

Agenda

Board of Commissioners Regular Meeting

7:00 PM September 12, 2022

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

This meeting will be live streamed on the

[Town of Hillsborough YouTube channel](#)



1. Public charge

The Hillsborough Board of Commissioners pledges to the community of Hillsborough its respect. The board asks community members to conduct themselves in a respectful, courteous manner with the board and with fellow community members. At any time should any member of the board or attendee fail to observe this public charge, the mayor or the mayor's designee will ask the offending person to leave the meeting until that individual regains personal control. Should decorum fail to be restored, the mayor or mayor's designee will recess the meeting until such time that a genuine commitment to the public charge is observed.

2. Audience comments not related to the printed agenda

3. Agenda changes and approval

4. Presentations

[A.](#) Leading the Way Award

5. Items for decision – consent agenda

[A.](#) Minutes

- Regular meeting Aug. 8, 2022
- Regular meeting closed session Aug. 8, 2022
- Work session Aug. 22, 2022
- Special meeting Aug. 29, 2022

[B.](#) Miscellaneous budget amendments and transfers

[C.](#) Amend Greenway South Project Ordinance

[D.](#) Proclamation – International Day of Peace

[E.](#) Proclamation – Diaper Need Awareness Week

[F.](#) Special Event Permit: Hillsborough Hog Day

[G.](#) Special Event Permit: Hillsborough Holiday Parade and Tree Lighting

[H.](#) Special Use Permit Extension Request- East Village at Meadowlands

[I.](#) Extension of Capacity Reservation for East Village at Meadowlands Project

[J.](#) Exempt design work for repairs to the Exchange Park Lane Bridge from qualifications-based selection process

[K.](#) Resolution to Name Future Greenway "Ridgewalk"

[L.](#) Authorization for Application of Annexation and Partial Rezoning of Future Train Station Site

[M.](#) Amendment to Orange County Interlocal Agreement for water and sewer service in the Hillsborough Area Economic Development District (EDD)

[N.](#) Contract for year-end audit services in connection with the fiscal years ending June 30, 2022, 2023, and 2024

6. Items for decision - regular agenda

[A.](#) Compensation and Classification Study

101 E. Orange St., PO Box 429, Hillsborough NC 27278
919-732-1270 | www.hillsboroughnc.gov | @HillsboroughGov

- [B.](#) Consistency statement and ordinance to voluntarily annex a contiguous parcel, amend the Zoning Map, and approve a development agreement for the Moren Tract
- [C.](#) UDO Text Amendment: Section 5.2.12 Event Centers and Section 3.2 Administrative Procedures Applicable to All Review Processes
- [D.](#) Strategic Plan Update
- [E.](#) Hot Topics for Work Session Sept. 26, 2022

7. Updates

- A. Board members
- B. Town manager
- [C.](#) Staff (written reports in agenda packet)

8. Adjournment

Interpreter services or special sound equipment for compliance with the Americans with Disabilities Act is available on request. If you are disabled and need assistance with reasonable accommodations, call the Town Clerk's Office at 919-296-9443 a minimum of one business day in advance of the meeting.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Administrative Services
Agenda Section: Presentations
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Administrative Services Director Jen Della Valle

ITEM TO BE CONSIDERED

Subject: Leading the Way Award

Attachments:

Award Letter

Summary:

The Town of Hillsborough has been recognized with an award for resident satisfaction based on the results of its community survey, which were compiled earlier this year.

Hillsborough was one of 18 communities recognized by the market research firm ETC Institute, which conducted the community survey for the town. Nearly 200 communities conducted a community survey through ETC Institute between December 2021 and May 2022. The Leading the Way Award recognizes communities that rank in the top 10% in survey findings in three key categories:

- Satisfaction with overall quality of services.
- Satisfaction with customer service provided by employees.
- Satisfaction with the value residents think they receive for local taxes and fees.

Financial impacts:

None.

Staff recommendation and comments:

None.

Action requested:

Receive award.



ETC INSTITUTE

MARKETING RESEARCH, DEMOGRAPHY, STATISTICAL APPLICATIONS

725 W. FRONTIER CIRCLE, OLATHE, KANSAS 66061
(913) 829-1215 FAX: (913) 829-1591

July 22, 2022

Eric Peterson
Town Manager
Town of Hillsborough
101 E. Orange St.
Hillsborough, NC 27278

Subject: Leading the Way Award Winners – Summer 2022 Announcement

Dear Mr. Peterson:

On behalf of ETC Institute, **I want to congratulate the Town of Hillsborough for winning our Leading the Way Award.**

ETC Institute's "Leading the Way Award" was created to recognize local governments for outstanding achievement in the delivery of services to residents. Recipients of the award rank in the top 10% of all local governments in the United States with regard to their composite performance in the three core areas that are assessed on ETC Institute's DirectionFinder® Survey:

- satisfaction with the overall quality of services
- satisfaction with customer service provided by employees, and
- satisfaction with the value residents think they receive for local taxes and fees.

A maximum of 100 points are awarded in each of these areas based on the results of the survey. In order to rank in the "Top 10% of All Cities", a Town must have received a composite score of 210 or more, which means the Town scored an average of at least 70 points in all three areas. The threshold of 210 was established using the results of surveys from more than 400 communities that have participated in ETC Institute's DirectionFinder® Survey over the past two years. **The Town of Hillsborough's composite rating was 228 which was 52 points above the average composite score of 176 for all cities in the United States.**

The Town of Hillsborough is truly setting the standard in many areas. In addition to ranking in the top 10% overall, the Town also rated in the top 10% of all cities that participated in our DirectionFinder® between December 2021 and May 2022 in the areas listed below.

- Maintenance of sidewalks
- Parks and Recreation programs and facilities

- Enforcement of local codes and ordinances
- Condition of neighborhood streets
- Walking/biking trails
- Availability of information about services and activities
- Trash/garbage collection services

Since 1999, ETC Institute's DirectionFinder® Survey has been administered to nearly two million residents in all 50 states. Although ETC Institute has provided "benchmarking" data that has allowed communities to compare their results with other communities for many years, ETC Institute did not formally recognize the top performers until 2020. The crystal award that you are receiving weighs 11 pounds to represent the 11 cities that participated in ETC Institute's DirectionFinder® Survey the first year the survey was conducted in 2000.

More details about the Leading the Way Award, including the names of other award winners, are now available on our website at etcinstitute.com.

ETC Institute will feature the Town of Hillsborough as a winner of the award on our website and social media pages over the next few weeks. If you would like us to present the award virtually at a future meeting, we would be glad to do so. We can even provide a sample press release if needed.

Once again, congratulations to you, the Mayor, the Board of Commissioners, and all Town staff for your outstanding achievements!

Sincerely,



Christopher Tatham, CEO
Chris.Tatham@etcinstitute.com
913-669-6053



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Town Clerk
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Clerk Sarah Kimrey

ITEM TO BE CONSIDERED

Subject: Minutes

Attachments:

1. Regular meeting Aug. 8, 2022
2. Regular meeting closed session Aug. 8, 2022
3. Work session Aug. 22, 2022
4. Special meeting Aug. 29, 2022

Summary:

None.

Financial impacts:

None.

Staff recommendation and comments:

Approve minutes as presented.

Action requested:

Approve minutes of the Board of Commissioners regular meeting Aug. 8, 2022, regular meeting closed session Aug. 8, 2022, work session Aug. 22, 2022 and special meeting Aug. 29, 2022.



Minutes

Board of Commissioners Regular Meeting

7 p.m. Aug. 8, 2022

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

Present: Mayor Jenn Weaver and commissioners Mark Bell, Robb English, Kathleen Ferguson, Matt Hughes, and Evelyn Lloyd

Staff: Budget Director Emily Bradford, Police Chief Duane Hampton, Assistant Town Manager and Community Services Director Margaret Hauth, Town Attorney Bob Hornik, Town Clerk and Human Resources Technician Sarah Kimrey, Town Manager Eric Peterson, Utilities Director Marie Strandwitz, Public Space and Sustainability Manager Stephanie Trueblood and Communications Manager Catherine Wright

Opening of the meeting

Mayor Jenn Weaver called the meeting to order at 7:02 p.m.

1. Public charge

Weaver did not read the public charge but noted it was available on the agenda.

2. Audience comments not related to the printed agenda

There was none.

3. Agenda changes and approval

Item 6.C was removed, and a closed session was added as authorized by North Carolina General Statute Section 143-318.11(a)(1) as it potentially involves criminal investigation or an intelligence report that otherwise would not be a public record.

A motion was made to approve the amended agenda.

Motion made by Commissioner Matt Hughes, seconded by Commissioner Kathleen Ferguson.

Voting Yea: Commissioners Mark Bell, Robb English, Ferguson, Hughes and Evelyn Lloyd

4. Appointments

- A. Board of Adjustment – Reappointment of Jenn Sykes for a term ending April 30, 2025
- B. Parks and Recreation – Reappointment of Cole Kenworthy for a term ending Aug. 31, 2025

A motion was made to approve reappointments.

Motion made by Ferguson, seconded by Bell.

Voting Yea: Bell, English, Ferguson, Hughes and Lloyd

5. Items for decision – consent agenda

- A. Minutes
 - Regular meeting June 13, 2022
 - Regular meeting closed session June 13, 2022
 - Work session June 27, 2022
- B. Miscellaneous budget amendments and transfers
- C. Fees and Charges Schedule Update

- D. Letter of support for regional Safe Streets grant application
- E. Special Event Permit – Carolina Tarwheels Bike Fest
- F. Classification and Pay Amendments
- G. Resolution exempting design work for the skate spot at Cates Creek Park from the Mini-Brooks Act requirements for qualification-based selection
- H. Joint Letter to North Carolina Utilities Commission Concerning Duke Energy’s Carolinas Carbon Plan

A motion was made to approve consent agenda.

Motion made by Hughes, seconded by Ferguson.

Voting Yea: Bell, English, Ferguson, Hughes and Lloyd

6. Items for decision - regular agenda

A. Orange County Food Council Progress Report and MOU Renewal

This item was delayed to allow the presenter to arrive. Presentation of Item 6B was started and then stopped and this item was returned to when the Orange County Food Council Coordinator Ashley Heger arrived at 7:08 p.m.

Heger presented the council’s progress and accomplishments since 2020, including:

- A food access assessment that started in October and is expected to be complete in September.
- An 18-month pilot program funded by Orange County that is to start this fall to expand local food markets by connecting about eight growers with regional buyers.

Heger also presented a memorandum of understanding between the council and the county's jurisdictions. She noted the current agreement was signed in 2019 and was for two years. The proposed agreement would be for five years and includes the following other recommendations from the Executive Committee of the council:

- Update funding percentages with 2020 Census population data.
- Update number of council seats to match the bylaws.
- Include reference to racial equity work.
- Clarify role of the Executive Committee, the county manager’s supervision of the coordinator, and the annual invoicing process.

Board members suggested some text changes regarding the racial equity work. A revised memorandum of understanding will be presented to the board later this fall.

B. Update on board project list

Assistant Town Manager and Community Services Director Margaret Hauth reviewed that board members generated the project list in February of items they would like staff to work on. She said staff provided responses in April regarding which projects already were being worked on, needed clarification or direction, needed a longer response time or were not recommended for further pursuit. Discussion at a board meeting was not able to occur earlier.

The mayor asked the board to keep in mind that staff has a large list of projects they already are working on.

Board members provided the following guidance:

- Continue using the current broadcast method for board meetings now and look in the long term into possible improvements.
- Discuss a review of appointed boards’ procedures and onboarding for consistency with requirements or best practices before the end of the calendar year and look into adding an agreement on

expectations to the onboarding process for appointed boards and adding an oath to statutorily created boards.

- Provide a map of where current accessory dwelling units are located, look at the parameters for these units and discuss possible changes to encourage more development. The map is available to share now. Discussion about ordinance changes will follow any recommendations in the Comprehensive Sustainability Plan.
- Revisit a code of ethics ordinance before the November 2023 election cycle.
- Receive research by the end of the calendar year from the town attorney regarding any possible changes to the firearm regulation and regarding administering the nondiscrimination ordinance. Town Attorney Bob Hornik said he may have a draft amendment to the nondiscrimination ordinance for the board to review in September.
- Provide a listing of current town contracts when time allows within the Financial Services Department to help determine what type of contracts might be included in an online depository.
- Monitor what the City of Apex does regarding implementing dark sky friendly language in its development ordinance.
- Poll bars and restaurants in the winter regarding their interest in creating social districts, areas where alcoholic beverages can be purchased from a licensed Alcoholic Beverage Control permittee and then taken outdoors.
- Continue looking at what neighbors are doing regarding alternatives to traditional engagement and determine if it is scalable.
- Investigate making emails sent to the town board through the town website visible on the website.
- Discuss incorporating neighborhood block grants into future budget discussions.

Staff noted that:

- An assessment of the community's bicycle/pedestrian friendliness and recommendations for handling problem areas would be part of the Comprehensive Sustainability Plan.
- Moving board meetings to different community locations creates additional work for staff and confusion for the public.
- Staff are working on providing public Wi-Fi at town parks.
- Teen interest in engagement with the town is largely dependent on the topic.
- To deter noise, a noise ordinance has to be paired with enforcement, which would require significant staff additions.

~~C. Update on Berry Brick House gift~~

D. Hot topics for work session Aug. 22, 2022

The mayor said a joint meeting of the board and the Water and Sewer Advisory Committee will not take place at the work session as planned. The next joint session will be at the committee's regular meeting in November.

A salary study presentation and vote are planned for the work session.

The mayor said it was determined that a special meeting of the town board should be called to discuss the recommendations of the Mayor's Task Force on Re-imagining Public Safety. The board selected Aug. 29.

A motion was made to call a special meeting at 7 p.m. Aug. 29 to discuss the Mayor's Task Force on Re-imagining Public Safety's recommendation on establishing an advisory board.

Motion made by Ferguson, seconded by Hughes.

Voting Yea: Bell, English, Ferguson, Hughes and Lloyd

7. Updates

- A. Board members
Board members gave updates on the committees and boards on which they serve.
- B. Town manager
Town Manager Eric Peterson gave a status update on the audit and the recruitment process for a finance director and community services director.
- C. Staff (written reports in agenda packet)
The community services director noted that Labor Day is not in the original schedule for the display of flags. She said flag banners will be displayed for Veterans Day.

A motion was made to move into closed session at 9:23 p.m.

Motion made by Hughes, seconded by Lloyd.

Voting Yea: Bell, English, Ferguson, Hughes and Lloyd

8. Closed session (added item)

- A. Closed session as authorized by North Carolina General Statute Section 143-318.11(a)(1) potentially involves criminal investigation or an intelligence report that otherwise would not be a public record

A motion was made to return to open session at 9:48 p.m.

Motion made by Ferguson, seconded by Bell.

Voting Yea: Bell, English, Ferguson, Hughes and Lloyd

9. Adjournment

Weaver adjourned the meeting at 9:49 p.m.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners

FY 2022-2023

TOWN OF HILLSBOROUGH
BUDGET CHANGES REPORT
DATES: 08/08/2022 TO 08/08/2022

	<u>REFERENCE</u>	<u>CHANGE NUMBER</u>	<u>DATE</u>	<u>USER</u>	<u>ORIGINAL BUDGET</u>	<u>BUDGET CHANGE</u>	<u>AMENDED BUDGET</u>
GF-Contingency	10-00-9990-5300-000 CONTINGENCY To fund increased HOME match	27786	08/08/2022	EBRADFORI	300,000.00	-2,286.00	297,714.00
Admin.	10-10-4200-5300-113 LICENSE FEES To cover Neogov	27783	08/08/2022	EBRADFORI	16,950.00	279.00	17,229.00
Admin.	10-10-4200-5300-451 C.S./PRINTING Additional utilities inserts.	27743	08/08/2022	JFernandez	5,256.00	2,136.00	7,392.00
Admin.	10-10-4200-5300-530 DUES & SUBSCRIPTIONS Additional Associated Press Style Book st	27742	08/08/2022	JFernandez	7,677.00	27.00	7,704.00
Admin.	10-10-4200-5300-570 MISCELLANEOUS AP Style Book subscript. and utilities inse	27741	08/08/2022	JFernandez	31,253.00	-2,163.00	29,090.00
	To cover Neogov	27784	08/08/2022	EBRADFORI	31,253.00	-279.00	28,811.00
Planning	10-10-4900-5300-750 HOME FUNDS GRANT MATCH To adj per actual	27785	08/08/2022	EBRADFORI	4,200.00	2,286.00	6,486.00
Police	10-20-5100-5300-490 C.S./ALARM SERVICE To cover alarm services contract.	27737	08/08/2022	JFernandez	370.00	120.00	490.00
Police	10-20-5100-5300-570 MISCELLANEOUS To cover alarm services contract.	27738	08/08/2022	JFernandez	3,500.00	-120.00	3,380.00
WFER	30-80-8130-5300-412 C.S./MONITORING MISSION UNIT To cover monitoring services at West Fork	27739	08/08/2022	JFernandez	625.00	16.40	641.40
WFER	30-80-8130-5300-570 MISCELLANEOUS To cover monitoring services at West Fork	27740	08/08/2022	JFernandez	2,600.00	-16.40	2,583.60
Water Distribution	30-80-8140-5300-351 RENTAL - EQUIPMENT Increase for Apple Electronics and Security	27735	08/08/2022	JFernandez	4,000.00	-50.00	3,950.00
Water Distribution	30-80-8140-5300-490 C.S./ALARM Increase for Apple Electronics and Security	27736	08/08/2022	JFernandez	400.00	50.00	450.00
Water Distribution	30-80-8140-5300-583 MISC.-TAX, TAGS, ETC. To re-appropriate FY22 tax/tag funds	27780	08/08/2022	EBRADFORI	0.00	2,250.00	2,250.00
WW Collection	30-80-8200-5300-583 MISC.-TAX, TAGS, ETC. To re-appropriate FY22 tax/tag funds	27781	08/08/2022	EBRADFORI	0.00	2,250.00	2,250.00
WWTP	30-80-8220-5300-413 C.S./DI WATER SYSTEM SERVICE To cover actual contract cost for DI System	27744	08/08/2022	JFernandez	3,280.00	567.00	3,847.00
WWTP	30-80-8220-5300-570 MISCELLANEOUS To cover actual contract cost for DI System	27745	08/08/2022	JFernandez	4,300.00	-567.00	3,733.00
W&S Contingency	30-80-9990-5300-000 CONTINGENCY To re-appropriate FY22 tax/tag funds	27782	08/08/2022	EBRADFORI	400,000.00	-4,500.00	395,500.00
						<u>0.00</u>	

APPROVED: 5/0

DATE: 8/8/22

VERIFIED: Sharon E. Kimrey



August 8, 2022

Secretary Pete Buttigieg
U.S. Department of Transportation
Office of the Secretary
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Buttigieg:

Hillsborough is a community of nearly 10,000 residents who value connectedness and strive for an inclusive community. The town of Hillsborough encompasses just over 6 square miles of area, within which we manage nearly 40-mile road network included in the project area for a grant application.

Hillsborough is pleased to write this letter to express strong support for the Durham-Chapel Hill-Carrboro Metropolitan Planning Organization (DCHC-MPO) to receive funding under the FY2022 Safe Streets and Roads for All Program. The DCHC-MPO is the regional organization responsible for transportation planning for the western part of the Research Triangle Area in North Carolina.

DCHC-MPO is submitting an application under this program to fund development of a Comprehensive Safety Action Plan for regional improvements covering the urbanized area for which the DCHC-MPO coordinates and makes decisions on planning efforts. Four municipalities and three Counties will come together to develop this Action Plan: the City of Durham, the Towns of Chapel Hill, Carrboro and Hillsborough, and the Counties of Chatham, Durham, and Orange. All groups share a commitment to moving towards a Vision Zero goal and planning for low cost, high impact safety improvements.

The DCHC-MPO is committed to safety and equity as demonstrated in the adopted *Connect 2050 Plan*, some of the foundations of which include investments in safer streets, user-focused transit services, and greater access to job hubs from traditionally under-represented neighborhoods. As a regional effort led by the MPO, the project will lead with an equity focus to promote investment in underserved communities in the region. A diverse group of public and private stakeholders will be engaged to promote regional buy-in for the Action Plan such as the North Carolina Department of Transportation, County Health Departments, and others such as local universities, community groups and large employers in the region.

Development of this Action Plan will help advance regional goals of preventing death and serious injuries on roads and streets. Hillsborough strongly supports and recommends that the DCHC-MPO receive federal funding to advance this project and respectfully request and appreciate your time in considering this application.

Sincerely,


Jenn Weaver
Mayor



RESOLUTION

Resolution Exempting Design Consultation for the Skate Spot at Cates Creek Park, 1445 Cates Creek Parkway, from NCGS 143-64.31

WHEREAS, N.C.G.S. 143-64.31 requires the initial solicitation and evaluation of firms to perform architectural, engineering, surveying, construction management-at-risk services, and design-build services (collectively "design services") to be based on qualifications and without regard to fee; and

WHEREAS, the town proposes to enter into one contract for design services to inform to the design program; and

WHEREAS, G.S. 143-64.32 authorizes units of local government to exempt contracts for design services from the qualifications-based selection requirements of G.S. 143-64.31 if the estimated fee is less than \$50,000; and

WHEREAS, estimated fee for design services for the above-described project is less than \$20,000;

NOW, THEREFORE, be it resolved the Hillsborough Board of Commissioners be it resolved the Hillsborough Board of Commissioners:

Section 1. The above-described project is hereby made exempt from the provisions of G.S. 143-64.31.

Section 2. This resolution shall be effective upon adoption.

Approved this 8th day of August 2022.

A handwritten signature in black ink, appearing to read "Jenn Weaver".

Jenn Weaver, Mayor
Town of Hillsborough



Attestation:

A handwritten signature in black ink, appearing to read "Sarah Kimrey".

Sarah Kimrey, Town Clerk

Regular (Non-Law Enforcement) Positions						
Salary Grade	Minimum	Midpoint	Maximum	FLSA Status	Class Code	Classification
1	33,209	42,571	51,934	N	0100	CUSTOMER SERVICE REPRESENTATIVE
1	33,209	42,571	51,934	N	0101	METER SERVICES TECHNICIAN
1	33,209	42,571	51,934	N	0102	UTILITY MAINTENANCE TECHNICIAN I
2	34,769	44,600	54,431	N	0204	ACCOUNTS PAYABLE TECHNICIAN
2	34,769	44,600	54,431	N	0205	ADMINISTRATIVE SUPPORT SPECIALIST
2	34,769	44,600	54,431	N	0206	EQUIPMENT OPERATOR I
2	34,769	44,600	54,431	N	0207	UTILITY MAINTENANCE TECHNICIAN II
3	36,408	46,730	57,052	N	0304	EQUIPMENT OPERATOR II
3	36,408	46,730	57,052	N	0305	SENIOR ADMINISTRATIVE SUPPORT SPECIALIST
3	36,408	46,730	57,052	N	0307	UTILITY MAINTENANCE TECHNICIAN III
3	36,408	46,730	57,052	N	0308	WASTEWATER PLANT OPERATOR I
3	36,408	46,730	57,052	N	0309	WATER PLANT OPERATOR I
4	38,128	48,967	59,805	N	0403	CREW LEADER/EQUIPMENT OPERATOR III
4	38,128	48,967	59,805	N	0405	PLANNING TECHNICIAN
4	38,128	48,967	59,805	N	0406	UTILITY SYSTEMS MECHANIC I
4	38,128	48,967	59,805	N	0407	WASTEWATER PLANT OPERATOR II
4	38,128	48,967	59,805	N	0408	WATER PLANT OPERATOR II
4	38,128	48,967	59,805	N	0409	PLANT MAINTENANCE MECHANIC I
4	38,128	48,967	59,805	N	0410	PLANT MECHANIC
5	39,934	51,315	62,695	N	0507	ACCOUNTING TECHNICIAN
5	39,934	51,315	62,695	N	0509	UTILITY SYSTEMS MECHANIC II
5	39,934	51,315	62,695	N	0510	PLANT MAINTENANCE MECHANIC II
6	41,831	53,781	65,730	N	0608	LABORATORY TECHNICIAN/WATER PLANT OPERATOR III
6	41,831	53,781	65,730	N	0609	UTILITY SYSTEMS MECHANIC III
6	41,831	53,781	65,730	N	0610	WASTEWATER LABORATORY SUPERVISOR
6	41,831	53,781	65,730	N	0611	WASTEWATER PLANT OPERATOR III
6	41,831	53,781	65,730	N	0612	WATER PLANT OPERATOR III
6	41,831	53,781	65,730	N	0613	PLANT MAINTENANCE MECHANIC III
7	43,823	56,370	68,916	N	0708	BACKFLOW/FOG SPECIALIST
7	43,823	56,370	68,916	N	0711	FLEET MECHANIC
7	43,823	56,370	68,916	N	0712	OPERATOR IN RESPONSIBLE CHARGE
8	45,914	59,088	72,262	N	0804	METER SERVICES SUPERVISOR
8	45,914	59,088	72,262	N	0806	COMMUNICATIONS SPECIALIST
8	45,914	59,088	72,262	N	0807	STORMWATER PROGRAM COORDINATOR
8	45,914	59,088	72,262	E	0808	BILLING & CUSTOMER SERVICE SUPERVISOR
9	48,110	61,942	75,775	N	0908	CHIEF WASTEWATER PLANT OPERATOR
9	48,110	61,942	75,775	E	0910	FINANCIAL ANALYST
9	48,110	61,942	75,775	E	0911	MANAGEMENT ANALYST
9	48,110	61,942	75,775	E	0912	PLANNER
9	48,110	61,942	75,775	N	0913	UTILITIES INSPECTOR
10	50,415	64,940	79,464	E	1013	HUMAN RESOURCES ANALYST
10	50,415	64,940	79,464	E	1016	WEB DEVELOPER/ASSISTANT COMMUNICATIONS MANAGER
10	50,415	64,940	79,464	N	1020	FACILITIES COORDINATOR
11	52,836	68,087	83,337	E	1107	UTILITY MAINTENANCE SUPERVISOR
11	52,836	68,087	83,337	E	1108	UTILITY SYSTEM SUPERVISOR
11	52,836	68,087	83,337	E	1109	BUDGET & MANAGEMENT ANALYST

12	55,378	71,391	87,404	E	1211	FLEET MAINTENANCE SUPERVISOR
12	55,378	71,391	87,404	E	1213	SENIOR PLANNER
13	58,047	74,860	91,674	E	1301	TOWN CLERK/HR TECH
13	58,047	74,860	91,674	E	1302	CIVIL ENGINEERING TECHNICAN
14	60,849	78,504	96,158	E	1407	SAFETY & RISK MANAGER
15	63,791	82,329	100,866	E	1507	UTILITY SYSTEM SUPERINTENDENT
15	63,791	82,329	100,866	E	1508	WASTEWATER PLANT SUPERINTENDENT
15	63,791	82,329	100,866	E	1509	WATER PLANT SUPERINTENDENT
16	66,881	86,345	105,809			
17	70,125	90,562	111,000	E	1701	COMMUNICATIONS MANAGER
17	70,125	90,562	111,000	E	1702	PUBLIC SPACES & SUSTAINABILITY MANAGER
17	70,125	90,562	111,000	E	1703	PUBLIC WORKS MANAGER
17	70,125	90,562	111,000	E	1704	HR MANAGER
17	70,125	90,562	111,000	E	1705	STORMWATER & ENVIRONMENTAL SERVICES MANAGER
17	70,125	90,562	111,000	E	1706	IT MANAGER
17	70,125	90,562	111,000	E	1707	ENVIRONMENTAL ENGINEERING SUPERVISOR
17	70,125	90,562	111,000	E	1708	ASSISTANT FINANCE DIRECTOR
18	73,531	94,990	116,450	E	1801	PLANNING & ECONOMIC DEVELOPMENT MANAGER
19	77,108	99,640	122,172			
20	80,863	104,522	128,181	E	2002	BUDGET DIRECTOR
21	84,806	109,648	134,490			
22	88,947	115,031	141,114	E	2201	ADMINISTRATIVE SERVICES DIRECTOR
23	93,294	120,682	148,070	E	2301	FINANCE DIRECTOR
23	93,294	120,682	148,070	E	2302	UTILITIES DIRECTOR
24	97,859	126,616	155,374	E	2400	ASSISTANT TOWN MANAGER/COMMUNITY SERVICES DIRECTOR

Sworn Law Enforcement Officer Positions

Salary Grade	Minimum	Midpoint	Maximum	FLSA Status	Class Code	Classification
P0	43,823	NA	NA	N	P100	Police Officer Trainee
P1	48,000	61,174	74,348	N	P101	POLICE OFFICER/POLICE OFFICER FIRST CLASS
P2	50,196	64,028	77,861	N	P201	SENIOR POLICE OFFICER
P3	52,501	67,026	81,550	N	P301	POLICE CORPORAL
P3	52,501	67,026	81,550	N	P302	MASTER POLICE OFFICER
P4	57,464	73,477	89,490	N	P401	POLICE SERGEANT
P5	62,935	80,590	98,244	E	P501	POLICE LIEUTENANT
P6	67,082	87,207	107,331	E	P601	POLICE MAJOR
P7	95,380	122,768	150,156	E	P601	CHIEF OF POLICE



Minutes

Board of Commissioners Work Session

7 p.m. Aug. 22, 2022

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

Present: Mayor Jenn Weaver and commissioners Mark Bell, Robb English, Matt Hughes and Evelyn Lloyd

Absent: Commissioner Kathleen Ferguson

Staff: Assistant Town Manager and Community Services Director Margaret Hauth, Town Attorney Bob Hornik, Town Clerk and Human Resources Technician Sarah Kimrey, Town Manager Eric Peterson and Communications Specialist Cheryl Sadgrove

1. Opening of the work session

Mayor Jenn Weaver opened the work session at 7:01 p.m.

