY24- FY26	<p>Projects are being budgeted as part of CIP process, planning and design for next priorities underway.</p> <p>Construction on the Odie Street Stream Stabilization project has been completed and planting will occur this spring. Other projects currently in design include a compost blanket at the town's wastewater plant and a compost blanket at a downtown parking area. Both are expected to be completed later this spring.</p>








Connected Community

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
CC 1.2		Contribute annual budget allocations to expand public art and amenities and public spaces.	Public Space	FY24- FY26	Complete.
CC 1.3		Ridgewalk feasibility study is complete. If directed by the board, design and engineering for the section from downtown to Collins Ridge will proceed.	Public Space	FY24- FY25	The Ridgewalk Feasibility Study is complete, and the town board selected a preferred alignment. Staff will coordinate with NCDOT on the I-85 Widening project before moving forward with engineering. Expected to begin in late FY26.









Economic Vitality

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
EV 1.1		Conduct a downtown parking study to develop and adopt a long-range parking plan.	Planning	Moved to FY25	Parking study underway. Anticipated completion fall 2025.
EV 1.2		Complete Train Station Development Master Plan.	Planning	FY24/ FY25	Initiative will be pushed to FY26 due to staff capacity.
EV 1.3		Invest in wayfinding and interpretive signage programs.	Public Space	FY24- FY26	This is an ongoing item. Two additional interpretive signs will be designed in FY26 with fabrication and installation expected in FY27.
EV 1.4		Market and brand Hillsborough through town website and social media as a great place to live, work and do business by engaging in partnerships to highlight success stories and incentive opportunities.	Planning	FY24- FY26	This initiative is an ongoing effort.
EV 2.1		Identify and analyze current labor market and skills gaps/needs through partnership, contract, or town-led study.	Planning	FY25	No update.
EV 2.2		Engage with the local business community through periodic small business workshops hosted by town or in conjunction with economic development partners.	Planning	FY24- FY26	Working with chamber of commerce on re-establishing Hillsborough Merchants Association. At February meeting, discussed schedule for upcoming educational workshops/seminars for merchants to be hosted at Town Hall Annex.
EV 3.1		Translate business documents and forms into other relevant languages and set up a system for staff to be able to communicate in other languages with residents.	Planning	FY25	No update.
EV 3.2		Work with local and regional partners to identify and promote woman and Black, Indigenous and People of Color (BIPOC) owned businesses through marketing success stories and tracking contractual partnerships with the town.	Planning	FY24- FY26	Chamber of commerce is assisting with the effort, with survey of local business to go out in Spring 2025.
EV 4.1		Actively participate in county-wide housing plan effort to inform a local action plan.	Community Services	Moved to FY25	The town is working with Orange County Affordable Housing Coalition and Community Home Trust on a countywide land availability survey. Staff is serving on county's low-barrier housing work group.
EV 4.2		Develop local action plan.	Community Services	FY25	Initial affordable housing workshop was held in summer 2024. Planning underway for second workshop to lead to local planning effort.
EV 5.2		Support changes to town code and state law to provide new funding sources and reduce administrative barriers for affordable housing creation.	Community Services	FY24- FY26	Unified Development Ordinance (UDO) update will include recommended local changes. State law changes are an ongoing effort.
EV 5.3		Prioritize surplus of town-owned land for creation of affordable housing and strategically acquire additional land or financial participation from new development for affordable housing	Community Services	FY24- FY26	This effort is being completed as part of joint work with Orange County Affordable Housing Coalition and Community Home Trust.

Community Safety

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
CS 1.1		Complete North Carolina League of Municipalities risk assessment and begin follow up on implementation of results.	Police	Moved to FY25	Risk review documents have been completed and submitted to the North Carolina League of Municipalities (NCLM). NCLM on-site visit is scheduled for Nov. 21.
CS 1.2		Host a community conversation that focuses on a broader concept of safety. Pilot completed in FY23.	Police	FY24	Community safety summit hosted on Nov. 25 with approximately 15 residents in attendance.
CS 1.3		Restart the police citizens academy program.	Police	FY25	At this point, staff is unsure if this program will be restarted. With Government 101 program and the annual summits, this program may be redundant.
CS 2.1		Complete refresh of the Emergency Operations Plan.	Emergency Management Team	Moved to FY25	Under contract with Orange County for a joint Emergency Operations Plan update.
CS 2.2		Establish quarterly management check-ins	Emergency Management Team	FY24-FY26	The Emergency Management Team is now meeting on a quarterly basis.
CS 2.3		Conduct at least 1 tabletop exercise.	Emergency Management Team	FY25	The Emergency Management Team went through a winter weather scenario using the "Planning P" in July. The tabletop initiative has not been started yet.
CS 2.4		Establish Emergency Operations Centers.	Emergency Management Team	Move to FY25	The finalized Emergency Operations Plan will help finalize an EOC. Staff has established mobile EOCs that can be set up at any designated location if needed.

Service Excellence

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
SE 1.1		Schedule and consolidate building maintenance services.	Public Space	FY24	All maintenance services are consolidated except pest management. The Water Treatment Plant and Wastewater Treatment Plant pest control is handled by Utilities Department and will not be consolidated under Facilities. This item is considered complete and will be removed for the next update.
SE 1.2		Develop a utilities asset management plan that helps identify risk of failure	Utilities	FY25	Utilities participated in demos for new asset management software. Staff will be working to transition to Brightly along with other departments over the coming year. Until we get our data cleaned and transported over with new data entered, the ability to develop a level of service risk of failure model is limited.
SE 1.3		Evaluate whether vehicle replacement modeling changes are needed and update schedule for use on the FY26 budget. [Note: Previously stated FY25 budget, but corrected to FY26.]	Budget	FY25	Vehicle & Replacement Schedule was updated to reflect current town assets and made available to departments for use while preparing their FY26 budget requests.
SE 2.1		Evaluate onboarding process and identify gaps and redesign process.	Human Resources	Moved to FY25	Minor improvements have been made to the monthly new employee orientation and staff is continuing to make improvements. Town provides new employees with Hillsborough branded item on their first day of employment to welcome them to the organization.
SE 2.2		Explore and develop strategies to encourage the timely completion of performance evaluations.	Human Resources	Moved to FY25	Staff extended the due date for annual evaluations last year and still had a few evaluations that were submitted late. Staff will continue tracking if the deadline extension makes an impact this year.
SE 3.1		Assess representation on appointed boards and boost recruitment efforts for underrepresented groups and areas.	Town Clerk	Moved to FY25	Staff is working to have a map developed that visualizes the appointed board representation. The next step is to convene a group to develop strategies to boost representation of underrepresented groups.
SE 3.2		Develop accessibility plan for town facilities and public spaces.	Public Space	FY25	Complete.
SE 4.1		Develop, adopt, and implement a racial equity plan.	Human Resources	FY24-FY26	Contracted with Central Pines Regional Council (CPRC) on the development of a plan. Hosted an internal staff equity plan kick off meeting in January 2025.