2. Agenda changes and approval

A motion was made to approve agenda as presented.

Motion made by Commissioner Matt Hughes, seconded by Commissioner Robb English.

Voting Yea: Commissioners Mark Bell, English, Hughes and Evelyn Lloyd

3. Items for decision - consent agenda

- A. Miscellaneous budget amendments and transfers
- B. Special Event Permit: Hillsborough Arts Council Last Fridays Street Closure (August Performance)
- C. Special Event Permit: Historic Hillsborough Half Marathon and 5K

A motion was made to approve consent agenda.

Motion made by Bell, seconded by Lloyd.

Voting Yea: Bell, English, Hughes and Lloyd

4. In-depth discussion and topics

- A. Approval of funds to attend International LGBTQ Leaders Conference

A motion was made to approve funds for the conference.

Motion made by Bell, seconded by English.

Voting Yea: Bell, English, Hughes and Lloyd

- B. Update from town attorney on enforcement options for non-discrimination ordinance

5. Committee updates and reports

Board members gave updates on the committees and boards on which they serve.

6. Adjournment

Mayor Weaver adjourned the meeting at 7:13 p.m.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners

DRAFT



Minutes

Board of Commissioners Special Meeting

7 p.m. Aug. 29, 2022

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

Present: Mayor Jenn Weaver and commissioners Mark Bell, Kathleen Ferguson, Matt Hughes, and Evelyn Lloyd

Absent: Commissioner Robb English

Staff: Police Chief Duane Hampton, Town Attorney Bob Hornik, Town Clerk and Human Resources Technician Sarah Kimrey, Town Manager Eric Peterson and Communications Specialist Cheryl Sadgrove

1. Opening of the meeting

Mayor Jenn Weaver opened the meeting at 7:01 p.m.

2. Agenda changes and approval

There was none.

3. In-depth discussion and topics

Discussion on recommendations from the Mayor's Task Force on Re-imagining Public Safety regarding establishing a standing advisory board

Police Chief Duane Hampton acknowledged that the task force had recommended creating a standing advisory board and that he recommended that such a board not be created because the recommendation lacked specifics on what such a board might do. He did not think that there would be enough work for the advisory board to hold the interest of the members serving on it.

The police chief recommended development of a sustained series of semi-annual or annual community safety conversations or listening sessions. These sessions could include police sharing data as well as hearing safety concerns from the community.

The mayor recognized that there were three members of the task force present: Judit Alvarado, Chloe Johnson and Allison Zirkel. When asked what problems or gaps they thought a standing advisory board would address, they said that some community members are not comfortable directly talking to the police and others want more positive police interactions in their neighborhoods. Having an appropriate mental health response to a person having a mental health crisis was also mentioned.

Commissioner Kathleen Ferguson said her involvement in her neighborhood Community Watch helped her understand how the Hillsborough Police Department operates. She encouraged leveraging Community Watch groups for engagement to provide the greatest involvement of a broader representation of residents throughout the town.

When asked what the board is doing to address why there are more police calls to some areas than others, Weaver said the board does not have initiatives developed around where there is more police response. Hampton said he is aware of attention surrounding over policing, but the police respond to where they have received calls.

Commissioner Mark Bell suggested asking the public for questions to be addressed at the community engagement meeting.

Commissioner Matt Hughes said he was interested in an advocacy board with a service component. He wanted the task force to continue to meet to help define what an advocacy board would do.

Ferguson expressed support for annual or semi-annual community engagement meetings. She encouraged leveraging Community Watch groups. She also noted that the Board of Commissioners is responsible for oversight of the Police Department.

The mayor clarified that the task force has finished meeting. She wondered if a robust community meeting could focus on some of the task force's unfinished topics. She added that she would want the town to be prepared should there be a police-related incident in Hillsborough in terms of how to help the community to think about it and talk about it. She expressed concern that the town does not have the capacity required to successfully start and maintain another standing advisory board.

Town Manager Eric Peterson said that it is better to move incrementally and learn from mistakes along the way rather than take a big swing. He encouraged bringing in other departments to engage with the public in addition to the Hillsborough Police Department.

A motion was made to direct staff to return with a summary and a proposed schedule of semi-annual meetings

Motion made by Ferguson, seconded by Commissioner Bell.
Voting Yea: Bell, Ferguson, Hughes and Evelyn Lloyd

3. Adjournment

Weaver adjourned the meeting at 9:02 p.m.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

ITEM TO BE CONSIDERED

Subject: Miscellaneous budget amendments and transfers

Attachments:

Budget Changes Report

Summary:

To adjust budgeted revenues and expenditures, where needed, due to changes that have occurred since budget adoption.

Financial impacts:

As indicated by each amendment.

Staff recommendation and comments:

To approve the attached list of budget amendments and transfers.

Action requested:

Consider approving budget amendments and transfers.

FY 2022-2023

TOWN OF HILLSBOROUGH BUDGET CHANGES REPORT

DATES: 09/12/2022 TO 09/12/2022

	<u>REFERENCE</u>	<u>CHANGE NUMBER</u>	<u>DATE</u>	<u>USER</u>	<u>ORIGINAL BUDGET</u>	<u>BUDGET CHANGE</u>	<u>AMENDED BUDGET</u>
GF-Contingency	10-00-9990-5300-000 CONTINGENCY						
	To cover brining equipment	27811	09/12/2022	EBRADFORI	300,000.00	-7,351.00	290,363.00
	To cover Hog Day dumpsters	27825	09/12/2022	EBRADFORI	300,000.00	-400.00	289,963.00
	To cover building maintenance	27833	09/12/2022	EBRADFORI	300,000.00	-1,250.00	288,713.00
	To cover audit expenses	27838	09/12/2022	EBRADFORI	300,000.00	-17,000.00	271,713.00
Governing Body	10-10-4100-5300-040 AUDIT FEES						
	To cover audit expenses	27837	09/12/2022	EBRADFORI	88,000.00	17,000.00	105,000.00
Admin.	10-10-4200-5300-145 MAINTENANCE - BUILDINGS						
	To cover misc. maintenance	27830	09/12/2022	EBRADFORI	0.00	500.00	500.00
Admin.	10-10-4200-5300-458 DATA PROCESSING SERVICES						
	Renewal of Convertio annual file convers	27813	09/12/2022	JFernandez	36,673.00	71.88	36,744.88
Admin.	10-10-4200-5300-570 MISCELLANEOUS						
	Renewal of Convertio annual file convers	27812	09/12/2022	JFernandez	31,253.00	-71.88	28,739.12
Accounting	10-10-4400-5300-145 MAINTENANCE - BUILDINGS						
	To cover misc. maintenance	27831	09/12/2022	EBRADFORI	0.00	750.00	750.00
Planning	10-10-4900-5300-145 MAINTENANCE - BUILDINGS						
	To cover kitchen appliances.	27829	09/12/2022	JFernandez	0.00	400.00	400.00
Planning	10-10-4900-5300-330 SUPPLIES - DEPARTMENTAL						
	To cover kitchen appliances.	27828	09/12/2022	JFernandez	1,800.00	-400.00	1,400.00
Planning	10-10-4900-5300-441 C.S./ENG REVIEW						
	To move MPO match from PubSp budget	27818	09/12/2022	EBRADFORI	50,000.00	30,000.00	80,000.00
Fleet Maint.	10-30-5550-5300-330 SUPPLIES - DEPARTMENTAL						
	To cover uniform costs	27835	09/12/2022	EBRADFORI	27,267.00	-400.00	26,867.00
Fleet Maint.	10-30-5550-5300-350 UNIFORMS						
	To cover uniform costs	27836	09/12/2022	EBRADFORI	5,250.00	400.00	5,650.00
Streets	10-30-5600-5700-741 CAPITAL - EQUIPMENT						
	To cover brining equipment	27810	09/12/2022	EBRADFORI	0.00	7,351.00	7,351.00
Solid Waste	10-30-5800-5300-414 C.S./COMM.DUMP.COLL.						
	To cover Hog Day dumpsters	27824	09/12/2022	EBRADFORI	800.00	400.00	1,200.00
Public Space	10-71-6300-5982-006 TRANSFER TO GEN CAP IMPROV FUND						
	To move MPO match to Planning budget	27817	09/12/2022	EBRADFORI	70,000.00	-30,000.00	40,000.00
Billing & Coll.	30-80-7240-5300-145 MAINTENANCE - BUILDINGS						
	To cover misc. maintenance	27832	09/12/2022	EBRADFORI	0.00	750.00	750.00
WTP	30-80-8120-5300-158 MAINTENANCE - EQUIPMENT						
	Diesel fuel - generators at Water Treatmer	27822	09/12/2022	JFernandez	85,680.00	-5,000.00	80,680.00
WTP	30-80-8120-5300-310 GASOLINE						
	Diesel fuel - generators at Water Treatmer	27823	09/12/2022	JFernandez	3,450.00	5,000.00	8,450.00
WTP	30-80-8120-5300-323 SUPPLIES - CHEMICALS						
	To cover alum order invoice at WTP.	27808	09/12/2022	JFernandez	207,490.00	13,600.00	221,090.00
WFER	30-80-8130-5300-154 MAINTENANCE - GROUNDS						
	To cover tree removal at reservoir.	27807	09/12/2022	JFernandez	14,000.00	6,740.00	20,740.00
W&S Contingency	30-80-9990-5300-000 CONTINGENCY						
	To cover tree removal at reservoir.	27806	09/12/2022	JFernandez	400,000.00	-6,740.00	310,760.00

EBRADFORD
fl142r03

09/06/2022 2:46:19PM

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FY 2022-2023

TOWN OF HILLSBOROUGH
BUDGET CHANGES REPORT

DATES: 09/12/2022 TO 09/12/2022

<u>REFERENCE</u>	<u>CHANGE NUMBER</u>	<u>DATE</u>	<u>USER</u>	<u>ORIGINAL BUDGET</u>	<u>BUDGET CHANGE</u>	<u>AMENDED BUDGET</u>
To cover alum order invoice at WTP.	27809	09/12/2022	JFernandez	400,000.00	-13,600.00	297,160.00
To cover building maintenance	27834	09/12/2022	EBRADFORI	400,000.00	-750.00	296,410.00
					<u>0.00</u>	



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

ITEM TO BE CONSIDERED

Subject: Amend Greenway South Project Ordinance

Attachments:

1. Project Ordinance Amendment
2. Budget Changes Report

Summary:

To move feasibility study expense to the operating budget since it is not a capitalizable expense.

Financial impacts:

No additional impact to the budget.

Staff recommendation and comments:

Approve the amended project ordinance and associated budget amendments.

Action requested:

Approve the amended project ordinance and associated budget amendments.



ORDINANCE
Capital Project Amendment
Greenway South System

The Hillsborough Board of Commissioners ordains that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. Revenues anticipated to be available to the town to complete the project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
Greenway South System	\$150,000	(\$150,000)	\$0

Section 2. Amounts appropriated for the capital project are hereby amended as follows.

	<i>Current Budget</i>	<i>+/-</i>	<i>Amended Budget</i>
Greenway South System	\$150,000	(\$150,000)	\$0

Section 3. Copies of this ordinance should be furnished to the clerk, budget officer and finance officer to be kept on file by them for their direction in carrying out this project.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 12th day of September in 2022.

Ayes:
Noes:
Absent or excused:

Sarah E. Kimrey, Town Clerk

FY 2022-2023

TOWN OF HILLSBOROUGH
BUDGET CHANGES REPORT

DATES: 09/12/2022 TO 09/12/2022

<u>REFERENCE</u>	<u>CHANGE NUMBER</u>	<u>DATE</u>	<u>USER</u>	<u>ORIGINAL BUDGET</u>	<u>BUDGET CHANGE</u>	<u>AMENDED BUDGET</u>
Greenway 60-28-3870-3870-408 TRANSFER FROM GF - GREENWAY SOUTH South System Move feasibility study to operating budge	27841	09/12/2022	EBRADFORI	0.00	-30,000.00	0.00
Greenway 60-28-6300-5700-782 GREENWAY SOUTH SYSTEM South System Move feasibility study to operating budge	27842	09/12/2022	EBRADFORI	0.00	-30,000.00	0.00
					<u>-60,000.00</u>	



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	Sept. 12, 2022
Department:	Governing Body
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Mayor Jenn Weaver

ITEM TO BE CONSIDERED

Subject: Proclamation – International Day of Peace

Attachments:

1. Proclamation
2. Peace Week calendar of events

Summary:

The International Day of Peace was established in 1981 by the United Nations General Assembly. Two decades later, in 2001, the General Assembly unanimously voted to designate the day as a period of non-violence and cease-fire. Each year the International Day of Peace is observed around the world on Sept. 21.

Michelle Spinella of PeaceCast.tv is hosting Peace Day related events in Hillsborough and surrounding areas in celebration of the International Day of Peace. Community members are invited to participate in Peace Day events the week of Sept. 18 through Sept. 25, 2022.

Financial impacts:

N/A

Staff recommendation and comments:

N/A

Action requested:

To approve proclamation designating Sept. 21, 2022, as International Day of Peace in the Town of Hillsborough.



PROCLAMATION

International Day of Peace

Sept. 21, 2022

WHEREAS, in 1981 the United Nations General Assembly, designated Sept. 21 as the International Day of Peace to be “devoted to commemorating and strengthening the ideals of peace both within and among all nations and peoples, through education and public awareness”; and

WHEREAS, in 2001 the United Nations General Assembly declared that the International Day of Peace shall be observed as a day of global ceasefire and non-violence; an invitation to all nations and people to honor a cessation of hostilities for the duration of the day; and

WHEREAS, the 2022 theme for the International Day of Peace is “End racism. Build peace.”; and

WHEREAS, we acknowledge that achieving true peace entails much more than laying down arms; it requires the building of societies where all members feel that they can flourish. It involves creating a world in which people are treated equally and have the same opportunities to thrive, regardless of their race; and

WHEREAS, we all have a role to play in fostering peace, and tackling racism is a crucial way to contribute; and

WHEREAS, all are invited to join the efforts of the United Nations to work towards a world free of racism and racial discrimination. A world where compassion and empathy overcome suspicion and hatred. A world that we can truly be proud of.

NOW, THEREFORE, I, Jenn Weaver, mayor of the Town of Hillsborough, join with other communities throughout the world to hereby proclaim Sept. 21, 2022, as the **International Day of Peace** in the Town of Hillsborough and encourage all residents to participate in peace week events being held in the area Sept. 18 through Sept. 25 in an effort to promote peace and equality.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 12th day of September in the year 2022.

Jenn Weaver, Mayor
Town of Hillsborough

HILLSBOROUGH celebrating
International Day of Peace
SEPTEMBER 21
PEACE WEEK CALENDAR
Sunday, Sept 18 thru Sunday, Sept 25

Peace Day, Wednesday, Sept 21

- 5:45 pm **Mayor gives Proclamation for Peace** on lawn of the old Court House
- 6:00 pm **Eno Friends Quaker Peace Day Vigil & Poetry Reading** lawn of Old Court House
 - 6-7 pm Meditative Vigil
 - 7-8 pm Peace Poetry Reading
- **Peaceful Schools NC** on lawn of the old Court House information table with button-making machine for visitors to make peace buttons.
- **Resources for Peace** on lawn of the old Court House information table with origami peace cranes available.
- **Yonder Bar Music for Peace** 7-9 pm @ 114 W. King Street, with celebrated musicians Jesse Fox, Karen Novy & Kirk Ridge.
- **PeaceCast2022 worldwide** annual Peace Day webcast online at [PeaceCast.tv YouTube Channel](https://www.peacecast.tv).

Thursday, Sept 22

- **Peace Education Program (PEP)** the Passmore Center and Resources for Peace collaborating to offer the PEP, a 10-week free workshop, beginning Sept 15 thru Nov 17, Thursdays at 1:15 pm at the Passmore Center, 103 Meadowlands Dr. Everyone welcome.

Saturday, Sept 24

- **Peace for People Picnic in the Park** at Gold Park
 - 2-6 pm Picnic and Activities - community organization tables with information and materials related to peace and non-violence.
 - **Orange County Animal Services** adoption information
 - **Paws4ever** "Positive Training for Peace" showcasing obedience training for dogs.
 - **Inter-Faith Council for Social Service** information table and materials.
 - **Compass Center for Women and Families** sharing IFC table with informational materials

All During Peace Week

- **Los Altos Mexican Restaurant** offering delicious Peace Week menu Special –*Torta & Aqua Fresca!*
- **Margaret Lane Art Gallery** Exhibition: *Peace, Personal Perspectives* shares views of peace by 20 local artists. Show runs through September.
- **WHUP Radio 3-D News** 8:00 am program during Peace Week featuring guests from participating organizations on the topic of peace and why celebrating Peace Day.
- **Hillsborough Arts Council** will display and distribute origami peace cranes, handmade by a local artist at the Gallery & Gift Shop during peace week.
- **Orange County Public Library** promoting list of children's book titles about peace on their social media sites in recognition of the International Day of Peace.
- **Chapel Hill Library/Resources for Peace** Information about Peace Day and book display of *New York Times* best-selling book, "Hear Yourself: How to Find Peace in a Noisy World."



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	Sept. 12, 2022
Department:	Governing Body
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Mayor Jenn Weaver

ITEM TO BE CONSIDERED

Subject: Proclamation – Diaper Need Awareness Week

Attachments:

Proclamation

Summary:

National Diaper Need Awareness Week is Sept. 24 – Oct. 2, 2022. This event provides an excellent opportunity for our community to recognize Hillsborough children living in poverty whose access to a reliable supply of clean diapers is necessary for their health and wellbeing. Moreover, Diaper Need Awareness Week can help educate the public that diapers cannot be bought with food stamps or WIC vouchers, making a sufficient supply of diapers an economic hardship for families in need.

Financial impacts:

None.

Staff recommendation and comments:

None.

Action requested:

To approve proclamation designating Sept. 24 – Oct. 2, 2022, as Diaper Need Awareness Week in the Town of Hillsborough.



PROCLAMATION

2022 Diaper Need Awareness Week

Sept. 24 through Oct. 2

WHEREAS, diaper need, the condition of not having a sufficient supply of clean diapers to keep babies and toddlers clean, dry, and healthy, can adversely affect the health and well-being of babies, toddlers, and their families; and

WHEREAS, national surveys and research studies report that one in three families struggle with diaper need and 48 percent of families delay changing a diaper to extend their supply; and

WHEREAS, purchasing enough diapers to keep a baby or toddler clean, dry, and healthy can consume 14 percent of a low-wage family's post-tax income, making it difficult to obtain a sufficient supply; and

WHEREAS, a daily or weekly supply of diapers is generally an eligibility requirement for babies and toddlers to participate in child care programs and quality early-education programs; and

WHEREAS, without enough diapers, babies and toddlers risk infections and health problems that may require medical attention, and may prevent parents from attending work or school, thereby hurting the family's economic prospects and well-being; and

WHEREAS, the people of Hillsborough recognize that diaper need is a public health issue, and addressing diaper need can lead to economic opportunity for the state's families and communities and improved health for children, thus ensuring all people have access to the basic necessities required to thrive and reach their full potential; and

WHEREAS, Hillsborough is proud to be home to trusted community-based organizations including Diaper Bank of North Carolina that recognize the importance of diapers in ensuring health and providing economic stability for families and thus distribute diapers to families through various channels; and

WHEREAS, Diaper Bank of North Carolina and its staff and volunteers served on the front lines of Hillsborough's COVID-19 pandemic response helping families in our communities weather the crisis;

NOW, THEREFORE, I, Jenn Weaver, mayor of the Town of Hillsborough, do hereby proclaim the week of Sept. 24 through Oct. 2, 2022, as **DIAPER NEED AWARENESS WEEK** in the Town of Hillsborough, thank the aforementioned diaper bank, their staff, volunteers and donors, for their service and encourage the residents of Hillsborough to donate generously to diaper banks, diaper drives, and those organizations that collect and distribute diapers to those struggling with diaper need, so that all of Hillsborough's children and families can thrive and reach their full potential.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 12th day of September in the year 2022.

Jenn Weaver, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	Sept. 12, 2022
Department:	Planning
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Evan Punch, Planning Technician
Shannan Campbell, Planning and Economic Development Manager

ITEM TO BE CONSIDERED

Subject: Special Event Permit: Hillsborough Hog Day

Attachments:

1. Special Event Permit Application: Hog Day Event Application
2. Field layout for River Park
3. Route Layouts and road closure information

Summary:

The event is expecting around 3,500 people this year. The event will span two days, Friday night to Saturday evening. Portions of S. Cameron and E. Margaret Lane are requesting to be closed to through traffic.

Financial impacts:

Low; however, sponsorship is being requested for town services, so department-level costs are associated with public works and police event assistance.

Staff recommendation and comments:

Event organizers were very late getting special event paperwork in and as a result HPD may only be able to provide limited assistance with the road closures the event organizers are requesting. Staff has encouraged event organizers to apply for their special event permit earlier in future years.

Action requested:

Approve, approve with conditions, or deny the permit and subsequent road closures/greenway use/sponsorship of police and trash assistance.

SPECIAL EVENT PERMIT APPLICATION

Please review the Event Policy Ordinance, Chapter 7 of the Town Code, to determine if your event requires a Special Event Permit. The Permit Application must be received 60 days in advance of the event. If you are seeking Town sponsorship for event services, you must submit a request for sponsorship to the Town Board at least 60 days in advance of the event.

FEE IS DUE AT THE TIME OF APPLICATION. PLEASE SUBMIT CHECK OR CASH WITH APPLICATION.

Name of Event: Hog Day 2022

Event Location Address: River Park and adjacent areas

Date(s) of event: Sept. 16, 2022

Event Set Up Time: 0900 Event Hours: 1800-2200 Event Break Down: none

Date(s) of event: Sept. 17, 2021

Event Set Up Time: none Event Hours: 1000 Event Break Down: 1800

EVENT ORGANIZER & CONTACT INFORMATION

Name of Organization/Company: Optimist Club of Orange County

Organization/Company mailing address: PO Box 9, Efland, NC. 27843

Organization Status: ☒ Formal ☐ Informal ☐ For-profit ☒ Not-for-profit

Event Organizer Name: Al Hartkopf and/or Craig Lloyd

Event Organizer Phone: 919.599.4646 Event Organizer Email: al.hartkopf@gmail.com

On-Site Contact(s) During the Day-of Event

Name: Al Hartkopf

Cell Phone: 919.599.4646

Name: _____

Cell Phone: _____

GENERAL EVENT INFORMATION

Type of Event:

- ☐ Private Event on Private Property ☒ Public Event on Public Property
☐ Private Event on Public Property ☐ Public Event on Private Property
☐ Street or Greenway Event (Parades, Marches, Rallies, 5Ks, Bike Races)

General Event Description (Narrative outlining event purpose and elements including food trucks, car shows, races, vendors, etc):

Hog Day, Orange County's largest longest running festival, has received
national recognition as one of the top festivals in America. There will be
live music, food, exhibitors, games, and fun for all.

Estimated number of people that will attend the event: 3500

Estimated peak time(s) of attendance: 2500

Maximum capacity of event location (number of persons, if applicable): 10,000

If the event is annual, the estimated attendance of the last event of this kind: 3500

GENERAL EVENT QUESTIONNAIRE

Will tickets be sold or admission/fees be charged as part of the event? ☐ YES ☒ NO

Will there be alcohol sold or provided as a part of this event? ☒ YES ☐ NO

If yes, please indicate the vendor(s) and/or ABC permit holder(s) responsible for the alcohol sales/distribution and attach a copy of the ABC permit(s) for each vendor: undetermined at this time

Please note: Alcohol may only be sold by vendors with an off-premise permit or by event organizers with a special one-time ABC sales permit. Alcohol sales may be subject to the prepared food & beverage tax.

Will vendors be on-site selling goods/crafts/wares during the event? ☒ YES ☐ NO

Will vendors be on-site selling food/beverages during the event? ☒ YES ☐ NO

Please note: All vendors without a physical location in town and/or food trucks that do not have Town of Hillsborough Food Truck Permits that are selling prepared food/beverage will need to [prepay the Food & Beverage Tax](#) with the Finance Department. Please list the name(s) of the food/beverage vendors:

Will you be soliciting donations as part of the event? ☐ YES ☒ NO

If yes, for what cause or organization? _____

Will you bring additional equipment, stages, microphones, amplification, etc? ☐ YES ☐ NO

Please Explain: Stage with PA system, lights, and instruments

Will any items be left at the event site overnight? ☒ YES ☐ NO

Please Explain: Friday night

Will signs or banners be displayed on site or around Town? ☒ YES ☐ NO

*Please note: [Special event signage](#) must be applied for and permitted separately **BEFORE** signage is placed around town.*

Will tents be erected for the event? ☒ YES ☐ NO

If yes, how many and what size? 1- 30x50

Please note: Tents may require a permit and inspection by the [Fire Marshal's office](#) depending on size and number. Tents should be shown with location and dimensions on event map/layout.

Will you provide (portable) restroom facilities?

☒ YES ☐ NO

Please note: Restroom facilities are required to be provided by Special Event organizers depending on attendance numbers and duration. Local Business, Town, and County facility restrooms may compliment, but not become a substitute for, providing adequate restrooms for the event.

Will you provide (portable) handwashing facilities?

☒ YES ☐ NO

Please note: Handwashing facilities are required for events that include on site food preparation and/or sales without direct or immediate sink access.

Will the event require any street closures or change in traffic flow?

☒ YES ☐ NO

Will the event require additional trash and recycling facilities?

☒ YES ☐ NO

Will you request that the Town Board sponsor specific services in conjunction with this event (i.e. Police Coverage, Road Closures, Traffic Control, Trash and Recycling Rollouts)? ☒ YES ☐ NO

Please note: Events requesting Town Sponsorship of events must apply at least 90 days in advance of the event to be considered. Event organizers who are able should make every necessary attempt to provide and pay for services at their events as the Town has limited staff and resources to cover the costs of event services.

EVENT MAP/LAYOUT REQUIREMENTS

Is the event map/layout meeting the requirements attached?

☒ YES ☐ NO

With this application, you must attach a map of the area where the event is to take place and indicate the following:

- Traffic flow; including any streets requested to be closed or obstructed (locations of barriers and officers will be determined by Law Enforcement).
- If the event includes a parade, greenway closure, etc. then the route of the event should be clearly shown.
- Parking areas where event attendees will be directed that are adequate for event attendance. Please note: The Eno River deck has only 400 parking spaces.
- Pedestrian access and flow.
- The location of any concession stand, food truck(s), booth, or other temporary structures, tents, stages or facilities; and the location of proposed fences, stands, platforms, benches, or bleachers.
- The location of restroom and/or handwashing facilities.

A street map and a map of Gold Park are available on the Town's website. Google Maps is also an excellent resource and can be easily marked up. Contact Staff if you need assistance with providing an event layout or route map.

EVENT LIABILITY INSURANCE

Event organizers and/or property owners need to insure themselves from liability in case an event attendee injures themselves during the course of the event. Events occurring on Public Property (Town or County) are required to carry event liability insurance with the Public Property owner listed as 'additionally insured'.

Copy of event liability Certificate of Insurance is attached: ☒ YES ☐ NO

Name of insurance company providing liability coverage for the event:

In Process

Contact information for broker/agent providing coverage:

EVENT PROPERTY USE PERMISSION

If the event will be located on property that is not owned/managed by the event organizer then the property owner must indicate consent for the use of their property below:

NA

Name of Property Owner

Phone

NA

Signature of Property Owner

Date

TOWN LIABILITY AGREEMENT

I, the applicant, agree to indemnify and hold harmless the Town of Hillsborough, its employees, and its agents from and against any and all liability for any injury which may be suffered in connection with this special event approval or park reservation. I also hold harmless the Town of Hillsborough, its employees, and its agents from and against any liability for any equipment or supplies lost, damaged, or stolen, that are stored or otherwise as a result of this special event.

Al I Hartkopf

8/31/21

Applicant Signature

Date

SUBMITTAL DIRECTIONS:

Please submit to:

Hillsborough Planning Department
ATTN: Shannan Campbell
P.O. Box 429
101 E. Orange Street
Hillsborough, NC 27278

Shannan.Campbell@hillsboroughnc.gov

FOR OFFICE USE ONLY:

Application received by: _____

Date: _____

Fee Paid: _____

Date information emailed out: _____

Permit Status

Approved ☐ YES ☐ NO Explanation: _____

Date Permit Issued: _____

Approved with any conditions: _____

By: _____

Town Staff Member

Date: _____

Forwarded to others for review/information:

☐ Hillsborough Fire Marshal: _____

☐ Hillsborough Police Department: _____

☐ OC Sheriff's Department: _____

☐ OC Fire Department: _____

☐ Hillsborough Public Works: _____

☐ Hillsborough Public Space Manager: _____

☐ OC DEAPR (River Park): _____

☐ OC AMS (Visitors Center, Library, Old or New Courthouse): _____

☐ NCDOT (DOT Road Closures): _____

☐ Hillsborough Finance (Food & Beverage Tax 1 Day): _____

1 PERSONNEL & REPRESENTATIVE RESPONSIBILITIES

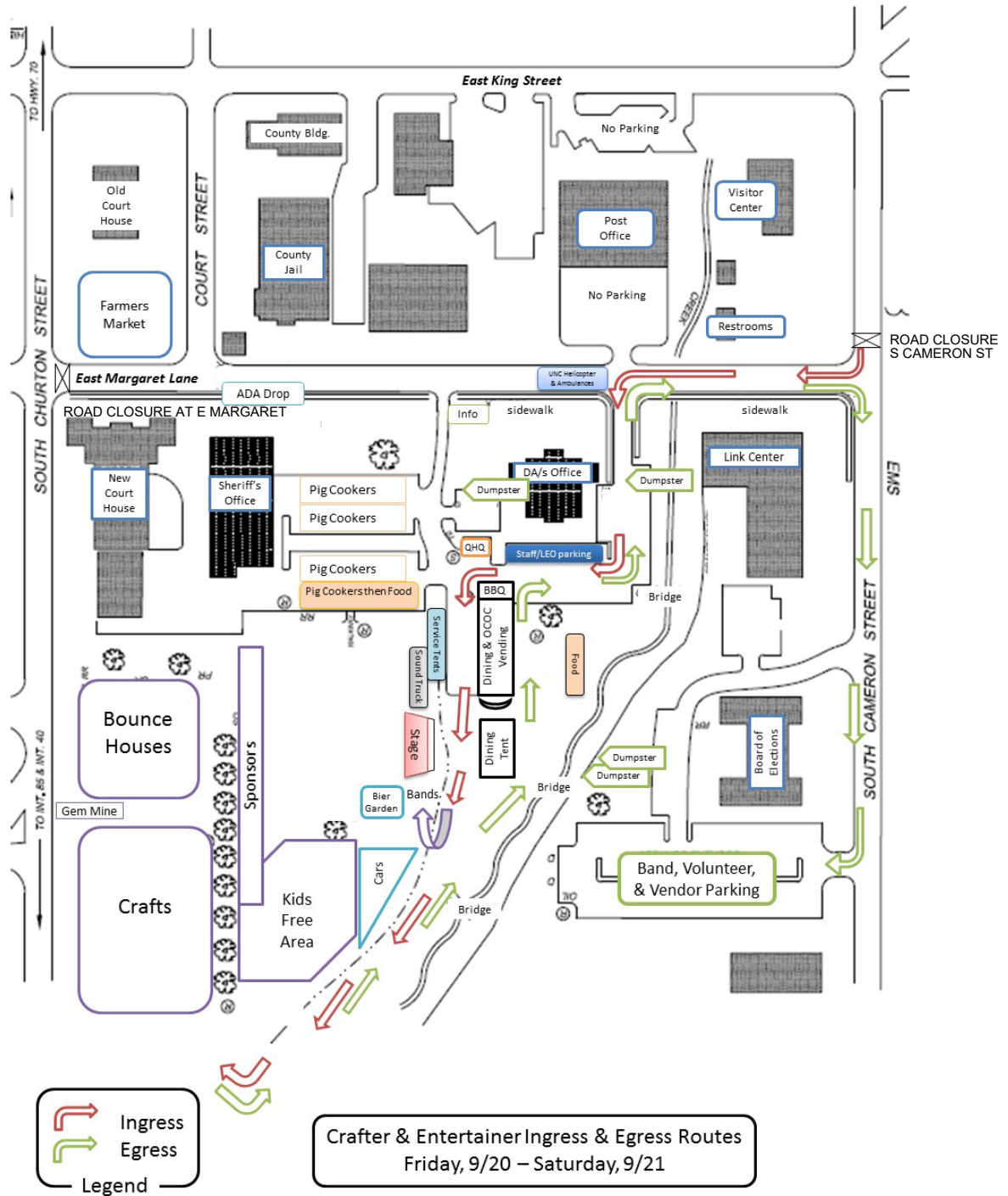
1.1 EVENT STAFF

Name	Responsibility	Phone
Al Hartkopf	Event Project Manager & Logistics Director	919-599-4646
Al Hartkopf	Stage Area Manager & Public Safety Liaison	919-599-4646
Craig Lloyd	Marketing, Public Relations, & OCOC Co-Chair	919-923-3988
<i>Sam Hobgood</i>	Cooking Area Manager & OCOC Co-Chair	919-602-6670
<i>Lynn Hobgood</i>	Treasurer	919-621-4719
Melinda Braddy	Crafter Liaison & Area Manager	919-810-4773
Angela Lloyd	Food Vendor Liaison & Area Manager	919-923-5329
Chris Walker	5K Run Manager	919-
Carol Lovingood	Volunteer Manager	919-644-1505
Cathy Rice	Webmaster	unl
Faydean Cannada	Information Booth	919-
Travis Bogle	OC Marketing, Events, Operations Coordinator	919-245-2673
Shannan Campbell	Town of Hillsborough Tourism Program Staff	919-296-9477
Troy Williams	Key Contact – Orange County Sheriff's Department	919-316-8376
Lt. Fearington	Key Contact – Orange County Sheriff's Department	
Lt. Buddy Parker	Key Contact – Hillsborough Police Department	919-
	Key Contact – Orange County EMS	919-
	Town of Hillsborough Fire Marshall	919-201-7348
	Town of Hillsborough Waste Management	
	Orange County Recycles	

Note that the above are all Crowd Control Managers for their respective area

4 EXHIBITS

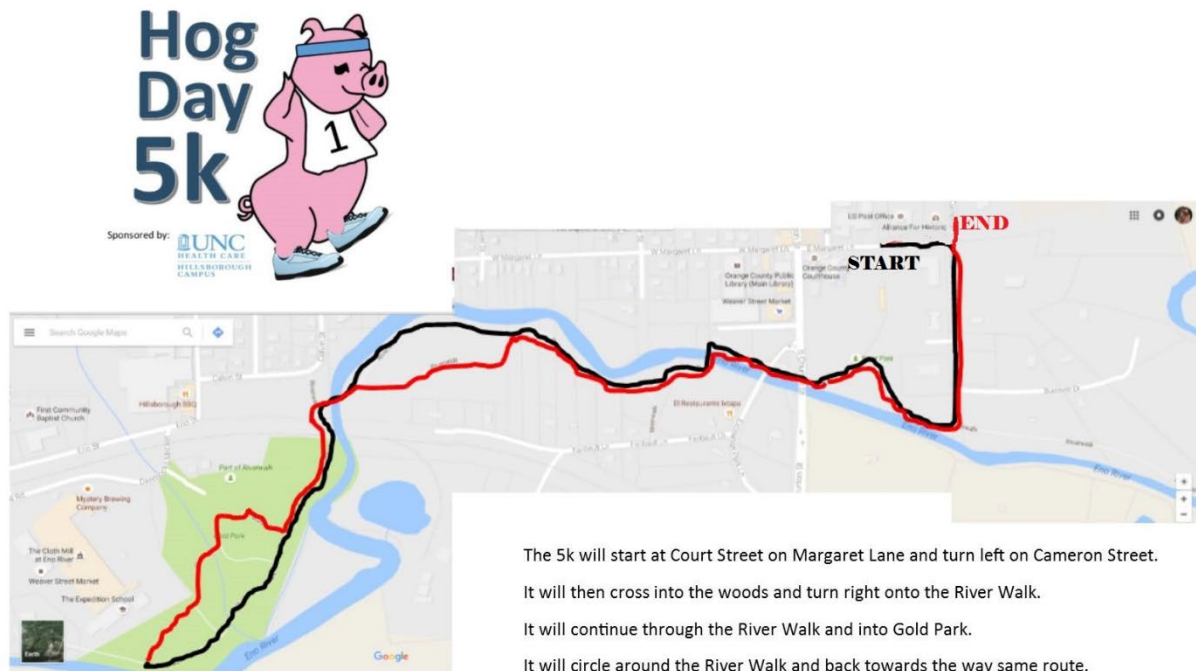
4.1 SITE PLAN WITH EXHIBITOR INGRESS/EGRESS ROUTES



6/10/2022

Uncontrolled Copy

4.4 HOG DAY 5K MAP



The 5k will start at Court Street on Margaret Lane and turn left on Cameron Street.

It will then cross into the woods and turn right onto the River Walk.

It will continue through the River Walk and into Gold Park.

It will circle around the River Walk and back towards the way same route.

It will take a right immediately after crossing the bridge from the Park.

It will continue to merge back into the original route and finish back at the Start.

(Follow the arrows and directions from volunteers on the route)



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Planning
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Evan Punch, Planning Technician
Shannan Campbell, Planning and Economic Development Manager

ITEM TO BE CONSIDERED

Subject: Special Event Permit: Hillsborough Holiday Parade and Tree Lighting

Attachments:

1. Special Event Permit Application: Holiday Parade and Tree Lighting
2. Route Layouts and road closure information

Summary:

The event is expecting around 5,000 people to participate this year. They are requesting sponsorship/assistance with street closures and trash.

Financial impacts:

Low; however, sponsorship is being requested for Town services, so department-level costs are associated with public works and HPD.

Staff recommendation and comments:

None.

Action requested:

Approve, approve with conditions, or deny the permit and subsequent street closures/trash services/HPD assistance.



TOWN OF
HILLSBOROUGH

SPECIAL EVENT PERMIT APPLICATION

Please review the Event Policy Ordinance, Chapter 7 of the Town Code, to determine if your event requires a Special Event Permit. **The Permit Application must be received 60 days in advance of the event.**

Name of Event: 'Light Up the Night' Holiday Parade: Tree Lighting

Event Location Address: parade route attached

Date(s) of event: 12-4-22

Event Set Up Time: 1pm Event Hours: 4:00-6:00 Event Break Down: n/a
pm

Date(s) of event: 12-4-22

Event Set Up Time: 3:00pm Event Hours: 4:00-7:15 Event Break Down: 7:30pm
food truck setup pm

EVENT ORGANIZER & CONTACT INFORMATION

Name of Organization/Company: Hillsborough/OC Chamber of Commerce

Organization/Company mailing address: 200 N. Churton St.

Organization Status: ☒ Formal ☐ Informal ☐ For-profit ☐ Not-for-profit

Event Organizer Name: Kim Tesoro/Whitney Corn

Event Organizer Phone: 919-732-8156 Event Organizer Email: officeadmin@hillsboroughchamber.com

On-Site Contact(s) During the Day-of Event

Name: Whitney Corn

Cell Phone: 919-602-4444

Name: Kim Tesoro

Cell Phone: 919-817-3902

GENERAL EVENT INFORMATION

Type of Event:

- ☐ Private Event on Private Property ☒ Public Event on Public Property
☐ Private Event on Public Property ☐ Public Event on Private Property
☒ Street or Greenway Event (Parades, Marches, Rallies, 5Ks, Bike Races)

General Event Description (Narrative outlining event purpose and elements including food trucks, car shows, races, vendors, etc):

Holiday parade lineup starting at Hwy 70/N. Churton. Parade begins at Corbin St/Churton St, ending at E Margaret/Cameron. Tree lighting at old Courthouse; food trucks, music, tree lighting + singing. Running of Elves begins at Mitchell St. to Corbin & joins parade route. Parade returns via N Cameron St.

101 East Orange Street · P.O. Box 429 · Hillsborough, North Carolina 27278
919-732-1270 · Fax 919-644-2390

Estimated total number of people that will attend the event: 5,000

Estimated peak time(s) of attendance: _____

Maximum capacity of event location (number of persons, if applicable): n/a

If the event is annual, the estimated attendance of the last event of this kind: 7,000

GENERAL EVENT QUESTIONNAIRE

Will tickets be sold or admission/fees be charged as part of the event? ☐ YES ☒ NO

Will there be alcohol sold or provided as a part of this event? ☐ YES ☒ NO

If yes, please indicate the vendor(s) and/or ABC permit holder(s) responsible for the alcohol sales/distribution and attach a copy of the ABC permit(s) for each vendor : _____

Please note: Alcohol may only be sold by vendors with an off-premise permit or by event organizers with a special one-time ABC sales permit. Alcohol sales may be subject to the prepared food & beverage tax.

Will vendors be on-site selling goods/crafts/wares during the event? ☒ YES ☐ NO

Will vendors be on-site selling food/beverages during the event? ☒ YES ☐ NO

Please note: All vendors without a physical location in town and/or food trucks that do not have Town of Hillsborough Food Truck Permits that are selling prepared food/beverage will need to [prepay the Food & Beverage Tax](#) with the Finance Department. Please list the name(s) of the food/beverage vendors:

TBD

Will you be soliciting donations as part of the event? ☐ YES ☒ NO

If yes, for what cause or organization? _____

Will you bring additional equipment, stages, microphones, amplification, etc? ☒ YES ☐ NO

Please Explain: PA system

Will any items be left at the event site overnight? ☐ YES ☒ NO

Please Explain: _____

Will signs or banners be displayed on site or around Town? ☒ YES ☐ NO

*Please note: [Special event signage](#) must be applied for and permitted separately **BEFORE** signage is placed around town.*

Will tents be erected for the event? ☒ YES ☐ NO

If yes, how many and what size? 3 tents 10 x 10

Please note: Tents may require a permit and inspection by the Orange County Fire Marshal's office depending on size and number. Tents should be shown with location and dimensions on event map/layout.

Will you provide (portable) restroom facilities?

☒ YES ☐ NO

Please note: Restroom facilities are required to be provided by Special Event organizers depending on attendance numbers and duration. Local Business, Town, and County facility restrooms may compliment, but not become a substitute for, providing adequate restrooms for the event.

Will you provide (portable) handwashing facilities?

☒ YES ☐ NO

Please note: Handwashing facilities are required for events that include on site food preparation and/or sales without direct or immediate sink access.

Will the event require any street closures or change in traffic flow?

☒ YES ☐ NO

Will the event require additional trash and recycling facilities?

☐ YES ☒ NO

Will you request that the Town Board sponsor specific services

in conjunction with this event (i.e. Police Coverage, Road Closures, Traffic Control, Trash and Recycling Rollouts)?

☒ YES ☐ NO

police for road closure

Please note: Events requesting Town Sponsorship of events must apply at least 90 days in advance of the event to be considered. Event organizers who are able should make every necessary attempt to provide and pay for services at their events as the Town has limited staff and resources to cover the costs of event services.

EVENT MAP/LAYOUT REQUIREMENTS

With this application, you must attach a map of the area where the event is to take place and indicate the following:

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- If the event includes a parade, greenway closure, etc. then the route of the event should be clearly shown.
- Parking areas where event attendees will be directed that are adequate for event attendance. Please note: The Eno River deck has only 400 parking spaces.
- Pedestrian access and flow.
- The location of any concession stand, food truck(s), booth, or other temporary structures, tents, stages or facilities; and the location of proposed fences, stands, platforms, benches, or bleachers.
- The location of restroom and/or handwashing facilities.

A street map and a map of Gold Park are available on the Town's website. Google Maps is also an excellent resource and can be easily marked up. Contact Staff if you need assistance with providing an event layout or route map.

EVENT LIABILITY INSURANCE

Event organizers and/or property owners need to insure themselves from liability in case an event attendee injures themselves during the course of the event. Events occurring on Public Property (Town or County) are required to carry event liability insurance with the Public Property owner listed as 'additionally insured'.

Copy of event liability Certificate of Insurance is attached: ☒ YES ☐ NO

Name of insurance company providing liability coverage for the event:

Ashby Insurance - State Farm

Contact information for broker/agent providing coverage:

Rick Ashby 919-732-1052

EVENT PROPERTY USE PERMISSION

If the event will be located on property that is not owned/managed by the event organizer then the property owner must indicate consent for the use of their property below:

Orange County AMS
Name of Property Owner

Phone

Signature of Property Owner

Date

TOWN LIABILITY AGREEMENT

I, the applicant, agree to indemnify and hold harmless the Town of Hillsborough, its employees, and its agents from and against any and all liability for any injury which may be suffered in connection with this special event approval or park reservation. I also hold harmless the Town of Hillsborough, its employees, and its agents from and against any liability for any equipment or supplies lost, damaged, or stolen, that are stored or otherwise as a result of this special event.

[Signature]
Applicant Signature

7/28/22
Date

SUBMITTAL DIRECTIONS:

Please submit electronically to: Evan.Punch@hillsboroughnc.gov

Please submit via paper copy here:

Hillsborough Planning Department
ATTN: Evan Punch
P.O. Box 429
101 E. Orange Street
Hillsborough, NC 27278

FOR OFFICE USE ONLY:

Application received by: _____

Date: _____

Fee Paid: _____

Date information emailed out: _____

Permit StatusApproved ☐ YES ☐ NO Explanation: _____

Date Permit Issued: _____

Approved with any conditions: _____

By: _____

Date: _____

Town Staff Member

Forwarded to others for review/information:☐ OC Fire Marshal: _____☐ Hillsborough Police Department: _____☐ OC Sheriff's Department: _____☐ OC Fire Department: _____☐ Hillsborough Public Works: _____☐ Hillsborough Public Space Manager: _____☐ OC DEAPR (River Park): _____☐ OC AMS (Visitors Center, Library, Old or New Courthouse): _____☐ NCDOT (DOT Road Closures): _____☐ Hillsborough Finance (Food & Beverage Tax 1 Day): _____☐ Hillsborough Public Information Office: _____




CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/4/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER StateFarm  Rick Ashby 1000 Corporate Drive Suite 101 Hillsborough NC 27278	CONTACT NAME: Rick Ashby PHONE (A/C, No, Ext): 919-732-1052 FAX (A/C, No): E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: State Farm Fire and Casualty Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F: NAIC # 25143
INSURED HILLSBOROUGH/ORANGE COUNTY CHAMBER OF COMMERCE 200 N CHURTON ST HILLSBOROUGH NC 27278-2536	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD INSD	SUB WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:			93-CS-N047-1	01/26/2022	01/26/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> \$ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

Town of Hillsborough Po Box 429 Hillsborough NC 27278	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE This form was system-generated on <u>August 4, 2022</u> To obtain a signed form, please contact your Agent.
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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/2/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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PRODUCER State Farm  Rick Ashby 1000 Corporate Drive Suite 101 Hillsborough NC 27278		CONTACT NAME: Rick Ashby PHONE (A/C, No, Ext): 919-732-1052 E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: State Farm Fire and Casualty Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:		FAX (A/C, No): NAIC # 25143
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INSR LTR	TYPE OF INSURANCE	ADD INSD	SUB WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y		93-CS-N047-1	01/26/2022	01/26/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
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ORANGE COUNTY 104 E KING ST HILLSBOROUGH NC 27278	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE This form was system-generated on August 2, 2022 . To obtain a signed form, please contact your Agent.
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2021 Hillsborough Holiday Parade Information Map

Holiday Parade Route

 Holiday Parade Start Point

 Holiday Parade End Point

 Holiday Parade Route

 Parade Entries on Foot



Parade Entries on Foot go to
Eno Market Pavilion



Parade Floats/Vehicles
Continue



Float Passengers Disembark



Float Passengers Disembark



Parade Float Dispersal Route

Holiday Parade Line-Up Information

 Parade Float Line-Up Area

 VIP Parade Line-Up Area

 HRC- Elves 1 miler Line Up



HRC- Running of the Elves
Line Up



Parade Entries on Foot



Parade Floats/Vehicles



NO THRU TRAFFIC- DEAD END

Holiday Tree Lighting

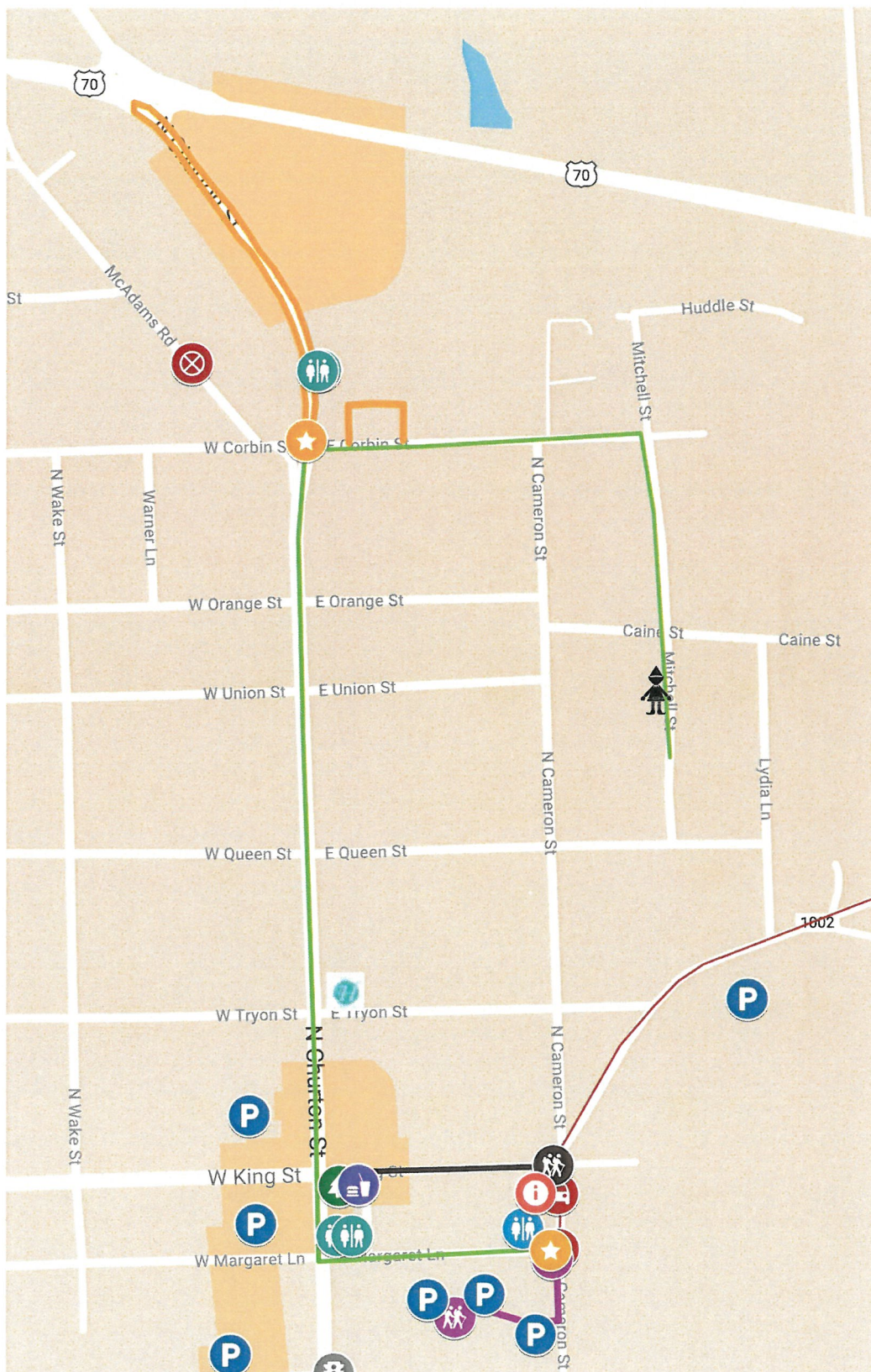


Holiday Tree Lighting Location



Food Trucks

Parade Services



www.VisitHillsboroughNC.com

2021 Hillsborough Holiday Parade Information Map

Holiday Parade Route

- Holiday Parade Start Point
- Holiday Parade End Point
- Holiday Parade Route
- Parade Entries on Foot
- Parade Entries on Foot go to Eno Market Pavilion
- Parade Floats/Vehicles Continue
- Float Passengers Disembark
- Float Passengers Disembark
- Parade Float Dispersal Route

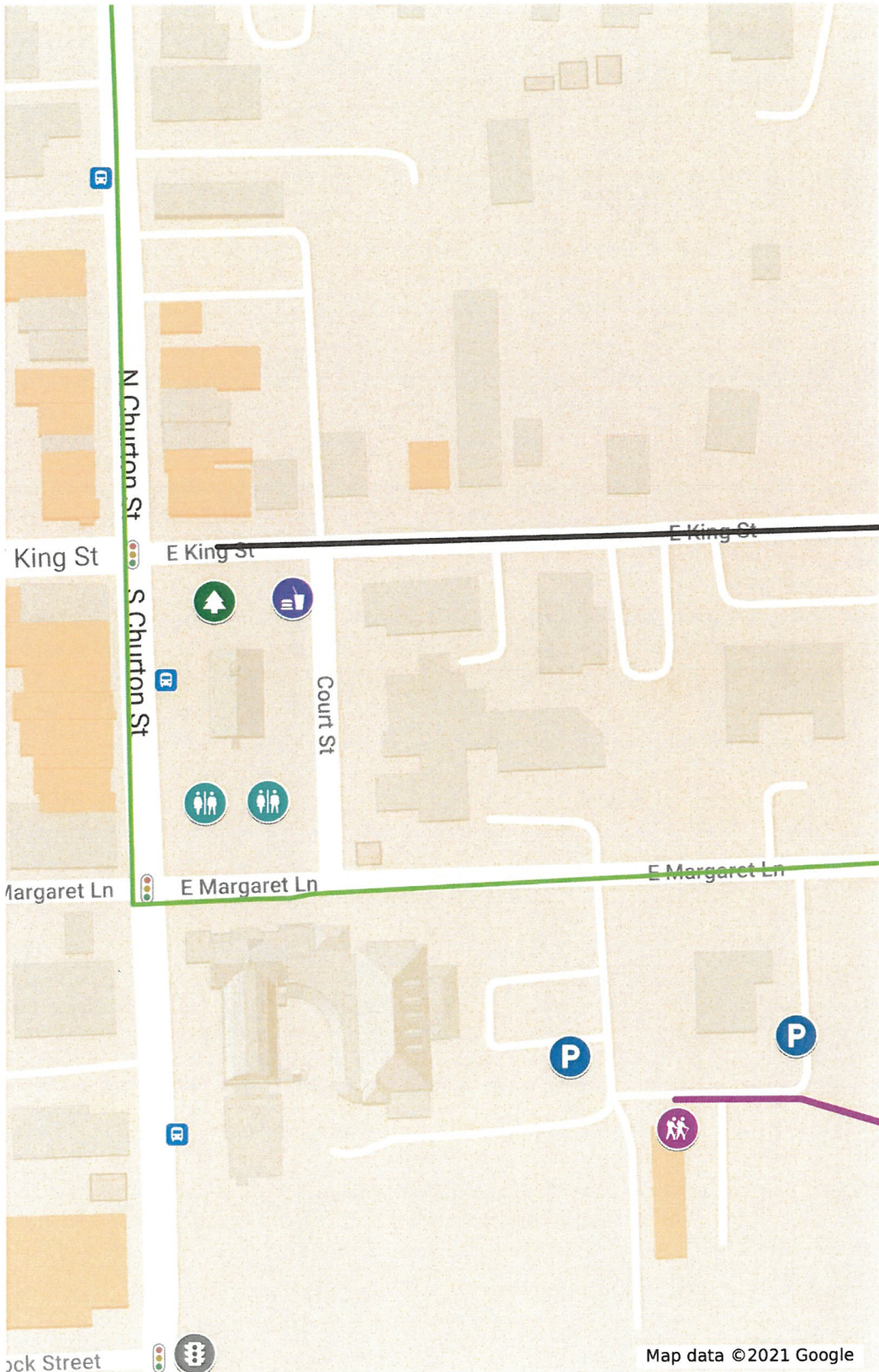
Holiday Parade Line-Up Information

- Parade Float Line-Up Area
- VIP Parade Line-Up Area
- HRC- Elves 1 miler Line Up
- HRC- Running of the Elves Line Up
- Parade Entries on Foot
- Parade Floats/Vehicles
- NO THRU TRAFFIC- DEAD END

Holiday Tree Lighting

- Holiday Tree Lighting Location
- Food Trucks

Parade Services



www.VisitHillsboroughNC.com

Map data ©2021 Google



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Planning and Economic Development
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Planning and Economic Development Manager, Shannan Campbell

ITEM TO BE CONSIDERED

Subject: Special Use Permit Extension Request- East Village at Meadowlands

Attachments:

1. Extension request letter from Habitat for Humanity
2. Copy of the original recorded SUP document

Summary:

Per the UDO, Habitat for Humanity is requesting a two-year extension to the SUP approval for the East Village at Meadowlands project to give them more time to get to the project. The SUP is currently set to expire on Dec. 14, 2022. The applicant is requesting a two-year extension of the approved SUP to Dec. 14, 2024.

Financial impacts:

N/A

Staff recommendation and comments:

Staff recommends approval to give the applicant more time to finance and build the project, given the need for affordable housing options in our area.

Action requested:

Approve or deny the request.



We build strength, stability, self-reliance *and* shelter.

June 1, 2022

Shannan Campbell
Planning and Economic Development Manager
Town of Hillsborough
PO Box 429
Hillsborough, NC 27278

Dear Shannan,

On December 14, 2020, the Hillsborough Board of Commissioners granted Habitat for Humanity of Orange County a Special Use Permit for the East Village at Meadowlands project, which will provide 75 families with the opportunity to own an affordable townhome in Hillsborough. **At this time, we would like to request a two-year extension to the Special Use Permit.** This would extend the Vested Rights for the property and the time allowed for approval of a Zoning Compliance Permit until December 14, 2024.

Habitat and the Town have worked together on many successful projects, including the senior community of Crescent Magnolia in Waterstone, the construction of over 50 new homes in Fairview, and the 25 single-family homes currently being built on Odie Street. Habitat staff and volunteers look forward to builds in Hillsborough, and our homebuyers consider the Town a highly desirable place to live.

When we purchased the land and received the Special Use Permit in December 2020, we did not yet know when this project would best fit into our schedule. Subsequently, we decided to move forward with our Weavers Grove project in Chapel Hill. This project represents nearly 20 years of planning and will be our largest community to date, with 101 Habitat homes and 136 market-rate homes for purchase. In undertaking this large-scale project, we have already learned many lessons which will help us improve our work on future developments, including East Village.

Due to the timing of our work at Weavers Grove, we need to delay further planning of East Village. Habitat remains firmly committed to this project, and we look forward to working with the Town to make it a reality in the future.

Please consider this letter a formal request to the Town of Hillsborough for a two-year extension to the Special Use Permit for East Village at Meadowlands. Please let me know if you require additional information, or have any questions. Thank you for your consideration of this request.

In Partnership,

Richard Turlington
Vice President of Construction

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Doc No: 30041112
Recorded: 02/19/2021 03:51:18 PM
Fee Amt: \$26.00 Page 1 of 6
Excise Tax: \$0.00
Orange County North Carolina
Mark Chilton, Register of Deeds
BK 6706 PG 1679 - 1684 (6)

Melley K. Kump

1/1

Prepared by: Tom King, AICP, CZO, Senior Planner, Town of Hillsborough Planning Department
Return to: Habitat for Humanity, Orange County, N.C., Inc. c/o Jennifer Player, President and CEO – 88 Vilcom Center Drive, Suite L110, Chapel Hill, NC 27514

ORANGE COUNTY **TOWN OF HILLSBOROUGH** **NORTH CAROLINA**
SPECIAL USE PERMIT #2020-01

KNOW ALL PERSONS BY THESE PRESENTS, that the undersigned property owner, Habitat for Humanity, Orange County, N.C., Inc., acknowledges the receipt of this Special Use Permit for the use and development of the property hereinafter described; and that the same was granted by the Town of Hillsborough on December 14, 2020, the terms of which are as follows:

NAME OF PROJECT: East Village at Meadowlands
NAME OF PROPERTY OWNER: Habitat for Humanity, Orange County, N.C., Inc., a North Carolina Corporation - 88 Vilcom Center Drive, Suite L110, Chapel Hill, NC 27514
TYPE OF SPECIAL USE: Dwelling: Attached (20+ Units)

DESCRIPTION OF PREMISES

PROPERTY ADDRESS: 1317 US-70A East, Hillsborough, NC 27278

PARCEL IDENTIFICATION NUMBERS: 9874-81-6134, 9874-81-8049 and 9874-80-9603 *JRC*

DESCRIPTION OF PROPERTY: All the 10.895 acres on the plat and survey by Summit Design and Engineering Services entitled “Final Plat for Contiguous Annexation Plat of Future Development of East Village at Meadowlands for Highway 70A, LLC” recorded in Plat Book 122, Page 189 of the Orange County Registry.

ZONING OF PROPERTY: RSU (Residential Special Use)

DESCRIPTION OF DEVELOPMENT: Seventy-six-unit townhome development with related off-street parking and site amenities

SPECIAL TERMS AND CONDITIONS

Having heard all the evidence and argument presented at the public hearing held on October 19, 2020, the Board finds that the application is complete, that the application complies with all the applicable requirements of the Town of Hillsborough Unified Development Ordinance for the development proposed, and that therefore the application to make use of the above-described property for the purpose indicated is hereby approved, subject to any and all applicable provisions of the Town of Hillsborough Unified Development Ordinance and the following waivers and approval conditions:

Waivers Granted from Section 6 (Development Standards) of the Unified Development Ordinance

1. Subsection 6.10 (Landscaping (Parking Lot)), Paragraph 6.10.3 (Landscaping Requirements), Sub-paragraph 6.10.3.4: "All planting medians or islands in parking lots shall be at least 10 feet X 10 feet measured from back of curb to back of curb (or pavement edge if the island is not curbed for stormwater purposes). When an island contains one or more shade trees, the island must have at least 300 square feet of unpaved space per shade tree."

Waiver Granted: The plans are approved with 11 of the 13 parking lot planting islands containing shade trees being less than 300 square feet of unpaved space.

2. Subsection 6.11 (Lighting), Paragraph 6.11.3 (Lighting Requirements): "Lighting plans shall include a layout of proposed fixture locations (including wall mounted lights, ground mounted lights, and illuminated signs), foot candle data that demonstrate conforming intensities and uniformities; and a description of the equipment (catalog cuts), glare control devices, lamps, mounting heights and means, hours of operation, and maintenance methods proposed. Illumination intensities (lighting contours) may be shown on an independent plan or integrated with other required plans."

Waiver Granted: The plans are approved without required information relative to building, wall-mounted and entrance monument sign lighting.

3. Subsection 6.17 (Sidewalks and Walkways), Paragraph 6.17.3 (General Provisions), Sub-paragraph 6.17.3.2 (New Public Streets): "Sidewalks will be provided along both sides of all proposed and existing public streets within development."

Waiver Granted: The plans are approved with no sidewalk provided along the west side of Hartland Circle beginning at the US 70-A East entrance and extending south to the parking pull-off area for the mail kiosk to the north of Lot #76.

4. Subsection 6.21 (Streets), Paragraph 6.21.3 (Design Standards - Public Streets), Sub-paragraph 6.21.3.1: "New public streets in the city limits must meet the Town of Hillsborough's *Standard Specifications for Street Construction* and Acceptance Procedures in the *Checklist and Approval Requirements for Utility Projects*."

Waiver Granted: The plans are approved:

- a. with all streets in the project having 50 instead of 60-foot wide public rights-of-way (see Waiver #5 below); and
- b. without having six-foot wide planting, maintenance and utility strips, and sidewalk along both sides of the streets (see Waiver #3 above).

5. Subsection 6.21 (Streets), Paragraph 6.21.3 (Design Standards - Public Streets), Sub-paragraph 6.21.3.3: “Minimum right of way widths by public street type:

- i. Arterial Streets shall provide 100 feet of public right of way
- ii. Collector Streets shall provide 70 feet of public right of way
- iii. Local Streets shall provide 60 feet of public right of way
- iv. Cul de sacs shall provide 50 feet of public right of way”

Waiver Granted: The plans are approved with Hartland Circle (considered a “Local Street”) is approved with a 50-foot, instead of 60-foot, wide right-of-way.

Approval Conditions

Conditions Related to the Development

1. Approved Plans and Application Materials: The application materials including, but not limited to, the site plan, building elevations and narrative presented at the October 19, 2020 public hearing, plus the revised site plan sheets discussed at the November 19, 2020 Planning Board meeting, are those approved with this Permit.
2. Waivers from Unified Development Ordinance Provisions Granted: The five waivers requested in the application are granted.
3. Recreation Requirements: The construction drawings submitted for the project will comply to the Ordinance requirements related to recreation requirements for attached dwellings in terms of both points and age appropriate options. The applicant may meet these requirements with a combination of land, improvements and fees in-lieu.

Conditions Related to Additional Permits and Approvals

4. Certificate of Adequate Public Schools: A CAPS (Certificate of Adequate Public Schools) issued by the Orange County School System Superintendent must be provided to the Town prior to the approval of a final plat for the development or each phase within the development.

Additional Stipulations

The following additional stipulations shall apply to this Permit:

Permit Recordation Requirement: Pursuant to Section 3 (Administrative Procedures), Subsection 3.8 (Special Use Permit), Paragraph 3.8.16 (Formalizing the Outcome) of the Unified Development Ordinance, this Permit shall be recorded in the Orange County Register of Deeds Office within 10 days of its receipt. The Permit will not be effective, and no further permits or approvals for the development issued, until the Permit has been recorded. In addition, nothing authorized by this Permit may be done until the property owner properly executes and returns to the Town a copy of the recorded Permit with the recording information attached thereto by the Orange County Register of Deeds.

Vested Right Established: A two-year vested right pursuant to G.S. 160A-385.1 and Section 1 (General Provisions), Subsection 1.8 (Vested Rights), Paragraph 1.8.4 (Duration and Termination of Statutory Vested Rights), Sub-paragraph 1.8.4.1 of the Unified Development Ordinance is established as of the date hereof. Under the Statute and Ordinance provisions, unless terminated at an earlier date, the Permit is vested until **December 14, 2022**. Requests for an extension of this Permit’s vested rights beyond the stated expiration date must be made to the Town in writing before the vested right expiration date is reached.

Permit Expiration: As provided in Section 3, Subsection 3.8, Paragraph 3.8.26 (Expiration) of the Unified Development Ordinance, this Permit shall expire 24-months from its date of approval if a Zoning Compliance Permit has not been issued for the project. Thus, the Permit will expire on **December 14, 2022** if a Zoning Compliance Permit has not been issued for the project. The Board may consider re-application for the permit on a property on which a previous permit has expired provided that all the standards which are set forth in the Unified Development Ordinance are met, or if a request for an extension is made in writing before the expiration of the standard 24 months.

Changes and Modifications: As provided in Section 3, Subsection 3.8, Paragraphs 3.8.20 (Deviations) through 3.8.24 (Action Required on Proposed Modifications) of the Unified Development Ordinance, minor changes to this Permit may be approved by the Planning Director so long as they are in harmony with the action of the Town Board of Commissioners, and provided such changes are not determined to be modifications as defined in the Unified Development Ordinance. Modifications will require approval from the Town Board of Commissioners. Prior to commencement of any change in the approved plans, the Planning Director shall be consulted to determine whether the proposed change is considered a minor change or a modification.

Revocation: Pursuant to Section 3, Subsection 3.8, Paragraph 3.8.25 (Revocation) of the Unified Development Ordinance, the Town Board of Commissioners may revoke this Permit after a finding of the existence of any one of the following conditions:

- (a) That any governmental license or permit required for the activity authorized by the Permit have not been obtained or have been terminated; or
- (b) That any of the applicable requirements of the Unified Development Ordinance or any conditions attached to the Permit, or subsequent modification thereof, have been violated.

The Board may consider re-application for the permit on a property on which a previous permit has been revoked, provided that all the standards which are set forth in the Unified Development Ordinance are met.

Continued Validity: The continued validity and effectiveness of this Permit is expressly conditioned on the continued compliance with the plans and conditions listed above.

Non-severability: If any part of this Permit, or any of the conditions affixed hereto shall be held invalid or void, then this Permit shall be void in its entirety, and of no effect.

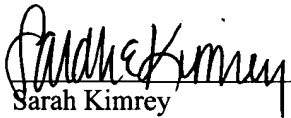
Permit Runs with the Land: The terms herein contained are binding on the present owners and their successors in title and interest, and shall henceforth be appurtenant to, and shall run with the title to said real property unless the conditions herein are otherwise vacated or changed by governmental action, the expiration of this Permit (including any approved extensions to its expiration date), the expiration of the Permit's vested right status (including any approved extensions), or vacated or modified by action of a Court of competent jurisdiction.

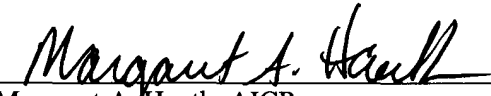
IN WITNESS WHEREOF, the Town has caused this Permit to be issued in its name, and the undersigned, being all the property owners of the property above described, do hereby accept this Special Use Permit, together with all its conditions, as binding on them and their successors in interest.

TOWN OF HILLSBOROUGH

Attest:




 Sarah Kimrey
 Interim Town Clerk/Human Resources Technician

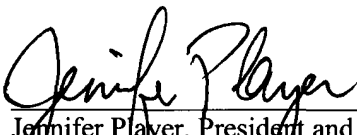
By 
 Margaret A. Hauth, AICP
 Assistant Town Manager/Planning Director

ACCEPTED BY:

I, the undersigned property owner of the above identified property, do hereby acknowledge receipt of this Special Use Permit. The undersigned owner does further acknowledge that no work may be done pursuant to this Permit except in accordance with all its conditions and requirements, that failure to comply with the approved terms and conditions stated herein will result in forfeiture of this Permit, and that these restrictions shall be binding on them and their successors in interest.

Habitat for Humanity, Orange County, N.C., a North Carolina Corporation

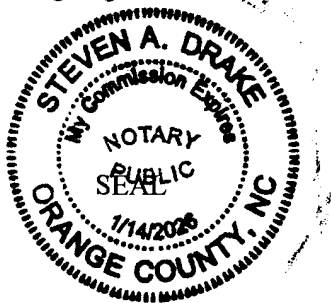
By

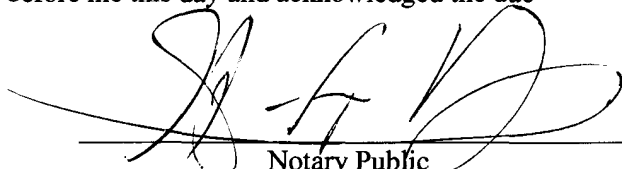

 Jennifer Player, President and CEO
 Property Owner

NORTH CAROLINA

ORANGE COUNTY

I, STEVEN A. DRAKE, a Notary Public, certify that Jennifer Player, President and CEO of Habitat for Humanity, Orange County, N.C., Inc., personally came before me this day and acknowledged the due execution of the foregoing instrument.




Notary Public

My commission expires: 1/14, 20 26.

(Not valid until fully executed and recorded)



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	Sept. 12, 2022
Department:	Utilities
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Utilities Director K. Marie Strandwitz, PE

ITEM TO BE CONSIDERED

Subject: Extension of Capacity Reservation for East Village at Meadowlands Project

Attachments:

Water and Sewer Extension Agreement

Summary:

In December 2020, the board approved the East Village at Meadowlands project, including the execution of the associated Water and Sewer Extension Contract (WSEC). At the time, the development was presented by Summit Consulting and Engineering and its owner/developer, Jim Parker, and billed as a Habitat for Humanity (Habitat) project. Since this time, the project has been idle and the WSEC was never executed. One WSEC condition is that any capacity reservation expires if the project has not begun meaningful construction within one year of approval, if the project stalls over one year after construction commences, or if connections are not made with two years. Inadvertently, capacity has been held since December 2020 and subsequently additional information was presented regarding capacity limitations in our collection system. Habitat for Humanity still plans to take over and perform the project but the way they function is slightly different than other private development projects. They need to finish a current project before starting this project.

Understanding that the board has supported this affordable housing project and that under separate agenda item they are requesting a two-year extension of their Special Use Permit, Habitat has requested the town reserve water and sewer capacity for their project through Dec. 31, 2024, where they indicate they can begin construction. This would constitute a capacity reservation of 30,480 gallons per day for a period of four years before construction. This project would discharge into our Elizabeth Brady sewer basin. Note that this project's proposed infrastructure is also a necessary pathway for the Lawrence Road proposed charter school and potential sport field site to develop that was presented to the board. After that presentation, an attorney for the school formally requested a capacity reservation of 7,200 gallons per day for two years in accordance with a recent statute regarding conceptual schools. If approved, the attached WSEC would be immediately executed with Habitat as the Developer.

Financial impacts:

No direct financial impacts of extending the capacity reservation. Indirect impacts are generally if we have another attractive project presented but are unable to accommodate it due to holding capacity for this project. This would delay collection of revenue if the other project came online before this one.

Staff recommendation and comments:

Note that this project's proposed infrastructure is also a necessary pathway for the Lawrence Road proposed charter school and potential sports field site to develop that was presented to the board earlier this year. After that presentation, an attorney for the proposed school formally requested a capacity reservation of 7,200 gallons per day for two years in accordance with a recent statute regarding conceptual school plans.

Action requested:

**ORANGE COUNTY
NORTH CAROLINA**

**TOWN OF HILLSBOROUGH
WATER/SEWER EXTENSION CONTRACT**

THIS WATER/SEWER EXTENSION CONTRACT (WSEC) is entered into this ___ day of ___, 2022 by and between HABITAT FOR HUMANITY OF ORANGE COUNTY, NC (hereinafter the “DEVELOPER”) and the Town of Hillsborough, a North Carolina municipal corporation (hereinafter the “Town”):

WHEREAS, the DEVELOPER proposes to extend the Town’s water and sewer system (hereinafter the “Work, or Improvements”) to serve its **EAST VILLAGE AT MEADOWLANDS** project (hereinafter the “Project”); and

WHEREAS, the Work for the Project is more specifically identified in the appendices of this Contract; and

WHEREAS, DEVELOPER has agreed to pay certain costs associated with the proposed Work; and

WHEREAS, at its meeting held December 14, 2020, the Town Board of Commissioners authorized the proposed water and sewer main extension subject to execution of this WSEC and compliance with its terms.

NOW, THEREFORE, the DEVELOPER and the Town, and the successors, and assigns of each of them agree:

(1) Subject to DEVELOPER’s compliance with the terms and conditions set forth herein, and subject to DEVELOPER obtaining all necessary approvals from the State of North Carolina or any other agency or authority with jurisdiction over the Work, the Town will permit the connection of Improvements constructed for the above-referenced Project to the Town’s water and sewer systems.

- a) The Town reserves the right to refuse to allow connection to or use of the Town water and/or sewer system (i) when such connection would cause the Town’s system or the operation thereof to be in violation of any applicable state or federal requirement; or (ii) for reasons not known or foreseen by the Town at the time this contract was executed that would create a clear and present danger to the public health or safety. Reasons for refusal to allow connection shall include, but not be limited to, lack of water supply or lack of capacity of one or more components of the water or sewer system.
- b) The Town's authorization to connect to the Town's water and sewer system, including any capacity reservations noted, under this Contract shall expire if (i) substantial (i.e. more than token) construction of the project has not begun **by December 31, 2024**; (ii) after construction begins, construction ceases for a continuous period of more than one year (unless a result of an action by the Town); or (iii) the extension to be constructed pursuant to this contract has not been connected to the Town's system in accordance with the requirements set forth herein within two years **from December 31, 2024**, unless extended by writing before the expiration.

(2) Nothing in this Contract shall be construed as constituting express or implied approval of the Project by the Town under any applicable Town zoning, subdivision, or other land use ordinance.

(3) The DEVELOPER agrees to comply with or satisfy the following terms and conditions as well as those set forth in Appendix A and acknowledges that the Town's authorization to connect the proposed extension to the Town's system is specifically contingent upon compliance with and satisfaction of the same. If these conditions are not met, this Contract will be rendered null and void and the DEVELOPER will need to re-negotiate a new Contract for extension of service from the Town.

A. General Conditions:

1. Unless otherwise explicitly and specifically stated, DEVELOPER shall bear the costs and expenses of all obligations and duties created by this Contract, including without limitation, engineering and legal fees incurred by the Town in connection with the proposed extension. The Town will invoice the Developer for such costs incurred, and payment is due within 30 days.
2. The Town will permit the use of the extension to the Town's water or sewer system only after the Improvements have been successfully tested, all the conditions set forth in Sections B, C, and D and any costs billed per A(1) and Section E, and any additional conditions appended hereto, have been satisfied.
3. The Town shall own and maintain the Improvements constructed under this contract after they are accepted by the Town Board of Commissioners and until such time as the Improvements have been accepted by the Town Board, the DEVELOPER remains responsible for all maintenance and repairs to the Improvements.
4. The DEVELOPER shall warrant all materials and workmanship of the Improvements pursuant to the Post-Construction Conditions of this Contract. Should defects in workmanship or materials be discovered in work done pursuant to this contract by or for the DEVELOPER during the warranty period, the DEVELOPER shall be responsible to see that all such defects are promptly corrected at the DEVELOPER's expense and written evidence of such, such as a stamped/sealed certification by the DEVELOPER'S engineer per paragraph A.12 above, is provided to the Town.
5. The Town may make or authorize extensions or connections to or from any of the Improvements constructed pursuant to this Contract without permission of the DEVELOPER.
6. Water and sewer service shall meet all minimum State and Town standards. The Town makes no warranty as to any water quality, quantity, or pressure to be provided.
7. This Contract may be assigned by the DEVELOPER, but such successor or assignee shall obtain no rights hereunder until after it has provided the Town with a written acknowledgment of the assignee's assumption of all DEVELOPER's obligations and responsibilities under this Contract.

8. This Contract is specific to the Project named above and described in Appendix A as approved by the Town Utilities Department and the Board of Commissioners. Any change or alteration in the approved intended use, i.e., residential, and commercial development, or configuration of the approved Improvements of such Project by the DEVELOPER or successor or assignee shall, absent the written consent of the Town, void this Contract.
9. DEVELOPER shall employ a licensed North Carolina engineering firm and engineer to prepare the design and to provide construction administration services throughout the entire Project. DEVELOPER shall provide for third-party construction observation services for the duration of the construction through the Town's acceptance of the Project.
10. The words "line" or "lines" shall include "main or "mains" unless the contract otherwise requires. "Sewer" means "sanitary sewer."
11. This Contract shall be deemed made in and shall be construed in accordance with the law of North Carolina.

B. Pre-Construction Conditions

1. The DEVELOPER and its engineer shall discuss the capacity needs of the Project with the Town early in the Project's conceptual phases. Water and sewer capacity allocated to the Project will be noted in Appendix A and any changes in Project scope requiring more or less than the allocated amount will require an amendment to this Contract. For large Projects, the Town may require the DEVELOPER to conduct its own capacity analysis using a licensed North Carolina Professional Engineer utilizing information provided by the Town.
 - a) If results of the capacity analysis determine off-site improvements to the Town's existing system (conveyance or treatment) are needed to accommodate the Project and the DEVELOPER decides to proceed with the Project, the Town will negotiate any cost-share of such off-site improvements with the DEVELOPER, and the terms reached as a result of the negotiations will be included in Appendix A.
2. The DEVELOPER shall engage a licensed North Carolina Professional Engineer to prepare plans and specifications for the construction of water improvements and/or sanitary sewer improvements to serve the Project. The Project shall not rely solely on the Town's Standard Utility Specifications, which may not cover all methods of construction or administrative matters (e.g., shoring, trenching, backfill, pipe laying, handling rock or hazardous wastes, bypass pumping, temporary water service, general and special conditions, site security, payment and change processes, geotechnical or other investigations, etc.).
3. The DEVELOPER shall secure formal approval of the water and sewer construction plans and specifications by the following agencies or authorities (and any other government agencies which may have jurisdiction over one or more elements of the Project), and provide approvals of such to the Town:

- Town Utilities Department
 - North Carolina Department of Environmental Quality (if the Project entails any site infrastructure that is considered private, the plans and permit applications shall clearly delineate such and two applications may be required)
 - North Carolina Department of Transportation
4. The DEVELOPER shall secure and record all required easements for the Work. The Town will provide a boilerplate easement document for utilization.
 5. The DEVELOPER shall schedule a pre-construction meeting to include the Town Utilities Department, the Town Planning Department, the Contractor, major Subcontractors, and other pertinent stakeholders prior to commencement of the Work and at this time will provide the Town a list of contacts for the Project.
 6. The DEVELOPER shall instruct its contractor to submit to its engineer all material and shop drawing submittals and for its engineer to share all approved submittals with the Town.
 7. The DEVELOPER shall pay all fees for the Improvements due to the Town prior to construction of the Improvements.
 8. The Town will not accept new pumping stations except under extraordinary circumstances. If the Town accepts a pumping station in the Project design, the DEVELOPER shall pay the Town's Perpetual Maintenance Fees for such Improvements as required by the Town Code.
 9. The DEVELOPER shall ensure that its engineer, surveyor, and contractor receive a copy of the final approved permits, plans and specifications for the Project and is aware of the Town's Utility Specifications, Standard Details and As-Built Digital Submittal Requirements prior to construction commencement, as applicable to each.

C. Construction Conditions:

1. Unless otherwise provided in this Contract, all construction shall be in accordance with Town and State policy, standards, and specifications at the time of construction commencement.
 - a) The Town shall approve the size and type of material for all water and sewer lines.
 - b) The DEVELOPER shall provide, at its sole cost and expense, for construction observation of the water and sewer Improvements by an independent, competent, and experienced inspector (Inspector) to be approved by the Town. Such Inspector shall have at least five years' experience in observing water and sewer main construction. Inspection by the Town does not consist of or imply supervision. The role of the Town's inspection staff is not to oversee construction of the Project, but only to (i) witness the installation of critical items of importance to the Town and (ii) periodically check on the Project's progress.

- c) All work on the extension of water or sewer lines shall be subject to inspection by the Town, and no Work may be covered up until such inspection has occurred or the Town is confident an Inspector observed the Work. If any Work is covered up prior to inspection, the town may require such Work to be uncovered or exposed for inspection at the DEVELOPER'S expense. If, in the judgment of the Town, there is a demonstrated lack of competent supervision by a Contractor, the Town may halt work until approved supervision is obtained and the work done in accordance with town specifications and requirements; or provide constant inspection by Town personnel **at the expense of the Developer**.
- d) The Town will require acceptance testing to determine whether the Work complies with State and Town standards and specifications. All such testing shall be at the DEVELOPER's expense, and a Town representative must be present when testing occurs unless declined or delegated in writing. The DEVELOPER or its Contractor must provide the Town at least 48 hours advance notice of any testing. The Contractor or third-party Inspector shall document the testing of each segment in detail (type of test, date, test conditions and results, pass/fail) on legible forms. Contractor or third-party construction observer's failure to document a test will require retesting and a retesting fee for each instance thereafter.
- e) The Inspector hired by the DEVELOPER shall be onsite each day that meaningful work is performed and shall prepare daily logs to be submitted weekly to the Town. Daily logs shall include a general description of the work performed that day, weather conditions, equipment used, number of crew, any installation observations, or concerns, and who they were communicated to, and associated photos with a photo log. The Inspector shall routinely communicate with the Town on progress and issues that arise.
 - i. Meaningful work means the installation of water or sewer infrastructure and appurtenances that will become part of the public system of the town, installation of water or sewer services, making taps to existing Town water or sewer mains, testing (including flushing and chlorinating of water mains) of water or sewer systems for acceptance, testing of soils for compaction around water and sewer systems, pouring thrust blocking, constructing pumping stations, tanks or other water and sewer features.
- f) The Inspector shall consult with the Town and the DEVELOPER's engineer on any significant field changes. The DEVELOPER's engineer shall gain approval in writing from the Town's Utilities Director or delegated staff prior to making such changes. Changes shall be reflected on the record drawings.
 - i. Significant change may include but not be limited to adding or deleting or changing the alignment or grade of infrastructure; moving hydrants, manholes, valves or backflow prevention device locations; adding additional services; changing pipe sizes or materials; adding couplings; or making other changes that will affect the layout or operation of the system as designed and approved.

- g) All Work on the Improvements shall be performed by a contractor licensed to perform this type of Work in North Carolina.
- h) DEVELOPER shall have their construction contractor coordinate with the Town on tie-in plans and water shutdowns at least one week in advance. Contractor shall be responsible to notification to customers of water disruptions.
- i) Town shall operate any existing system features (i.e., valves, hydrants) to accommodate Work by contractor, unless permission for others to operate such features is granted by the town in writing. Unauthorized operation of hydrants or valves or other system components by DEVELOPER or its contractor (or subcontractor) without prior approval of town constitutes tampering and theft and will result in the Town assessing fees and civil penalties as outlined in town code Section 14-16. Should DEVELOPER fail to pay an assessment imposed pursuant to this paragraph or if tampering occurs repeatedly on the Project, the Town may stop work on the Project until the assessment is paid, or some other arrangement is made to satisfy the Town that no further tampering will occur. Repeat instances of tampering may result in the Town nullifying this Contract.
- j) DEVELOPER shall report any instances of sewer bypass or overflow, or any instance of water system issues, caused by the Work.
- k) DEVELOPER shall ensure contractor checks and confirms line and grade throughout installation of future public gravity sewers to ensure proper slope and alignment per plan. Failure to comply with minimum slope shall result in the removal and replacement of such sewers mains at proper grade, at DEVELOPER's cost.
- l) DEVELOPER shall provide proof of approved product submittals to the Town prior to construction commencement.
- m) DEVELOPER shall provide a copy of this WSEC to its water and sewer contractor and submit proof to the Town of same.
- n) DEVELOPER shall require its contractor to provide 48-hours' notice to the Town in advance for any taps and acceptance testing.
- o) DEVELOPER shall require that its water and sewer contractor have its field superintendent onsite during all construction of the Improvements. The field superintendent and a secondary field contact shall be identified at the preconstruction meeting.
- p) The DEVELOPER shall ensure that the water and sewer contractor maintain field records of the Work as it progresses and shall have a registered land surveyor collect and seal as accurate, the location and survey attributes for all water and sewer features as required by the Town according to its As-Built Digital Submittal Requirements. Any missing information to meet the requirements shall be collected at the DEVELOPER expense and

prior to Town acceptance of the system.

- q) The DEVELOPER shall prepare and submit final as-built drawings of the Work which are sealed by a North Carolina registered Professional Engineer.
 - r) Off-road vehicles or metal tracked equipment is prohibited to be driven over installed utilities. The evidence or observation of off-road vehicles or metal tracked equipment driving over installed utilities after inspection may require reinspection and retesting at the costs listed in Appendix E at the discretion of the Town.
2. The DEVELOPER shall bear the total cost of all water and/or sewer construction within the Project and the total cost of all water and/or sewer construction required to extend service to the Project, unless negotiated otherwise and stated in this Contract.

D. Post-Construction Conditions:

The following stages shall be completed after construction of the Project:

1. Prior to use of the Project for any reason the Town shall have performed a pre-acceptance inspection and received from the DEVELOPER and approved:
 - a) sewer smoke testing and televising reports as required by the Town specifications,
 - b) copies of all acceptance testing performed on the Improvements, including any testing of backflow prevention devices; fats, oils and grease interceptors or separators; fire flow or apparatus testing (as it relates to affecting the public water system); sewer manhole vacuum testing; sewer and water main pressure and leakage testing; mandrel testing; geotechnical compaction testing if utilized; and bacteriological testing of any water mains,
 - c) two printed copies (1 full D-size and 1 half-size) and one electronic PDF copy of the sealed as-built drawings (full as-built drawings should be presented unless the Town agrees to accept a series of partial as-built drawings),
 - d) a full CAD version of the final as-built drawings including all necessary X-references and font files to make a complete view of the data in Autodesk's AutoCad 2020 or other Autodesk CAD viewer software,
 - e) a contractor's notarized affidavit that the drawings accurately represent the as-built improvements,
 - f) the completed Engineering Certifications executed by the Professional Engineer of record indicating that work has been performed in substantial compliance with the approved plans and specifications and that the state has received such certifications and approved them (final certification should be provided unless the Town agrees to accept a series of partial

certifications and then a final certification), and,

- g) evidence the noted deficiencies, including any noted from the sewer televising and smoke testing, have been corrected by the DEVELOPER'S contractor and approved by the town, unless the Town has provided written permission for specific minor deficiencies not affecting the operation of the system to be corrected before acceptance of the system per Item D(2)(g).

2. Prior to the Town accepting the system for ownership, the Developer shall:

- a) provide a Contractor's Affidavit and Release of Liens from all subcontractors and materialmen,
- b) provide digital data as required by the Town's As-Built Digital Submittal Requirements,
 - i. the digital data will be quality checked by the Town's surveying firm (typically 10% of the system). Additional time shall be accounted for this effort in DEVELOPER's schedule,
 - ii. the data shall be corrected at the DEVELOPER's expense if significant discrepancies exist between the survey data exist from the quality check,
 - iii. The charges for the Town to perform the quality check and input the data into the town GIS system will be billed to the DEVELOPER.
- c) convey to the Town and record or cause to have recorded in the Orange County Registry all deeds of easement and plats showing all water and/or sewer easements required to serve the Project,
- d) provide an engineer-certified Statement of Value per bid line item of the final cost of the water and sewer Improvements,
- e) have submitted all daily field reports and other pertinent Project records as requested such as approved submittals, Requests for Information, Field Work Orders and Change Orders,
- f) ensure all Engineering Certifications are final,
- g) All Town punch list items are completed and signed off upon,
- h) provide developer completed state Change of Ownership forms to transfer the state-permitted water and sewer Improvements that are to become public to the Town (the Town will execute its portion and submit to the state upon Town Board of Commissioners acceptance),
- i) formally dedicate to the Town by letter all physical Improvements constructed to serve the project that is the subject of this contract, which Improvements shall become part of the Town

water and sewer system upon acceptance by the Town Board of Commissioners and will thereafter be owned and maintained by the Town, with exception of the warranty conditions, and

- j) present a warranty in the name of the Town of Hillsborough for a minimum period of two years from the date of Town Board of Commissioner acceptance of the construction for the Project or phase of Project. The method of securing the warranty shall be by Maintenance Bond or Letter of Credit from a viable surety with a rating of AA or above, or other form of security in a form acceptable to the Town. The security amount will be 25% of the total cost of the Improvements as certified in the Statement of Value prepared by a North Carolina licensed engineer.
3. It shall be the DEVELOPER's responsibility to request release of the warranty at a point not earlier than two years from the date of acceptance of the system by the Town. The warranty shall remain in effect until such time as all four of the following conditions are satisfied:
- a) Town staff have evaluated the system for the end-of-warranty release and provided documented comments of defects to be corrected,
 - b) DEVELOPER has performed end-of-warranty sewer smoke testing and televising (CCTV) and provided such to the Town for review in accordance with the Town's specifications,
 - c) DEVELOPER has corrected any defects noted by the Town staff in its evaluation of the system and the Town has verified this, and
 - d) The Town has returned or noted cancellation of the warranty security instrument.

E. Fees:

- 1. All fees and charges to be paid pursuant to this Contract shall be calculated in accordance with the Town's fee schedule in effect when the fees and charges are paid, or if not in the fee schedule, as outlined in this section. Fees typically are adopted as part of the Town's budget process each year with an effective date of July 1 and are subject to change.
- 2. DEVELOPER's construction of Improvements pursuant to this Contract shall not relieve DEVELOPER of the obligation to pay applicable fees under the Town's water and sewer ordinances and policies in effect at the time the fees are paid, and this Section E, except as amended by Appendix A.
- 3. DEVELOPER's construction of Improvements pursuant to this Contract does not affect the Town's policy with respect to the fees to be paid to the Town by property owners other than DEVELOPER for connection to the improvements constructed by DEVELOPER pursuant to this Contract. Nor shall DEVELOPER have any right to collect fees from persons connecting onto or extending the improvements constructed under this Contract.

4. The following fees will be applicable to the Project:

- a) Water and sewer system development, engineering review, inspection and meter fees as applicable and published in the fee schedule referenced in Section A(1) and herein.
- b) Perpetual Maintenance Fees for any approved pumping station per town code calculations.
- c) Tampering fees as outlined in Item C(1)(i).
- d) DEVELOPER shall ensure its water and sewer contractor is prepared for acceptance testing by pre-testing items in advance. Reinspection fee for each recurring trip for previously failed tests, a call for testing that requires the Inspector to wait more than 30 minutes or observation by the Inspector that the items are not ready to be tested, or no timely notification of cancellation (4 hours in advance) of testing will be charged to DEVELOPER at the fees established in the adopted town fee schedule.
- e) DEVELOPER shall ensure the construction is conducted in an orderly and organized fashion and that the Town's resources are efficiently utilized. Repeated and duplicative effort by the Town on a project will require reimbursement from the Developer for staff time and travel in accordance with Section 14-68 of the Town Code of Ordinances.
- f) Construction water for the Project will not be obtained from the Town's water system unless through rental of a hydrant meter, installation of a construction meter (for home building), or through bulk water purchase from the Town's Water Treatment Plant in accordance with policies and rates in place at the time of rental.
- g) DEVELOPER shall reimburse the Town for review of sewer CCTV tapes at the rate established in the town adopted fee schedule. CCTV that is submitted not in accordance with the Town CCTV specifications will be immediately rejected with a one-time charge as presented in the town adopted fee schedule.

[SIGNATURE PAGE FOLLOWS]

IN TESTIMONY WHEREOF, the parties hereto have executed this Contract in duplicate originals, as of the day and year first above written.

**HABITAT FOR HUMANITY
OF ORANGE COUNTY, NC**

TOWN OF HILLSBOROUGH

By: _____
Signatory Title

By: _____
Eric J. Peterson
Town Manager

ATTEST:

ATTEST:

Town Clerk
Sarah Kimrey

This Contract is approved to as form:

Town Attorney

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Eric Peterson, Interim Finance Director

List of Appendices:
Appendix A

EAST VILLAGE AT MEADOWLANDS

TOWN OF HILLSBOROUGH WATER/SEWER EXTENSION CONTRACT APPENDIX A

DEVELOPER agrees to satisfy the following conditions in addition to those set forth in the WATER/SEWER EXTENSION CONTRACT before the Town will permit the connection of Improvements constructed for the above referenced Project to the Town water and sewer system:

1. The Project has reserved 30,480 gpd of water and wastewater capacity (50 – 3-bdr and 26 – 4-bdr), which is valid in accordance with the terms of this Contract. Additional reservations of capacity to project or external lots shall be requested and approved separately with supporting documentation.
2. All water meters for the project shall be purchased at once from the Town at the prevailing rate at the time meters are purchased.
3. Public water and sanitary sewer facilities for the project includes 8-inch sewer main (2,760 LF), 8-inch water main (2,330 LF) and 4” water main (150 LF) including necessary fire hydrants, valves and other appurtenances as designed by Summit Consulting and Engineering, PLLC.
4. The Project is approved for 76 water services and 76 sewer services.
5. Developer shall have Contractor coordinate with the Town on tie-in plans and water shutdowns at least one week in advance. Contractor shall be responsible to notification to customers of water disruptions in a manner approved by the Town.
6. Developer’s CONTRACTOR shall report any instances of sewer bypass or overflow, or any instance of water system issues, caused by the Work.
7. Developer shall ensure CONTRACTOR checks and confirms line and grade throughout installation of future public gravity sewers to ensure proper slope and alignment and the utilities are centered within the easement.
8. The public utility easement required to serve this project across the adjacent Tryon Place III parcel shall be executed and recorded prior to construction Commencement.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Community Services
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Margaret Hauth, Assistant Town Manager

ITEM TO BE CONSIDERED

Subject: Exempt design work for repairs to the Exchange Park Lane Bridge from qualifications-based selection process

Attachments:

Resolution

Summary:

NCDOT inspects the Exchange Park Lane bridge every two years and provides the town a report of any needed and recommended repairs. The town is using an allocation of Surface Transportation Block Grant funds from the Metropolitan Planning Organization to fund these repairs. This is a special allocation to help communities during COVID and bridge repair is an acceptable expense. The funding source is federal, which increases some of the spending process requirements.

Financial impacts:

No local match is needed for this funding program, but the repair project will exceed the roughly \$126,000 available. This funding is included in the FY23 public for public works.

Staff recommendation and comments:

Authorize the exemption so staff can proceed with the repairs.

Action requested:

Adopt attached resolution to exempt this project from NCGS 143-64.31.



RESOLUTION

Resolution Exempting Design for Repairs to the Exchange Park Lane bridge from NCGS 143-64.31

WHEREAS, N.C.G.S. 143-64.31 requires the initial solicitation and evaluation of firms to perform architectural, engineering, surveying, construction management-at-risk services, and design-build services (collectively "design services") to be based on qualifications and without regard to fee; and

WHEREAS, the town proposes to enter into one contract for design services for repairs need to the Exchange Park Lane bridge based on safety inspection reports from NCDOT; and

WHEREAS, G.S. 143-64.32 authorizes units of local government to exempt contracts for design services from the qualifications-based selection requirements of G.S. 143-64.31 if the estimated fee is less than \$50,000; and

WHEREAS, the estimated fee for design services for the above-described project is less than \$20,000.

NOW, THEREFORE, be it resolved the Hillsborough Board of Commissioners:

Section 1. The above-described project is hereby made exempt from the provisions of G.S. 143-64.31.

Section 2. This resolution shall be effective upon adoption.

Approved this 12th day of September 2022.

Jenn Weaver, Mayor
Town of Hillsborough

ATTEST:

Sarah E. Kimrey, Town Clerk



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	Sept. 12, 2022
Department:	Public Space and Sustainability
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Stephanie Trueblood, Public Space and Sustainability Manager

ITEM TO BE CONSIDERED

Subject: Resolution to Name Future Greenway "Ridgewalk"

Attachments:

1. Greenway Naming Survey results
2. Resolution: Naming Greenway under Development as Ridgewalk

Summary:

The town has been discussing the potential for greenway connection between downtown Hillsborough and Cates Creek Park for many years. Over the years, the greenway has been referred to by several names. At first, when it was envisioned to parallel Cates Creek, it was called the Cates Creek Greenway. In the updated Community Connectivity Plan, it was referred to as a north-south connector trail due to its orientation. This name was not intended to be permanent.

This year, as a first step toward making the greenway a reality, the town is embarking on a feasibility study for the entire length of the greenway. Now that the project is moving forward in feasibility, staff believes naming the greenway is important.

A significant portion of the greenway will be built in the Collins Ridge neighborhood. It will cross the "ridge" in Collins Ridge. With that geography in mind the Parks and Recreation Board began discussing names that incorporate the word "ridge".

A survey was conducted between June 1 - June 18, 2022, to gauge community reaction to the name "Ridgeway". The majority of respondents liked the name, but several respondents commented that "Ridgeway Greenway" sounded redundant and suggested "Ridgewalk" instead.

The Parks and Recreation Board received the survey feedback on Aug. 16, 2022 and voted unanimously to recommend that the town board consider the name "Ridgewalk" rather than "Ridgeway". Board members suggested that "Ridgewalk" is also compatible with "Riverwalk" and will link the two greenway sections in the user's experience as one complete greenway system.

Financial impacts:

None.

Staff recommendation and comments:

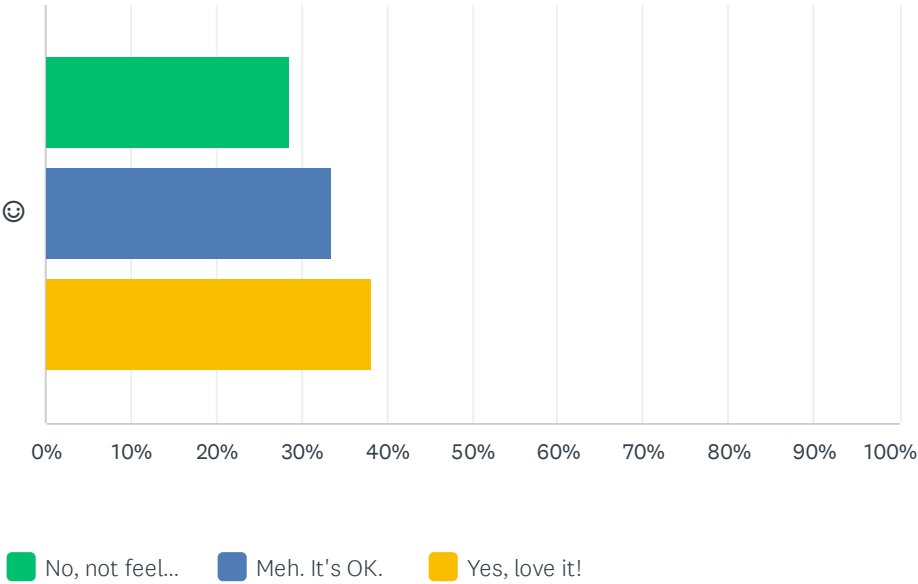
None.

Action requested:

Adopt resolution to name future greenway “Ridgewalk”.

Q1 How do you feel about the name Ridgeway for the proposed greenway?

Answered: 281 Skipped: 0



	NO, NOT FEELING IT!	MEH. IT'S OK.	YES, LOVE IT!	TOTAL	WEIGHTED AVERAGE
😊	28.47% 80	33.45% 94	38.08% 107	281	2.10



RESOLUTION

Naming Future Greenway as “Ridgewalk”

WHEREAS, the Community Connectivity Plan has recommended a greenway connecting Riverwalk and downtown southwards to Cates Creek Park and the surrounding neighborhoods since 2009; and

WHEREAS, the alignment of this greenway has shifted as feasibility and design have progressed; and

WHEREAS, a community survey conducted from June 1 to June 18, 2022 suggested the name Ridgeway and while the community responded well to the name, an alternative of Ridgewalk was also suggested; and

WHEREAS, the name Ridgewalk was unanimously recommended by the Parks and Recreation Board on Aug. 16, 2022, as it coordinates with the existing Riverwalk greenway name and doesn't create awkward or redundant language; and

WHEREAS, this greenway is under development by the town, the above steps are in reasonable alignment with Town Code Section 3-29 since the public is not asking to rename an existing facility;

NOW, THEREFORE, be it resolved the Hillsborough Board of Commissioners establishes the name “Ridgewalk” for the proposed greenway running south from Riverwalk to Cates Creek Park.

Approved this 12th day of September 2022.

Jenn Weaver, Mayor
Town of Hillsborough

Attestation:

Sarah Kimrey, Town Clerk



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	Sept. 12, 2022
Department:	Public Space and Sustainability
Agenda Section:	Consent
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Stephanie Trueblood, Public Space and Sustainability Manager

ITEM TO BE CONSIDERED

Subject: Authorization for Application of Annexation and Partial Rezoning of Future Train Station Site

Attachments:

Annexation and Approximate Rezoning Area Exhibit

Summary:

The 19.59-acre future train station site is currently not within town limits and is zoned AR-Agricultural Residential.

In April 2022, the town entered into a contract with Clearscapes to design the site and station. Design is underway and is expected to take two years to complete. To move forward with site design and prepare for construction, the site needs to be annexed into town and a portion of the site needs to be rezoned to LO-Limited office.

The uses envisioned for the train station building include the following: meeting facility, offices and professional services, transit passenger terminal, and park and ride facility. These uses are permitted by right in the LO district.

Rezoning the portion of the site that will house the future train station and parking facility enables the design team to apply Unified Development Ordinance regulations such as setbacks and design requirements affiliated with the LO zoning district. Clearscapes has prepared an exhibit showing the approximate portion of the site to be rezoned.

The remaining portion of the site will continue to be zoned AR, until such time the town board determines future uses and needs.

Staff anticipates that conversations about future uses of the site will begin in 2023.

Financial impacts:

None.

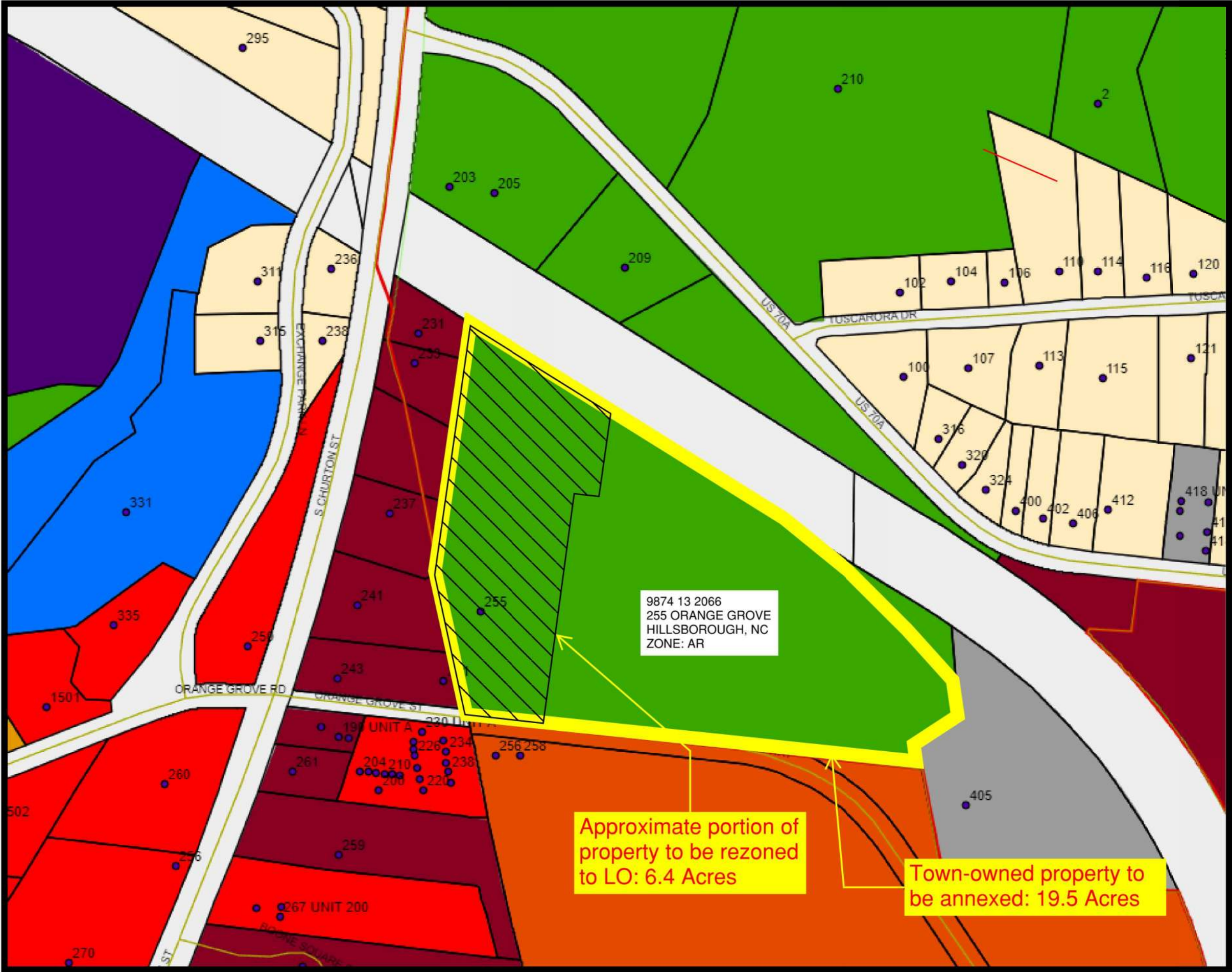
Staff recommendation and comments:

None.

Action requested:

Authorize staff to submit annexation and rezoning request for future train station property.

jects\122001.00 Hillsborough Train Sta\1_Dwg\BA-Model Files\Annexation Exhibit-TrainStation.dwg, 8/29/2022 10:53:35 AM, Bluebeam PDF



9874 13 2066
255 ORANGE GROVE
HILLSBOROUGH, NC
ZONE: AR

Approximate portion of
property to be rezoned
to LO: 6.4 Acres

Town-owned property to
be annexed: 19.5 Acres

**HILLSBOROUGH TRAIN STATION
ANNEXATION & REZONING EXHIBIT
HILLSBOROUGH, ORANGE COUNTY, NC**

NUM	ISSUED	DATE	NUM	ISSUED	DATE
1	TO TOWN OF HILLSBOROUGH	29 AUG 22			



221 Providence Road
Chapel Hill, NC 27514
919.929.0481
ballentineassociates.com

SCALE: AS NOTED
DATE: 29 AUG 22
JOB NUMBER: 122001.00
DRAWN BY: M.P.
REVIEWED BY: G.J.R.

**A & R
EXHIBIT**



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Utilities and Community Services
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Margaret Hauth, Assistant Town Manager
Marie Strandwitz, Utilities Director
Robert Hornik, Town Attorney

ITEM TO BE CONSIDERED

Subject: Amendment to Orange County Interlocal Agreement for water and sewer service in the Hillsborough Area Economic Development District (EDD)

Attachments:

1. Original agreement from 2017
2. Proposed amendment

Summary:

In 2017, the town and county entered a cost share and capacity reservation agreement to facilitate marketing the land south of Interstate 40 for economic development purposes. Orange County intended to design and build the needed water and sewer infrastructure to incentivize development using their Article 46 sales tax revenues (targeted for economic development). The town provided financial support for water infrastructure to be installed outside of the EDD zoning district to connect to New Grady Brown School Road for fire flow, pressure, and redundancy. In 2017, Orange County was not willing to allocate Article 46 revenues outside the EDD zoning district.

Currently, a private developer is pursuing installing the necessary infrastructure as part of an approved plan to develop a significant portion of the EDD zoned area south of Interstate 40. The Article 46 funds may become an incentive payment to them from the county. The town has reiterated that the waterline extension is necessary to support intensive development in this area and is asking Article 46 funds be available for the extension to New Grady Brown School Road in return for the design support already provided and maintaining the capacity reservation covered by the 2017 agreement through Dec. 31, 2022.

The agreement is due to expire this month. The proposed amendment extends the reservation until Dec. 31, 2022 and includes the full waterline extension as eligible expenses. This brief extension is intended to allow agreements needed between the developer and Orange County to be finalized (as well as between the town and developer). If those agreements are not completed by Dec. 31, the town and county can discuss whether to extend this agreement further. If this agreement amendment is approved by the town, Orange County Board of Commissioners will review the proposed amendment on Sept. 20.

Financial impacts:

This amendment removes the town's responsibility to fund construction of the waterline connection to New Grady Brown School Road. The last bid estimate for that portion of the project exceeded the \$509,000 the town had allocated for the improvement (which is already almost double the original county estimate and town commitment

of \$259,000). The town has already paid Orange County approximately \$27,000 for the design work. This allows the town to reallocate the remaining available funds to other, higher priority system improvements.

Staff recommendation and comments:

This is a temporary extension to benefit the project. If the developer is not successful in negotiating contracts and agreements with the town and county to complete the work, it is Utilities recommendation that the Orange County agreement be terminated and fully revised due to outdated terms and conditions.

Action requested:

Take action on the interlocal agreement amendment.

2017-542

10-3-2017 - 6a

INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWN OF HILLSBOROUGH FOR CONSTRUCTION AND OPERATION OF WATER AND SEWER FACILITIES IN THE HILLSBOROUGH AREA ECONOMIC DEVELOPMENT DISTRICT OF ORANGE COUNTY

INTERLOCAL AGREEMENT
BETWEEN ORANGE COUNTY AND THE TOWN OF
HILLSBOROUGH FOR CONSTRUCTION AND OPERATION
OF WATER AND SEWER FACILITIES IN THE
HILLSBOROUGH AREA ECONOMIC DEVELOPMENT
DISTRICT OF ORANGE COUNTY

This agreement is dated, made, and entered into as of the 25 day of September, 2017, by the Town of Hillsborough, a North Carolina municipal corporation ("Hillsborough," "Town" or "Town of Hillsborough") and Orange County, a North Carolina political subdivision ("County," "Orange" or "Orange County").

Purposes. The purposes of this agreement are (1) to further the economic development potential of land identified by Orange County and the Town of Hillsborough in their respective planning documents as particularly suitable for industrial and business development, as well as to promote the public health and safety of residents within the area, and (2) to accomplish the design, construction, and operation of water and sewer facilities within the Hillsborough Area Economic Development District ("County EDD").

1. **Definitions.**

Year-July 1-June 30

Zone-The Hillsborough Area Economic Development District located around the Interstate 40 interchange with Churton Street (Old NC 86), shown in greater detail by the map titled "Hillsborough Area Economic Development District Utility Service Boundary" and attached as Exhibit A.

Water and Wastewater Utility Agreement- an agreement between at least two parties setting forth conditions, including but not limited to utility service, construction, ownership and operation.

2. **Engineering Design and Firm Selection.** Orange County will solicit and receive proposals for the design of water and/or sewer infrastructure to serve the County EDD. A representative from the Town of Hillsborough will be part of the selection team. Before awarding contracts for such design, Orange County will provide the Town of Hillsborough with the proposals and other responses to the request for proposals so that the Town of Hillsborough may review and comment to Orange County regarding the selection of the designer(s). Orange County will then proceed to negotiate the professional fees with the designer(s). Orange County will not select any designer to which the Town of Hillsborough objects based on the qualifications. If the Town of Hillsborough does not object within a reasonable time (10 days after Town of

INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWN OF HILLSBOROUGH FOR CONSTRUCTION AND OPERATION OF WATER AND SEWER FACILITIES IN THE HILLSBOROUGH AREA ECONOMIC DEVELOPMENT DISTRICT OF ORANGE COUNTY

Hillsborough's receipt of a proposal and/or other response to Orange County's request for proposals) to a designer, Orange County may award a contract to the designer for such design.

3. Construction. Orange County will solicit bids for the construction of the water and sewer infrastructure. Orange County will share the proposals with the Town of Hillsborough before awarding any bid or contract for construction of the infrastructure. The Town of Hillsborough will pay the cost of construction and pro-rata share of the related engineering and construction engineering & inspection services for those sections of the water and/or sewer infrastructure lying outside the county economic development zone and Orange County will pay the cost of construction and pro-rata share of the related engineering and inspection services for those sections of the water and/or sewer infrastructure lying within the county economic development zone. If the Town of Hillsborough does not choose to extend and pay for the aforesaid sections of the infrastructure and acceptable design alternatives exist, the remaining aspects of the project can continue and terminate at the EDD land use line with the infrastructure improvements solely financed by Orange County. By authorizing their respective managers to sign this agreement, the parties' governing bodies also authorize them to agree to suspend or abandon the process if the managers jointly determine it is prudent to do so. If the managers do not jointly agree it is prudent to suspend or abandon the process, it is agreed that suspension or abandonment will not be affected unless the parties' governing bodies jointly agree to suspend or abandon the process. Except as otherwise provided herein, should either party unilaterally suspend or abandon the process, such party shall be responsible for the costs incurred pursuant to this Agreement pro-rated to the time of suspension or abandonment.
4. New Development and Buildings. Non-Residential development shall be consistent with the joint land use plan and county zoning. Industrial or commercial water and sewer connections and other public uses shall be subject to the utility approval of the Town of Hillsborough regardless of whether the development site(s) are annexed. Provided, however, such approval shall not be unreasonably withheld and shall be based on the Town's determination of availability of capacity in the Town's water and sanitary sewer systems, the ability of the Town's water and sewer systems to provide service within the Town's entire service area, and consistency with the Town's adopted comprehensive plan. All water and sewer connection approvals shall take into consideration the resources available to the Town of Hillsborough and shall be consistent with the Water and Sewer Management Planning and Boundary Agreement Map (WASMPBA, see Exhibit B). A reservation of 108,000 gallons per day (GPD) sewer capacity and 108,000 GPD water capacity will be made available to subject

INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWN OF HILLSBOROUGH FOR CONSTRUCTION AND OPERATION OF WATER AND SEWER FACILITIES IN THE HILLSBOROUGH AREA ECONOMIC DEVELOPMENT DISTRICT OF ORANGE COUNTY

properties for up to 5 years after the date of execution of this agreement. The Town of Hillsborough acknowledges that industrial, office, and commercial uses are intended within the County EDD and that such uses, if permitted by Orange County (for those projects not slated for immediate and/or delayed annexation), will be served subject to available capacity and other factors stated above.

The reservation is made for a period of 5 years and may be extended by written agreement of the Town for up to an additional 5 years upon written request made to the Town of Hillsborough prior to expiration of the initial 5 year period. If a Town of Hillsborough utility agreement uses part of this reservation then the reservation amount is reduced unless otherwise requested and approved. This agreement is not intended to mandate annexation nor exclude the potential for the project to remain in the County's planning jurisdiction. If the project remains in the County's planning jurisdiction, the water and sewer service utility agreement between the developer and the Town of Hillsborough will be accompanied by a voluntary annexation agreement to be acted upon when Orange County and the Town of Hillsborough agree to the timing of such annexation. This would include the preparation and review of an annexation report prepared for and submitted to the Town of Hillsborough by a developer.

When development occurs in the jurisdiction as noted in Exhibit A, the land use parameters noted within the Orange County/Town of Hillsborough joint land use plan will act as guidance to zoning.

5. Construction Standards. In all respects, except to the extent otherwise stated in this agreement, the construction will be done in accordance with (i) Hillsborough utility standards, requirements, specifications, and procedures, including approvals of plans and permits, conducting inspections, requiring tests and certifications, and requiring record (as-built) drawings, and (ii) any applicable federal and state standards. Notwithstanding any other part or provision of this agreement should any such approvals or permits be withheld or unobtainable, this agreement may be terminated by Orange County, at no cost and with no further liability or obligation to Orange County, upon written notice to the Town of Hillsborough. In the event of such termination, the County and the Town shall each be responsible for the respective costs they incurred pursuant to this agreement up until the time of termination.

INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWN OF HILLSBOROUGH FOR CONSTRUCTION AND OPERATION OF WATER AND SEWER FACILITIES IN THE HILLSBOROUGH AREA ECONOMIC DEVELOPMENT DISTRICT OF ORANGE COUNTY

6. Ownership of and Responsibility for Infrastructure. Upon final completion of construction, and subject to any maintenance and warranty requirements included in the construction contract for the infrastructure, the Town of Hillsborough will be the owner of and responsible for the operation and maintenance of the infrastructure constructed under the construction contracts. All construction contracts shall provide for the indemnification and defense by the contractors of both Orange County and the Town of Hillsborough.
7. Fees and Charges. As long as a particular property is located outside the Town of Hillsborough's corporate limits, the Town of Hillsborough will impose, process, and collect all fees and charges with respect to that particular property, including acreage fees, connection charges, frontage charges, capacity charges, and utility rates in accordance with then-existing Town policies and consistent with State law. These fees and charges shall be in accordance with the Town of Hillsborough's charges on other locations outside the Town's corporate limits. Except to the extent specified otherwise, Orange County will have no right to any of those fees and charges, and nothing in this agreement will affect the use or disposition of those fees and charges unless defined in a reimbursement clause in this agreement or by supplemental agreement.
8. Reimbursement to Orange County. The acreage fees and/or frontage charges collected by the Town of Hillsborough, if any, from property situated within the County EDD (as shown on Exhibit A) will be used to reimburse Orange County for the design and construction of infrastructure in the County EDD. Collectively, these fees collected from development inside the County EDD will be termed "Dedicated Receipts" and will be paid to Orange County by Hillsborough. Such utility infrastructure reimbursement fees, if employed in this specific area, will be jointly developed and be implemented within respective development ordinances. No other fees or charges collected by Hillsborough, such as capacity and connection charges, will be used for that purpose. If at any time Hillsborough's acreage and/or frontage fees are held to be unlawful or unauthorized, Hillsborough agrees to indemnify Orange County from and against any and all claims related to acreage fee payments made to Orange County by Hillsborough. This indemnification requirement shall survive any termination of this Agreement.
9. Nondiscriminatory Policies. The Town of Hillsborough will not establish policies that impose

INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWN OF HILLSBOROUGH FOR CONSTRUCTION AND OPERATION OF WATER AND SEWER FACILITIES IN THE HILLSBOROUGH AREA ECONOMIC DEVELOPMENT DISTRICT OF ORANGE COUNTY

a level of water and sewer service in the County EDD that is inferior to that provided to similarly situated users of Hillsborough water and sewer services.

10. Annexation. The Town of Hillsborough may enter into agreements with developers and property owners that comply with Town of Hillsborough requirements related to annexation, including, but not limited to, that they will not seek annexation by any municipality other than the Town of Hillsborough; that they will petition for annexation when requested by the Town of Hillsborough; the Town of Hillsborough can delay annexation; and that they will be subject to remedies for violating the annexation-related provisions.
11. Regulations. The Town of Hillsborough shall have the authority to protect and regulate the water and sewer systems and its users in the County EDD, including water use restrictions and regulations regarding discharges into the wastewater system.
12. Duration. The term of this Agreement shall be 5 years, unless terminated earlier by mutual agreement. On such termination, all obligations that are still executory on both sides are discharged but any right based on prior breach or performance survives. The term of this Agreement may be extended for additional 5 year terms upon written agreement of the governing bodies of each party. The governing body of each party hereto has determined the duration provided in this paragraph to be reasonable.
13. Appointment of Personnel. The Town Manager shall designate persons to carry out the Town of Hillsborough's obligations under this agreement. The County Manager shall designate persons to carry out Orange County obligations under this Agreement
14. Amendment and Termination. This Agreement may be amended or terminated by agreement of the parties. An amendment is not valid unless signed by both parties and wholly in accordance with requirements of the law. An amendment is not enforceable against the Town of Hillsborough unless it is signed by its Town Manager, or a deputy or assistant Town Manager and/or Mayor. An amendment is not enforceable against Orange County unless signed by the County Manager or Deputy County Manager and/or Chair of the Board of County Commissioners.

INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWN OF HILLSBOROUGH FOR CONSTRUCTION AND OPERATION OF WATER AND SEWER FACILITIES IN THE HILLSBOROUGH AREA ECONOMIC DEVELOPMENT DISTRICT OF ORANGE COUNTY

15. Notice.

- a) All notices and other communications required or permitted by this agreement shall be in writing and shall be given either by personal delivery, UPS, Federal Express, or certified United States mail, return receipt requested, addressed as follows. The parties are requested to send a copy by email.

To Town of Hillsborough:

Eric Peterson
Town Manager
Town of Hillsborough
101 E. Orange St.
Hillsborough, NC 27278

Email: eric.peterson@hillsboroughnc.gov

To Orange County:

Bonnie B. Hammersley
Orange County Manager
200 S. Cameron Street
P.O. Box 8181
Hillsborough, NC 27278
Email: bhammersley@orangecountync.gov

- b) A change of address, fax number, or person to receive notice may be made by either party by notice given to the other party. Any notice or other communication under this agreement shall be deemed given and sent at the time of actual delivery, if it is personally delivered. If the notice or other communication is sent by United States mail, it shall be deemed received upon the third calendar day following the day on which such notice or other communication is deposited with the United States Postal Service or upon actual delivery, whichever first occurs.

16. No Third Party Rights Created. This agreement is intended for the benefit of the two parties and not any other person and no rights or benefits are created for or granted to any third party by this agreement.

[SIGNATURE PAGE TO FOLLOW]

INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWN OF HILLSBOROUGH FOR CONSTRUCTION AND OPERATION OF WATER AND SEWER FACILITIES IN THE HILLSBOROUGH AREA ECONOMIC DEVELOPMENT DISTRICT OF ORANGE COUNTY

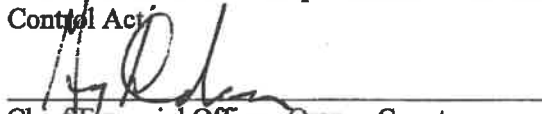
Town of Hillsborough

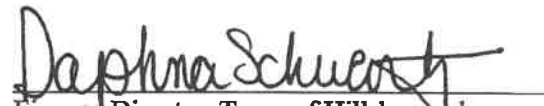

Mayor

Orange County


Chair of the Board of Commissioners

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.


Chief Financial Officer, Orange County


Finance Director, Town of Hillsborough

**FIRST AMENDMENT TO INTERLOCAL AGREEMENT
BETWEEN ORANGE COUNTY AND THE TOWN OF
HILLSBOROUGH FOR CONSTRUCTION AND OPERATION
OF WATER AND SEWER FACILITIES IN THE
HILLSBOROUGH AREA ECONOMIC DEVELOPMENT
DISTRICT OF ORANGE COUNTY**

This is the First Amendment (“First Amendment”) to the “Interlocal Agreement Between Orange County and the Town of Hillsborough for Construction and Operation of Water and Sewer Facilities in the Hillsborough Area Economic Development District of Orange County” (the “Interlocal Agreement”) which Interlocal Agreement is dated, made, and entered into as of the 25th day of September, 2017, by the Town of Hillsborough, a North Carolina municipal corporation ("Hillsborough," "Town" or "Town of Hillsborough") and Orange County, a North Carolina political subdivision ("County," "Orange" or "Orange County").

This First Amendment is entered into as of the __ day of September, 2022.

RECITALS

WHEREAS the Town and the County entered into the Interlocal Agreement dated September 25, 2017; and

WHEREAS the Interlocal Agreement has a term of five (5) years which will expire on September 25, 2022 unless further extended by mutual agreement of the Town and the County; and

WHEREAS the purposes stated in the Interlocal Agreement have not yet been accomplished, but the Town and the County continue to work toward accomplishing those purposes and, therefore, desire to extend the term of the Interlocal Agreement as set forth herein and to otherwise amend the Interlocal Agreement as set forth in this First Amendment.

NOW, THEREFORE, based on the foregoing premises and the mutual promises stated herein, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged by the Town and the County, it is agreed as follow

1. With respect to paragraph 3 of the Interlocal Agreement, entitled “Construction”, the Town of Hillsborough will pay only its pro-rate share of engineering services for those sections of the water infrastructure lying outside the boundaries of the County’s Economic Development zone, and the County will pay its pro-rate share of engineering services for those sections of the water and/or sewer infrastructure lying within the County’s Economic Development Zone. The County will also pay the full cost of construction and construction engineering and inspection for the water “loop” line proposed to connect the water line serving the County’s Economic Development Zone to the Town’s existing water infrastructure located in or adjacent to New Grady Brown School Road in order to ensure sufficient water pressure and redundancy to accommodate the anticipated intensity of development in the County’s Economic Development Zone.

2. With respect to paragraph 12 of the Interlocal Agreement, the term of the Interlocal Agreement, as amended by this First Amendment, shall be extended until midnight on December 31, 2022, so that the reservation of water capacity and sewer capacity (108,000 gallons per day, each) as set forth in paragraph 4 of the Interlocal Agreement shall remain in effect until midnight on December 31, 2022 unless sooner terminated or further extended by written agreement of the parties. Provided, however, if the Town schedules a public hearing to consider the voluntary annexation of an area within the County Economic Development Zone before December 31, 2022, then the Interlocal Agreement as amended by this First Amendment shall terminate without any further action by the Town of the County.
3. Except as expressly amended by this First Amendment, the terms of the Interlocal Agreement shall remain in full force an effect.

AGREED TO AS OF the ___ day of September, 2022.

ORANGE COUNTY, a North Carolina County

BY: _____

TOWN OF HILLSBOROUGH,
A North Carolina municipality

BY: _____



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Administrative Services
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Manager Eric Peterson

ITEM TO BE CONSIDERED

Subject: Contract for year-end audit services in connection with the fiscal years ending June 30, 2022, 2023, and 2024

Attachments:

Proposal

Summary:

The contract will be offered for approval to satisfy the town's legal requirement to complete its annual financial statements and undergo an independent audit.

Financial impacts:

The annual budget includes \$33,000 for the annual audit. A budget amendment to add an additional \$17,000 is included in the budget amendment and transfers item on the consent agenda to cover the estimate provided in the proposal.

Staff recommendation and comments:

While the town normally would solicit multiple quotes for audit services, due to already being significantly delayed on the FY22 audit process, auditing firms throughout the state reducing clients served due to staff shortages, and our current auditor declining to complete our FY22 audit, the town manager recommends that the board authorize approval of the 3-year contract with PBMares.

Action requested:

Approve contract for audit services with PBMares.

PROPOSAL FOR:

Town of Hillsborough, North Carolina



August 30, 2022

A Proposal to Provide Professional Auditing Services
for the Years Ending June 30, 2022, 2023 and 2024

108,373.01
28
6,521.57
2,054.01
1,997.64

Submitted by:

Robert E. Bittner, III, CPA, MBA, Partner
3621 John Platt Drive, Morehead City, NC 28557
(252) 726-0551
www.PBMares.com



ASSURANCE, TAX & ADVISORY SERVICES

Title Page



www.PBMares.com

RFP Subject	Proposal – Professional Auditing Services
	Town of Hillsborough, North Carolina
Submitted By	PBMares, LLP
Primary Office for Audit	3621 John Platt Drive
	Morehead City, NC 28557
	(252) 726-0551
	(252) 726-2740 FAX
	Email: rebittner@pbmares.com
Person(s) Authorized to Make Representations	Robert E. Bittner, III, CPA, MBA Partner/Authorized Representative
Date	August 30, 2022
EIN	54-0737372
DUNS No.	188985337
SCC No.	J000745-1



August 30, 2022

Members of Town Council
Town of Hillsborough
Post Office Box 429
Hillsborough, NC 27278
Attention: Eric Peterson, Town Manager

Dear Mr. Peterson:

We appreciate the opportunity to submit a proposal to provide professional auditing services for the Town of Hillsborough, NC (the Town) for the years ending June 30, 2022, 2023 and 2024. We are excited about the prospect of serving you and are pleased to present the accompanying proposal for audit services for your consideration.

While we hope you will find our detailed proposal informative, outlined below are a few more reasons why we believe we are the best choice to serve as the audit provider for the Town.

Personal Client Service. I will serve as your client service coordinator and will provide you with the level of personal attention needed to help ensure that our team exceeds your expectations.

Dedicated State and Local Government Team: PB Mares has a practice solely focused on serving governmental organizations. This enables us to leverage our expertise across multiple clients and identify trends and industry practices from a diverse client base. We participate in industry and regulatory bodies to be able to give our clients timely and insightful feedback.

Engagement Team Experience. The Town needs and deserves an external audit team with experience and expertise. Our proposed audit team's direct experience includes such clients as City of Fayetteville, NC; City of Wilmington, NC; City of Asheville, NC; Carteret County, NC; and Town of Morehead City, NC. The team also participates as reviewers in the GFOA Certificate of Excellence in Financial Reporting program.

Local Presence, National Expertise. As members of the RSM US Alliance, we are able to provide our clients with the personal attention expected from a local accountant coupled with the national expertise of the fifth largest provider of assurance, tax and consulting services in the United States.

Value. Our approach is to provide a consistent, long-term value proposition. We commit to always keep our fees reasonable and to serve as a business advisor you can count on to provide insights and an independent perspective to help you achieve your mission.

Communication. The most important part of the audit process is communication during planning, execution, and completion. "No surprises" is our motto. As detailed in our formal proposal, we propose an initial meeting to open lines of communication; to understand the Town's operations, goals, and challenges; to discuss auditing and reporting issues; and to set expectations for engagement execution.

Finally, we would like to emphasize one last point: **we want to serve you!** We believe this proposal will demonstrate our commitment to serving the Town. We are committed to delivering quality audit and assurance services founded on integrity, objectivity and competence.

If you have any questions about our proposal or items that require additional elaboration, please do not hesitate to contact us. We look forward to hearing from you.

Very truly yours,

PBMares, LLP

A handwritten signature in blue ink, appearing to read "R. E. Bittner, III".

Robert E. Bittner, III, CPA, MBA
Partner

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Firm Qualifications and Experience



www.PBMares.com

PBMares, LLP

Ranked as a Top 100 firm by *INSIDE Public Accounting* and *Accounting Today*, as well as one of *Forbes'* top tax and accounting firms for 2021 and 2022, PBMares is a full-service accounting and consulting firm, providing audit, tax, and advisory services. Founded in 1963, the firm is headquartered in Virginia and maintains a strong presence in the Mid-Atlantic region, with offices in Morehead City and New Bern, North Carolina, Baltimore and Rockville, Maryland, as well as Fairfax, Fredericksburg, Harrisonburg, Newport News, Norfolk, Richmond, Warrenton and Williamsburg, Virginia.

PBMares is a limited liability partnership owned by the partners of the firm. With more than 350 professionals, we offer expertise across a broad range of industries and service offerings. In addition to traditional assurance and tax services, we provide forensic, wealth management, pension plan administration, transaction advisory, and SEC compliance services through affiliated companies and dedicated practice groups.

Currently, the professionals at PBMares perform audit, tax, and consulting services for clients in a number of diverse industries including governmental entities, not-for-profit organizations, utilities, manufacturers, clubs and hospitality, retail providers, construction contractors, financial institutions, transportation and multi-national corporations. Our staff includes not only CPAs, but individuals with expertise in business valuations, computer network engineering, cybersecurity, fraud detection, and business, tax and estate planning.

Local Engagement Office

The Morehead City office, located at 3621 John Platt Drive, will be responsible for completing the audit with assistance provided from the New Bern and Tidewater Virginia offices. All personnel who will be assigned to the engagement are full-time employees of the firm. Below is a breakdown by staff level of the professionals who work in the firm's Morehead City, New Bern and Tidewater offices: Please see the section entitled "Your Client Service Team" for a description of the roles and professional experience of members of the engagement team.

Staff Level	Morehead City	New Bern	Tidewater Virginia
Partner	1	3	12
Director / Manager	5	6	15
Supervisor	3	3	5
Senior/Staff Accountant	3	5	20
Paraprofessional	5	4	4
Administrative/Operations	4	3	34

Size of Governmental Staff

Our governmental team is committed to supporting and growing our public sector practice. We have significant experience providing audit and consulting services to state and local governments, and have established a dedicated government practice team that includes more than 30 professionals.

Firm Qualifications and Experience



www.PBMares.com

Local Response, Global Resources

An independently owned member
RSM US Alliance



PBMares offers the advantages and resources of a major national firm combined with the service-oriented perspective and fee schedule of a local firm. Our ownership structure gives us full responsibility and authority to serve our clients in all matters. However, we can quickly draw upon both national and international support.

PBMares is an integral member of RSM US Alliance, a premier affiliation of independent accounting and consulting firms in the United States, with more than 80 members in over 40 states, Canada and the Caribbean. We became a member of RSM US Alliance because it is a natural fit with our commitment to our clients and our determination to stay at the forefront of developments affecting accounting and consulting firms today.

This affiliation gives us access to a full range of national and international capabilities. As a member of RSM US Alliance, PBMares has access to resources and services RSM US LLP provides its own clients. RSM US LLP is the leading provider of audit, tax and consulting services focused on the middle market, with more than 13,000 people in 86 offices nationwide. RSM US LLP is the U.S. member of RSM International, a global network of independent audit, tax and consulting firms with more than 38,000 people in over 120 countries.

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International. Visit rsmus.com for more information regarding RSM US LLP and RSM International. RSM, the RSM logo and RSM US ALLIANCE are trademarks of RSM International Association or RSM US. The services and products provided by RSM US Alliance are proprietary to RSM US LLP.

Professional Representations

We make the following representations as implicitly required in your request for proposal:

- PBMares is an independent contractor and is wholly responsible for the services and the supervision of its own employees and permitted sub-contractors.
- PBMares, LLP has met the peer review standards of the AICPA and *Government Auditing Standards*.
- We will maintain adequate supervision of all staff on a day-to-day basis.
- We provide continuing professional education to each person assigned to the audit in accordance with PBMares' quality control document and as required by the *Government Auditing Standards*, issued by the Comptroller General of the United States. This training includes governmental audit training courses.
- PBMares affirms our experience with governmental audits, including GFOA and GASB, is recent and extensive.
- We will comply with all federal, state and local laws and regulations in the performance of this engagement.
- Our work papers will be available for routine review by appropriate auditors of state and federal agencies.
- It is the firm's policy to provide equal opportunity to all qualified persons without regard to race, creed, color, sex, age, national origin, religion, disability, or veteran status. We are proud to be an EEO/AA employer M/F/D/V.
- At all times during the proposal and contract process, PBMares will comply with all applicable state and federal anti-discrimination laws, rules, regulations, and requirements.

Experience Serving Similar Clients



www.PBMares.com

Simply stating that we have experience in a wide array of state and local government projects does not convey the breadth of our experience. We invite you to consider the following specific work we have performed for clients served by your team over the past five years with requirements similar to the Town.

Name of Organization	Type(s) of Services Performed	Current Client	Years Served
Town of Morehead City, NC	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation assistance 	Yes	10+
Town of Holden Beach, NC	<ul style="list-style-type: none"> Internal Control Risk Assessment 	No	1
City of Greenville, NC; Greenville Utilities Commission	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation assistance 	No	6
City of Wilmington, NC	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation assistance 	Yes	10+
County of Stafford, VA (includes school system and solid waste authority)	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation assistance Virginia Auditor of Public Accounts agreed upon procedures, bond covenant procedure 	No	5
Craven County, NC	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation assistance 	No	10+
Carteret County, NC	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR review 	Yes	10+
Pender County, NC	<ul style="list-style-type: none"> Audit (financial and compliance) Consulting ACFR preparation Assistance 	No	4
City of Asheville, NC	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation Assistance 	Yes	4
City of Fayetteville, NC; Fayetteville Public Works Commission	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation Assistance 	Yes	5
City of New Bern, NC	<ul style="list-style-type: none"> Audit(financial and compliance) ACFR preparation assistance Consulting services related to utility service expansion and sharing debt feasibility w/ issuance consulting 	No	5
Wilmington Convention Center	<ul style="list-style-type: none"> Audit (financial and compliance) Financial statement preparation assistance 	Yes	10
City of Jacksonville, NC	<ul style="list-style-type: none"> Audit (financial and compliance) ACFR preparation assistance 	No	10+

Experience Serving Similar Clients



www.PBMares.com

Pamlico County, NC	<ul style="list-style-type: none"> ■ Annual year-end close out planning, review and audit preparation 	Yes	6
Onslow Water and Sewer Authority	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ ACFR preparation assistance 	Yes	10+
Neuse Regional Water and Sewer Authority	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ Financial statement preparation assistance 	Yes	10+
Electricities of NC, Inc., North Carolina Municipal Power Agency #1, North Carolina Eastern Municipal Power Agency	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ Financial statement preparation assistance ■ GASB 87 preparedness study 	Yes	8
Piedmont Municipal Power Agency	<ul style="list-style-type: none"> ■ Agreed-upon procedures related to operation of the Catawba Nuclear Station 	Yes	4
North Carolina Electric Membership Corporation	<ul style="list-style-type: none"> ■ Agreed-upon procedures related to operation of the Catawba Nuclear Station 	Yes	4
County of Rockingham, VA	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ ACFR review 	Yes	25+
County of Goochland, VA	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ ACFR review 	Yes	8+
County of Augusta, VA	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ ACFR review 	Yes	6+
Washington Metropolitan Council of Governments	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ Tax services 	No	5
Neuse River Council of Governments d/b/a Eastern Carolina Council	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ Financial Statement preparation assistance 	Yes	10+
Cape Fear Council of Governments	<ul style="list-style-type: none"> ■ Audit (financial and compliance) ■ Financial Statement preparation assistance 	Yes	10+

Commitment to Audit Quality



We are committed to maintaining the highest quality standards of our profession. To that end, the firm is a member of the American Institute of Certified Public Accountants' (AICPA) Center for Audit Quality (CAQ), the AICPA Government Audit Quality Center (GAQC) and the AICPA Employee Benefit Plan Audit Quality Center (EBPAQC).

These centers are firm-based, voluntary membership organizations designed to help CPAs meet the challenges of performing quality audits in highly regulated environments. By meeting the stringent membership requirements of each Center, the firm demonstrates its dedication to achieving the highest levels audit quality in the assurance practice. In addition to fostering a culture of high audit quality, our membership provides us with an additional resource for research and staff development.

Quality Control Reviews

PBMares was one of the first members of the AICPA's Government Audit Quality Center, and we continue to participate in and support this excellent audit quality mechanism. In connection with this membership, we have agreed to abide by the various membership requirements imposed, including the documentation of our audit and accounting quality control policies and procedures and their review by a peer firm every three years.

KraftCPAs PLLC performed PBMares' most recent peer review which covered the system of quality control in effect for the year ended February 29, 2020. KraftCPAs issued its unmodified report, dated January 15, 2021, on the firm's system of quality control which was accepted by the AICPA.

A copy of our most recent peer review report is included in the Appendices.

Engagement Team Qualifications



www.PBMares.com

Your Client Service Team

By employing only the most qualified personnel and training them properly, we conduct our engagements with minimal interruption to our clients' personnel and day-to-day operations. In addition, PB Mares operates under a "one firm" philosophy, meaning members of the engagement team may not all be from one office location. This enables us to provide the highest level of expertise by drawing from the talent across our office locations.

Robert (Robbie) E. Bittner, III, CPA, MBA, Engagement and Assurance Partner

The Engagement Partner ensures that the services clients receive are of the highest quality and that the benefits of the professional working relationship between our two organizations are maximized. As such, they have overall responsibility for supervision of the engagement and provide technical expertise as needed. As partner-in-charge of the engagement, they are actively involved with the supervision, management and performance of the audit fieldwork, as well as the review of work papers and reports. They review the audit strategy and conduct the technical standards review of all work papers and the final report. In addition, they serve as a sounding board for the audit staff throughout the engagement and are available for meetings with management and appropriate staff to discuss all findings and the report.

Michael A. Garber, CPA, MBA, Engagement Quality Control Reviewer (EQCR)

An EQCR performs a corroborating technical review of significant audit areas and final reports. In addition, these reviewers often bring a specialized level of expertise to the engagement.

Sarah Kate Willis, CPA, Assurance Manager

The Assurance Manager designs the engagement strategy and procedures, directs the fieldwork and reviews the work of the staff accountants assigned to the engagement. They are also responsible for performing the detailed review of the financial statements, work papers and reports. As your primary member contact, they work with the engagement staff to ensure the quick completion of fieldwork with minimal disruption to your office. In addition, they are onsite during the engagement, providing direct oversight and input, as well as serving as a sounding board for the engagement staff.

Amalia E. Neco Valle, CPA, Supervisor/Engagement In-charge

The Supervisor/Engagement In-charge helps plan and implement the engagement strategy, coordinates on-site and daily work efforts, oversees the staff accountants, reviews the completion of the fieldwork, and supports the audit manager in any extra ways possible.

Antonina K. McAvoy, CISA, Cyber & Control Risk Services Manager

The Cyber & Control Risk Services Manager is experienced in performing a wide spectrum of cybersecurity, information security, privacy, and other government IT internal controls assessments. As your primary cyber and IT point of contact, your cybersecurity service team performs assessments of systems and networks to validate established security requirements, and reviews managements implementation of internal controls related to information technology operations and security. Antonina is effective at helping you manage your risks, assess information security programs and systems that protect the data collected, used, stored, and destroyed; as well as, provide recommendations for additional security requirements and safeguards.

Your client service team will be available during the year to serve as advisors on your engagement. In addition, the members of your team are only a phone call or email away and we pledge to respond to your questions and inquiries within 24 hours. In the attached Appendices, you will find resumes of key members of your client service team. There have been no formal complaints or actions taken against any of these individuals.

Engagement Team Qualifications



www.PBMares.com

Staff Continuity

The best way to provide the Town with responsive, quality services is to assign the most qualified individuals to the engagement and maintain continuity of staff on successive engagements. Building rapport with our clients and familiarity with their specific practices makes our work, and yours, easier and more efficient. This practice is also the key to our team's expertise – stability in engagement teams better allows our professionals to develop industry-specific capabilities and areas of specialty.

We are committed to maintaining the same staff on engagements year-after-year. We will strive to keep the core team the same each year. In addition, by assigning an engagement partner that remains on your team even as staff may change, we ensure a continuous knowledge of your organization and your specific needs. If turnover occurs on your engagement team, we pledge to assign a new person to your team with an appropriate level and type of experience. Prior to implementing any necessary changes to your engagement team, we will discuss with you the reasons for the changes and obtain your approval.

Continuing Professional Education

All proposed PB Mares staff members on the engagement have exceeded the minimum governmental Continuing Professional Education ("CPE") hours required by GAO's *Government Auditing Standards* and overall CPE requirements instituted by the AICPA. PB Mares' audit and accounting programs train general service professionals to provide basic accounting and auditing services, which have become the cornerstone of our client relationships. This knowledge of services provides the foundation for many of the expanded services that our clients are seeking.

All PB Mares professionals who participate in audits of governmental clients receive a minimum of 24 hours of CPE every two years in subjects directly related to:

- Understanding the client's environment, including accounting unique to governments.
- Auditing techniques as they pertain to the satisfaction of federal and state audit requirements.

The professionals who are subject to the 24-hour requirement include:

- All seniors, managers and partners who are part of an audit subject to the standards
- All staff who perform 20% or more of the fieldwork of an audit subject to the standards
- All staff who spend 20% or more of their annual chargeable time on audits subject to the standards

Professionals who serve governmental entities satisfy the 24-hour requirement by attending the following RSM US LLP continuing education programs:

- Governmental Accounting, Auditing, and Financial Reporting
- Advanced Governmental Accounting and Auditing
- Governmental Auditing for In-Charge Auditors
- Government Compliance Auditing Workshop
- Government Financial Auditing

Engagement Team Qualifications



www.PBMares.com

Continuing Professional Education (Concluded)

Additionally, our professionals attend industry specific continuing education such as:

- Governmental CPE courses and conferences sponsored by the Government Finance Officers Association and the North Carolina Government Finance Officers' Association
- Governmental CPE courses sponsored by the North Carolina Association of Certified Public Accountants
- Governmental CPE courses and conferences sponsored by the NC Local Government Commission
- Governmental CPE courses and conferences sponsored by UNC's North Carolina School of Government
- Governmental CPE courses sponsored by the AICPA's Government Audit Quality Center

All professional employees of PBMares complete at least 40 hours of CPE per year. Most professionals exceed that amount, since each office location also conducts training throughout the year.

Engagement Team Qualifications



www.PBMares.com

Public Sector Commitment and Experience

We devote significant time to training and research on the economics, operational issues and trends affecting governmental entities. Our perspective is that of a knowledgeable independent auditor who can relate to the unique aspects of government entities and their interrelationships with similar organizations and the private sector. This perspective, coupled with our working experience with the public sector, enables us to provide efficient and cost-effective audits of financial statements and compliance audits for our government clients.

Audits of entities like the Town demand a firm with experienced professionals who are dedicated to serving the needs of governmental entities. The public sector is one of our main focus industries within our firm. We provide audit and consulting services to many cities, authorities, boards, commissions, school boards, counties, towns, and other public entities.

As a member of the RSM US Alliance, we have dedicated resources to monitor industry developments. These resources communicate regularly with Alliance members on important issues affecting the government industry to ensure our client service personnel are well versed in issues affecting you.

The commitment of our personnel to the public sector extends far beyond a normal professional relationship. Robbie Bittner currently serves on the North Carolina Association of Certified Public Accountants (NCACPA) Governmental Auditing and Accounting (GAA) committee. He and others serve as instructors at several industry related conferences. Our firm is a member of the:

- Government Finance Officers Association
- North Carolina Government Finance Officers' Association
- North Carolina Association of Certified Public Accountants
- American Institute of Certified Public Accountants
- Government Audit Quality Center
- Virginia Government Finance Officers' Association
- Virginia Society of Certified Public Accountants
- Maryland Association of Certified Public Accountants

GFOA Experience

Members of the engagement team have helped authorities, boards, commissions, school boards, counties, cities, towns, and other local government organizations prepare reports that have received the GFOA's Certificate of Achievement for Excellence in Financial Reporting. Furthermore, we are members of a Special Review Committee for the Annual Comprehensive Financial Reports submitted by governmental entities wishing to be awarded the GFOA's Certificate of Achievement for Excellence in Financial Reporting. We will:

- Assist with the disposition of the comments generated from the GFOA's review of the prior year's Annual Comprehensive Financial Report (ACFR); and
- Review the Annual Comprehensive Financial Report for compliance with GFOA's requirements.

Training Opportunities and Thought Leadership

PBMares will share information regarding training opportunities in applicable subject matters, including the firm's free annual Municipal Government Ethics & Training Day. The State and Local Government Team also maintains a blog, giving government entities timely information on subjects that impact them. Recent blog posts have covered topics including Federal grant compliance and guidance for implementing new *Governmental Accounting Standards*.

Public Sector Commitment and Experience (Concluded)

Uniform Guidance Audit Experience

A number of our public sector clients receive federal funds and require a single audit in accordance with the *Uniform Guidance and/or the State Single Audit Implementation Act*. Our local professionals possess comprehensive knowledge of accounting requirements, federal procurement regulations and cost-accounting standards and their impact on organizations like the Town.

Auditing and accounting of federal funding is one of the most dynamic aspects of public accounting. The needs of clients and the expectations of financial statements and audit report users are changing rapidly. As a result, it is necessary that both our firm and our clients have a means to keep current on changing requirements, to have access to decision makers when laws, regulators, standards and principles are being considered and established, and to have an avenue of appeal, if necessary.

To assure these benefits for both our firm and clients, we have established extensive formal and informal relationships with government officials, industry associations, standards-setting bodies and professional organizations at the national, regional and state levels. Most recently, we became a founding member of the AICPA's government audit quality center.

The professional staff assigned to your account will have participated in both internal and external training relative to audits performed in accordance with provisions of the *Uniform Guidance*. The professional staff will also have been involved in other Uniform Guidance audits prior to being involved with your account.

Professional Development

Our professional development program includes on-the-job development, self-study and continuing professional education as described under Continuing Professional Education:

- **On-the-job development.** Components of on-the-job development include appropriate work assignments, effective coaching by supervisors, performance appraisal and feedback, and monitoring effectiveness. In-charge accountants instruct, review and evaluate staff accountants. Directors, managers and supervisors provide similar on-the-job learning opportunities for in-charge accountants. Partners and directors provide all employees with on-the-job development through constructive feedback during reviews of engagement performance and end products.
- **Self-study.** Assigned self-study is essential to our professional development program. Reading on a planned and continuous basis—via a self-study learning library available to all professionals—is encouraged and expected.

Client References



www.PBMares.com

PBMares and its successors have been involved in auditing local governments for over 50 years. We think the services we offer are the best available in the industry and the best way we know to validate our claim is to let clients speak for us. We encourage you to call any or all of the following references.

City of Wilmington, North Carolina

Bryon Dorey, Assistant Finance Director / Treasurer
102 Third Street, PO Box 1810, Wilmington, NC 28402-1810
(910) 342-2730

Carteret County, North Carolina

Dee Meshaw, Assistant County Manager/Finance
302 Courthouse Square, Beaufort, NC 28516
(252) 728-8410 or deem@carteretcountync.gov

City of Fayetteville, North Carolina

Jody Picarella, CFO
433 Hay Street, Fayetteville, NC 28301
(910) 433-1677 or jodypicarella@fayettevillenc.gov

Town of Morehead City, North Carolina

Jewel Lasater, Finance Director
706 Arendell Street, Morehead City, NC 28557
(252) 726-6848, ext. 104 or jewel.lasater@moreheadcitync.org

Statement of Policy and Procedures



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Firm's Statement of Policy and Procedures Regarding Independence under GAS

PBMares, LLP requires all employees to adhere to strict independence standards in relation to the firm's clients. These independence standards exceed, in many instances, the standards promulgated by the American Institute of Certified Public Accountants (AICPA), as well as those contained in *Government Auditing Standards (GAS)*, issued by the Comptroller General of the United States. Other services may have to be discussed in detail as the Independence standards place limitations on all CPA firms on providing such services. These services require firms to document in detail the skills, knowledge, and experience of management as well as other information to determine that the CPA firm is indeed independent. Such documentation is required in accordance with GAS and AICPA standards. PBMares, LLP unequivocally meets the independence requirements relevant to audits of governmental units.

PBMares is committed to maintaining its professional independence as it relates to the *Government Auditing Standards (YellowBook)*, July 2018 Revision. We will ensure appropriate safeguards will be put into place in order to ensure our independence including when providing non-audit services. Those safeguards include, but are not limited to:

- Clearly identifying the scope of the non-audit services to ensure no management decisions are being made by PBMares staff.
- Identifying at the Town, an individual with the appropriate skills, knowledge, and experience to oversee the non-audit services
- Identify and assign a Public Sector partner within PBMares who is independent of the engagement team to perform an independent review of the non-audit services.

Meeting the Independence Standards of the AICPA, the DOL and the SEC

PBMares has established policies and procedures designed to provide reasonable assurance that personnel comply with independence, integrity, objectivity and other relevant ethical requirements. These requirements include regulations, interpretations and rules of the American Institute of Certified Public Accountants (AICPA), Securities and Exchange Commission (SEC), Public Company Accounting Oversight Board (PCAOB), U.S. Government Accountability Office, U.S. Department of Labor (DOL), state CPA societies, state boards of accountancy and other applicable regulators. All partners and other professionals are expected to adhere to all applicable provisions of the AICPA Code of Professional Conduct, as well as applicable ethics requirements of the PCAOB and the state boards of accountancy.

Quality of Staff over Engagement Term

Led by Robbie Bittner, we will provide the Town with a committed and qualified team of professionals to serve this engagement. When required, our audit engagement team meets *YellowBook* competency CPE standards. In addition, we have stringent standards as to who can perform the in-charge and manager function on a governmental audit.

Statement of Policy and Procedures

PBMares and its personnel must comply with the Code of Professional Conduct of the AICPA, the Code of Ethics of the International Federation of Accountants (IFAC), the ethics rules of all relevant State Boards of Accountancy, and where applicable the SEC; the Independence Standards Board (ISB), the PCAOB, the Government Accounting Office (GAO), the DOL, and other regulatory authorities.

The governing bodies' codes, regulations, and standards PBMares must comply with may change from time to time.

Litigation History and Professional Liability

PBMares, LLP has no disciplinary action imposed or pending against the firm during the past three (3) years by the AICPA, state regulatory bodies or professional organizations to report.

PBMares, LLP has no claims or suits against the firm within the last three years to report. In the event of a material dispute or legal claim, we are adequately insured for professional liability. The insurance limit of liability is \$5,000,000 per claim and \$10,000,000 aggregate.

License to Practice in North Carolina

- Each person on the proposed engagement team is a member of the American Institute of Certified Public Accountants and the North Carolina Association of Certified Public Accountants.
- PBMares, LLP is registered with the North Carolina State Board of CPA Examiners.
- All assigned key professionals are properly registered/licensed to practice in the State of North Carolina.
- PBMares, LLP meets any and all other specific requirements imposed by state or local law.

Our Understanding of Your Needs



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This section will summarize our understanding of your needs and provide you with the information necessary to be fully aware of how our capabilities are uniquely positioned to continue providing the greatest value to the Town of Hillsborough, NC (the Town) now and in the coming years.

Scope of Work

For the years ending June 30, 2022, 2023 and 2024, PB Mares will perform a financial and compliance audit of the Town's basic financial statements, supplementary information and compliance reports in accordance with the laws and/or regulations of the State of North Carolina. The audit will cover federal, state, and local funding sources in accordance with the following:

- Generally Accepted Auditing Standards;
- *Government Auditing Standards*, issued by the Comptroller General of the United States, including 2018 revisions;
- *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200; (if applicable)
- the Single Audit Act of 1984; (if applicable)
- the Single Audit Act Amendments of 1996; (if applicable)
- the State Single Audit Implementation Act; (if applicable) and
- All other applicable laws and regulations for the audit of a government's financial statements prepared in accordance with GAAP.

The financial audit opinion for the Town will cover the financial statements for the governmental activities, the business-type activities, each major fund, and the remaining fund information, which collectively constitutes the basic financial statements.

The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be subject to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. PB Mares will also express an opinion on the budgetary comparison information for the general fund, the major funds, and any annually budgeted special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

In addition, PB Mares will perform a financial audits for the Hillsborough Tourism Development Authority and Town of Hillsborough Tourism Board, which are discreetly presented component units of the Town.

As part of the engagement, PB Mares will attend the following:

- A pre-planning conference with Town management and anyone else deemed appropriate to discuss their expectations of the audit as well as provide a listing of information needed for the audit.
- Periodic conferences during the conduct of the audits.
- Exit conference at the completion of fieldwork.

Management Letter

If required, PB Mares will issue a management letter to the Town after completion of the audit and assist management in implementing recommendations, as is practical. We will also submit an informal letter to the Finance Officer with any efficiency, internal control or accounting improvements that could be made based on the audit staff's observation during their fieldwork. All content will be discussed with the Finance Officer prior to issuance. PB Mares will discuss the content while the management letter is in draft form to ensure all parties fully understand the circumstances that led to auditor comments.

Methodology for Requested Services



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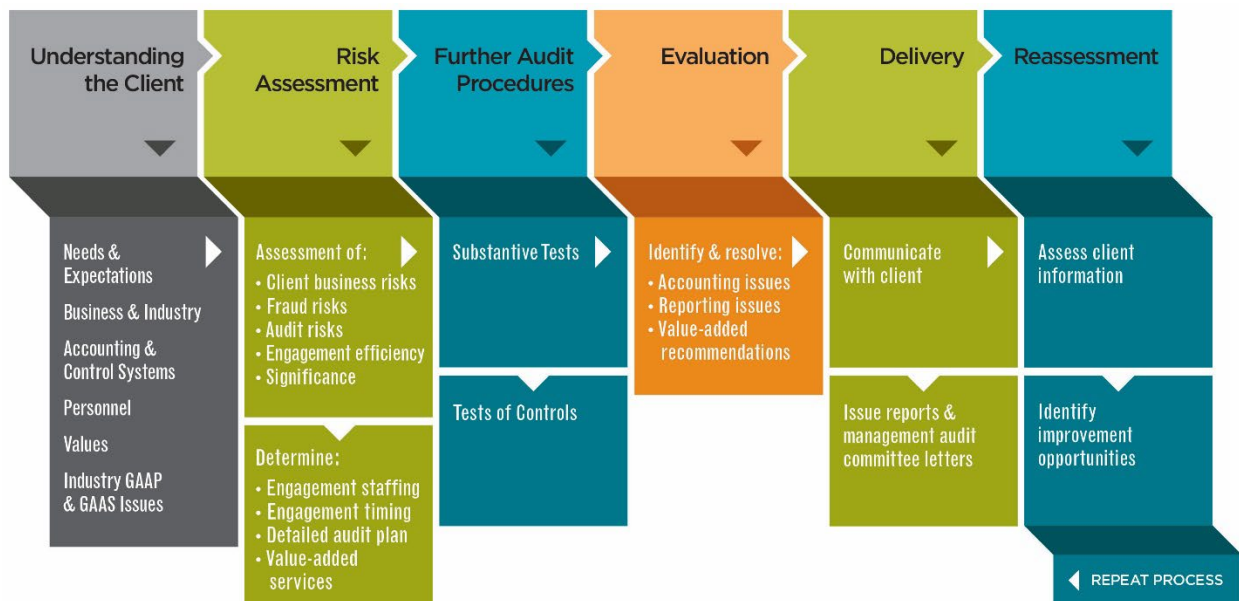
Audit Approach

Our approach and services are tailored to fit your unique needs and operations. PB Mares' governmental audit approach and audit programs are designed to obtain sufficient, competent evidential matter within the framework of a risk assessment process, the end result of which is naturally unique to each client.

Our tailored audit approach emphasizes early planning based on how the Town functions. This enables us to identify key audit components and mold our procedures to the unique aspects of the Town. The benefit to you is an effective, cost efficient, independent audit, performed in a timely manner by experienced professionals.

Our overall audit approach is to understand the control structure for purposes of assessing the risk of material misstatement. After this evaluation, appropriate modifications are made to adjust the amount and extent of substantive tests of balances to a commensurate level.

The path our audit actually takes is dependent on our risk assessment. This assessment is the determining factor in our statistical sample sizes and, ultimately, the extent of all our procedures.



Work Plan and Audit Methodology

We have built our reputation on the quality of audit services we provide to organizations like yours. Using sophisticated auditing tools, we assure that you will receive an audit that is consistent, objective and provides accountability.

Over the past few years, we have devoted substantial internal and external resources to redesign our audit process – including investment in software that supports our process making our governmental audits virtually paperless and increases our efficiency.

Sequenced over the timeline of the audit engagement, our work plan functions as follows:

Interim Work

— Preliminary Phase

Planning. Work begins with a structured planning phase, which streamlines the audit process and minimizes any interruptions to your staff. A listing of work tasks (i.e., schedule preparations) for which your personnel would be responsible is prepared. In planning the engagement, we also identify new accounting pronouncements and their effect on the financial statements. At this time, we will submit an arrangement letter for ratification that outlines the work being performed for the Town.

Entrance Conferences. A conference is scheduled with the appropriate personnel to discuss the audit scope, timing and other logistical issues. Another conference will be scheduled before fieldwork commences.

Obtain Background Information. We then obtain background information concerning the audit, such as prior audit reports, management letters, laws, regulations and procedures affecting our audit; the budget, organizational charts, relevant financial information and relevant correspondence.

Risk Assessment. Our approach to the audit will be based on a formal risk assessment that encompasses an understanding of your operating and regulatory environment, as well as your control environment, including controls over financial reporting and compliance. Each fund and class of transactions has its own unique area of audit concern, so we will tailor our audit approach. Factors which we will consider are:

- Nature of transactions affecting the account
- Statutory and regulatory compliance
- Susceptibility of financial data to error and other inherent risks
- Internal controls/control risk
- Materiality of the account balance

Understanding and Documenting the Control Structure. An increased focus on internal control is key to the development of a successful, effective audit. Control is not a one-time event or just a matter of performing a few checks and reconciliations. Internal control is a process, an interconnected web of policies, procedures, attitudes and actions that work together to achieve a desired result. Auditors analyze an internal control system by breaking it down into its five component parts: control environment, risk assessment, control activities, information and communication, and monitoring.

Work Plan and Audit Methodology (Continued)

Our approach to the review of the control structure is through the use of a series of questionnaire forms. Our “Government Services Manual” contains these practice aids which are specifically geared to entities the size of the Town. They are designed so that their proper completion would provide sufficient understanding and documentation of the control structure and include the following elements:

- Assessing the control environment
- Accounting system understanding
- Performance of walk throughs
- EDP file processing
- Individuals performing processing functions
- Basic controls and critical accounting routines
- The preliminary assessment of control risk
- Performance of procedures to establish that basic controls and critical accounting routines on which reliance is anticipated are in place

For purposes of reviewing the control structure, we break down the system into the following cycles and segments:

- Receivables and Revenue Cycle
- Receipts Processing Cycle
- Expenditure/Expense Cycle
- Purchasing
- Capital Assets Cycle
- Cash Disbursements
- Payroll
- Budgeting
- Financial Reporting Cycle
- Compliance and Single Audit, if required

Perform Tests of Internal Accounting Controls. Internal accounting controls are tested to determine whether they are adequate and operating effectively and efficiently. If the results allow, maximum reliance is placed on internal controls, thus reducing the extent of substantive testing.

Audit sampling may or may not be applicable to a test of controls depending on the audit objective and the procedure to be applied. For example, audit sampling would not be applicable when our audit objective is to obtain a sufficient understanding of how an internal control policy or procedure is designed in order to evaluate its design effectiveness. Likewise, audit sampling is not applicable to observation and inquiry procedures regardless of our audit objective.

Audit sampling is likely to be applicable when:

- Our audit objective is to obtain evidential matter regarding the application of an internal control structure policy or procedure to evaluate its operating efficiency.
- Our plans to inspect documents evidencing the application of the policy or procedures or perform the policy or procedure to achieve our objective.

Work Plan and Audit Methodology (Continued)

When audit sampling is applicable to a test of controls, statistical numeric sampling is used when efficient. Statistical numeric sampling is not efficient for very small populations. Generally, when the population consists of 50 items or less, this method is considered inefficient. In this case, we judgmentally determine and select the number of items to inspect or perform as a test of the operating effectiveness of a control policy or procedure.

Sampling is generally used for test of controls over cash receipts cycles (i.e. charges for services cycles), cash disbursement cycles (i.e. payroll, compliance programs, capital expenditures) and certain end of year balances. Our testing methodology employs the guidance of the AICPA Auditing Standards Codification Section 350 and the AICPA's Audit Practice Release: Audit Sampling. Typical statistical sample size might range from 30 to 60 items per population depending on risk factors, stratification of population attributes and other factors.

Perform Tests of Compliance. The State and the Federal single audits require testing of compliance with specific laws and regulations. The approach to drawing audit samples for purposes of tests of compliance is similar to the use of sampling for tests of controls discussed above. Baseline guidance for determining and testing applicable laws and regulations will be drawn from the federal and state compliance supplements as modified annually.

Finalize Audit Plan. In addition to developing specific audit procedures to be performed, our audit plan requires the use of analytical procedures to assist in planning the nature, timing and extent of other auditing procedures. The primary focus of analytical procedures employed is the identification of specific risks of errors in the financial statement or compliance violations. At a minimum, the following analytical procedures will be employed:

- Comparison of actual income and expenditure balances to budget
- Comparison of major balance sheet and income statement balances to prior year's amounts
- Consideration to the extent applicable, of key financial relationships and ratios in relation to preliminary expectations to determine if there are unusual or unexpected balances or unexpected relationships

Design Audit Programs. Detailed audit programs are designed to identify the specific audit procedures to be performed. These programs integrate the results of internal control testing and risk assessments to assure efficient auditing.

Year-end Work

— Substantive Phase

Perform Substantive Testing of Balances. As a result of our preliminary phase, we develop a detailed audit program outlining the specific procedures to be used in performing substantive testing of balances. These substantive procedures involve analysis and testing of various accounts, confirmation with outside parties, and reviewing the work of specialists.

PBMares recognizes the audit efficiencies gained by using statistical sampling in auditing. We have made a significant investment in training our staff on the application of statistical sampling.

When applying statistical sampling in the performance of substantive tests of details, we use monetary sampling. Monetary sampling is a sample selection method similar to probability proportionate to size (PPS). The calculated sample size is impacted by our assessment of audit risk (confidence level), our reliance on the internal control, our reliance on analytical procedures, inherent risk, materiality considerations, and the dollar amount and dollar size of the items making up the population.

Work Plan and Audit Methodology (Continued)

PBMares' choice between a monetary (statistical) and non-statistical sample is a cost-benefit consideration. Generally, a non-statistical sample will always be larger than a comparable monetary sample to achieve the same degree of assurance. However, setup time and sample selection time for a monetary sample, in relation to time required to verify sample items and follow-up discrepancies, etc., could be significant, favoring a non-statistical sample. For most audit sampling applications, our experience shows that monetary sampling has proven to be more efficient than non-statistical sampling. Substantive tests of details to which sampling generally would be applied includes the testing of accounts receivable and inventory values, if applicable.

Analytical review is also used as a substantive test. Such evidence is often less costly to gather than tests of details. It is, therefore, an efficient audit strategy to employ analytical procedures to the maximum extent possible and then vary the required extent of substantive tests of details inversely with the degree of assurance already obtained.

Analytical procedures require the development and evaluation of plausible relationships between the financial data being examined and other data with logical or predictable relationships to the financial data. The procedures employed may include:

- Reviewing fluctuations from prior years for reasonableness.
- Scanning accounts for items larger or smaller than expected when compared to budgets.
- Reviewing and comparing logical relationships between years. Comparisons between years can be made more effective when logical relationships between elements of the financial statements that would be expected to conform to a predictable pattern are used to develop trends. This is primarily accomplished through the use of ratios.
- Analyzing and comparing non-financial information such as number of employees to payroll costs, etc.
- Comparing data to statistics for organizations of similar operations.
- Comparison of actual results to budget.

Report and Review Phase

— Completion/Reporting

Final Review by Engagement Partner and Quality Control Partner. Throughout the audit engagement, staff work is reviewed by someone with a higher level of experience and technical expertise. In completing the audit, all work is reviewed by the engagement partner. Our firm policy also requires that a partner who is not otherwise involved with the engagement perform an independent quality control review on the financial statements.

Summarize Results of Work and Findings. During the audit, fieldwork findings are noted and results of testing are documented. Recommendations are developed for enhancing operational efficiencies. This information must be summarized for presentation to management and anyone else deemed appropriate.

AICPA Auditing Standard Section AU-C 260. *The Auditor's Communication with Those Charged with Governance* establishes standards and provides guidance on communicating matters related to an entity's internal control over financial reporting identified in an audit of financial statements.

Work Plan and Audit Methodology (Concluded)

More specifically, AU-C 260 –

- Defines the terms control deficiency, significant deficiency and material weakness;
- Provides guidance on evaluating the severity of deficiencies identified; and
- Requires the auditor to communicate for each audit, in writing, to management and those charged with governance, significant deficiencies and material weaknesses identified in an audit.

Reporting. The audit partner will be responsible for reviewing the financial statements to ensure they are in accordance with all GASB requirements. No fewer than three people will review the financial statements before they are released. At the conclusion of the audit, it is our firm's policy to provide our government audit clients with a report to the governing body covering required communications under auditing standards generally accepted in the United States of America. We also issue a management letter that goes beyond the required internal control reporting of significant deficiencies and material weaknesses and other internal control matters and provides our clients with recommendations to improve operational efficiency, as well as information regarding any new accounting pronouncements and other issues that impact the Town. We will work with you to understand their impact and to provide you meaningful implementation advice. We will also be available to you during the year to answer any questions that may arise.

Exit Conference. At the end of our engagement, we will meet with the Town Manager, Finance Officer and Town Council to present our reports and letters.

Work Paper Retention

As is our policy for all attest services, PB Mares will retain the work papers for a minimum of seven (7) years upon completion of the services provided unless the firm is notified in writing by the Town of the need to extend the retention period. The Town, their authorized agents, subsequent independent auditors, and/or state and federal auditors will have full access to and the right to examine any of these materials during that time.

Methodology for Requested Services



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Cybersecurity and Information Technology Audit Specialists

Over the past five years, data breaches of PII and proprietary data accounted for over half of all security breaches. Among those breaches, social engineering, business e-mail compromise, and advanced persistent threats due to poor internal controls were the leading cause of data breach incidents.

Specialized Cybersecurity & Information Technology Services

In light of the increasing volume and sophistication of cyber threats, PB Mares, a long-time provider of cyber and IT audit services, offers the following customized consulting and attestation services to meet your needs if desired:

Consulting Services	Attestation Services
<ul style="list-style-type: none">■ Cybersecurity Risk Assessments■ Vulnerability Scans (Internal and External)■ Penetration Testing (Internal and External)■ Wi-Fi / Access Point Penetration Tests Per Location■ Security Awareness Training and Phishing Simulator■ Incident Response Table-Top Exercises■ InfoSec Policy and Procedure Development■ Continuity Plan Development: IRP, DRP, and BCP■ Review of Cyber Insurance Coverage■ User Lifecycle Management Consulting■ DoD DFARS and CMMC Compliance Audits■ HIPAA Compliance Assessments	<ul style="list-style-type: none">■ Information Technology General Controls Audits■ Service Organization Control (SOC) Audits<ul style="list-style-type: none">– SOC 1– SOC 2– SOC 3– SOC for Supply Chain

PB Mares has provided Information technology (IT) and cybersecurity (cyber) consulting services for over 20 years. Our professionals dedicate a substantial percentage of their time to assisting organizations with IT and cyber risk management requirements. In addition, the engagement team holds ISACA's Certified Information Systems Auditor and the AICPA's Cybersecurity Advisory Services Certificates. Our experience means your team understands the strategic, operational, and regulatory issues impacting your industry.

Business Impact and Risk

Cyber incidents can have a financial, operational, legal and reputational impact. An organization's role in critical infrastructure can also increase the potential impact of a cyber incident. Some examples of impact from a cyber incident may include:

- Negative publicity resulting in loss of reputation
- Loss of intellectual property or trade secrets
- Fines, lawsuits and legal fees resulting from noncompliance or loss of confidential or consumer information
- Forensic investigation costs
- Public relations campaign costs to improve public image
- Technology improvement costs to mitigate and improve cybersecurity controls
- Loss of time and productivity

Cybersecurity and Information Technology Audit Specialists (Concluded)

Benefits to Your Organization

PBMares has established criteria and specialized training to perform a comprehensive cybersecurity risk-based assessment, thoroughly reviewing the current state of the Town's cybersecurity risk posture, as well as the design and operating effectiveness of IT internal controls. The Town will have access to these resources and the involvement of the cyber subject matter specialists in the review of your system and IT Internal Controls from an audit perspective. Through our cyber services, management can enhance their oversight and establish a cyber-risk profile:

- Identifying a data mapping of key information technology systems and what data resides within each system.
- Assessing current risk management practices, and IT general controls in place to determine control gaps, and identify security weaknesses within the organization's information technology environment.
- Evaluating observations identified over the organization's current cybersecurity preparedness and set a target state of preparedness best aligned with the organization's overall cyber risk appetite.
- Reviewing, approving, and supporting plans to address risk management and IT control gaps or weaknesses.

PBMares has experience with auditing clients with the following information systems and software packages:

- | | | |
|----------------------|--|---------------|
| ■ Abila MIP | ■ GolfGopher | ■ MUNIS |
| ■ ACCPAC | ■ Grant Management System (GMS) | ■ Peachtree |
| ■ AccuFund | ■ HTE (Sunguard) | ■ Pentamation |
| ■ BAI (Bright) | ■ J D Edwards MAS 90 and Advanced Versions | ■ QuickBooks |
| ■ Blackbaud | ■ Microsoft Dynamics Great Plains | ■ RecTrac |
| ■ Citipak | ■ Mitchell Humphrey | ■ SAP |
| ■ Creative Solutions | | ■ SBT |
| ■ Eden | | |

Use of Technology

Emerging audit techniques such as the use of "big data" analysis tools to audit large volumes of transactions keep us on the leading edge of the audit discipline. We are able to bring this approach to the Town because we invest in our people by ensuring they have access to some of the best continuing education providers in the industry. In addition, the firm launched a Data Analytics Competency and Execution team whose members are committed to researching, training and understanding the applicable benefits of emerging technologies such as robotic process automation and data analytics.

The Town deserve a quality audit performed in a well-organized, timely and productive manner. A core firm value, innovation benefits the audit process by automating certain audit procedures, enabling efficient communication and providing a secure data exchange with our clients. Further, this allows your engagement team to focus on designing audit procedures surrounding the areas of highest risk.

Use of Technology (Concluded)

Our audit tools include a wealth of secure technological resources, such as:

- Paperless engagement binders that can be accessed simultaneously from any location;
- Automated on-line account confirmations;
- Statistical sampling and data manipulation software;
- Automated trial balance software, with integrated report and workpaper links;
- Electronic and on-line technical resource materials;
- Standard office automation and communication software;
- Wireless networking capabilities, both in the office and in the field;
- Assistance with your electronic report submissions;
- Audit data analytics; and
- Video conference capabilities to conduct interviews, observations and audit procedures in an environment where face-to-face meetings are not possible

Management Letter

Proper planning is essential in generating pertinent management letter comments. To accomplish this, the client service team will meet periodically to discuss opportunities to provide business advice to you as well as to plan for the delivery of compliance services. Our goal is to meet or exceed your expectations.

Generating Management Letter Points

During the audit, the engagement team members understand they have a responsibility to generate ideas that may be used in the management advice letter. Audit planning sessions are used to identify focus areas, such as:

- Problems noted during the audit. The engagement partner and manager encourage staff to identify any potential issues and opportunities during the audit.
- Industry experience. Understanding our client's needs and industry is vital for review effectiveness. Our familiarity with clients in your industry and industries with similar operating issues allows us to effectively identify and offer solutions to problems confronting the Town.
- Discussions with client service team members. The engagement team will attend a wrap-up conference to review ideas and develop the basis for the management letter.

Communication of Management Letter Comments

We strive to effectively communicate recommendations to our clients. In addition to accumulating comments and observations during the engagement, our findings will be discussed with key personnel as significant matters arise. At the end of fieldwork, the management letter is drafted and reviewed with management for accuracy of the factual circumstances. All audit findings that are candidates for inclusion in the management letter will be discussed with the appropriate parties prior to formal issuance. The management letter is then subject to the same quality review process as other audit reports prior to release. We will prepare and submit the letter to the appropriate parties.

Methodology for Requested Services



www.PBMares.com

Communications

From the engagement letter, preliminary audit planning, delivery of the reports, and presentation of the management letter, we strive to maintain open communications. This includes keeping all involved in the loop using email communications as work progresses and meetings with your staff.

We will communicate the findings of our audit work and potential adjustments to the Director of Finance and/or the level of management at which a problem, issue or opportunity arises. Generally, matters are also communicated at least to the next level of management or governance as applicable. We strive to ensure that we have an accurate understanding of the facts and circumstances prior to providing any formal communication. Our goal is “No Surprises”. We will communicate any and all findings to the Finance Officer and Town Manager as soon as they arise.

All formal communication is provided in draft form prior to committee or board meetings in which they will be discussed. Management and audit communication letters are also subject to the same quality review process as other audit reports prior to release.

Equally important, we will work with you throughout the year to identify means of improving efficiency and effectiveness of operations and fine-tune financial reporting to maximize utility. You will receive the benefits of a trained group of professionals dedicated to providing clear communication and placing your needs first, while adhering to the standards of professional integrity.

Assistance from the Town's Staff

We anticipate that we will receive support from the government's accounting personnel necessary for the preparation of requested schedules, supporting documentation and assistance with compliance requirements before we commence fieldwork. By utilizing our extensive knowledge with similar organizations, we will limit the assistance required from your staff as much as possible. Timing for delivery of the agreed-to schedules and assistance will be discussed with you while an audit timeline is coordinated between all parties.

Methodology for Requested Services



www.PBMares.com

Proposed Work Schedule

Your time is valuable. Your engagement will be planned to maximize efficiency and minimize disruption for to you and your staff. Summarized below is the expected time frame for completion of the audit engagement. Specific dates will be coordinated at the convenience of the Town.

Key Activities and Deliverables	Timeframe
■ Provide the Town with a detailed work plan, onsite dates and times, work to be accomplished and list of "prepared by client" schedules, system generated reports and confirmation letters necessary for both interim and final fieldwork	November, 2022
■ Entrance conference to discuss scope of work and audit plan	December, 2022
■ Begin audit fieldwork	December 15, 2022
■ Complete final audit fieldwork to include all proposed audit adjustments related to the financial statements	January 20, 2023
■ Exit conference with management and anyone else deemed appropriate to report on the opinions and to provide required communications, and discuss management letter comments	January 27, 2023
■ Submit preliminary draft of the audit report and required journal entries for proofing and reconciliation to the Town's records	February 10, 2023
■ Issue final management reports and reports on compliance	February 24, 2023
■ Single Audit Data Collection Form completed and submitted PBMares; certified by PBMares and the Town	Subsequent of LGC approval of the Annual Comprehensive Financial and compliance report but no later than 30 days of approval
■ Attend respective Council/Committee meeting(s)	As requested

Adequate notification will be given prior to any changes in estimated times. Note, typical fieldwork would not encompass 4-5 weeks, however given compressed timeframe for initial audit procedures and information gathering, additional weeks are included. In the event information is ready and available earlier in the process of the audit, the reporting timeline may be accelerated. Traditional preliminary fieldwork to commence in May with final commencing in August/September to meet LGC reporting deadlines.

Additional Governmental Services

Our team provides governments with a full array of services ranging from cost-efficient, high quality audits like those we are proposing, to information systems and management consulting.

Engagements for governmental units have covered such diverse areas as: analyzing accounting and internal control systems in order to consolidate accounting functions while retaining adequate internal controls; assistance with sharing of resources for information systems and purchasing departments; assessment of a local government's "service efforts and accomplishments" as a basis for future performance budgeting; implementing and computerizing capital asset systems; operational efficiency; and revenue enhancement/cost of services study. Among the services we offer are:

General Services

- Financial Statement Audits
- Reviewed Financial Statements
- Compiled Financial Statements
- Agreed Upon Procedures
- Performance and Operational Evaluations
- Internal Control Evaluations
- Sub-recipient Monitoring Assistance
- Financial Projections
- Internal Audit Program Development/Evaluation
- Client Needs Assessment
- Evaluation of Financing Alternatives
- Technical assistance
- Training

Consulting Services

- Forensic Accounting in the Event of Fraud
- Cybersecurity
- Information Systems and EDP
- Disaster Recovery Planning
- Financial Management (including Cash Management)
- Operations Improvement
- Assistance with Financing and Bond Offerings (including issuance of comfort letters with respect to official statements)
- Long-Range Planning/Financial Feasibility
- Organizational Analysis
- Human Resources Management
- Management Training and Development
- Policy Manual and Employee Handbook Development
- Wage and Salary Studies
- Assistance with IRS Exams

Cost Proposal



www.PBMares.com

Estimated Fees

We hope to establish a long-term relationship with the Town. We can be better advisors if we are able to help you plan and establish long-term strategies geared toward attaining your future success.

We endeavor to provide high-quality, cost-effective service. Our fees are based on competitive, hourly rates relative to the professional achievements and experience of our personnel. By assigning staff with the appropriate level of expertise to complete your audit services comprehensively and efficiently, we manage your fees for our services in an effective manner.

As a part of our planning process, we will meet with your management team to determine whether all schedules and closing entries have been completed prior to the start of fieldwork and advise management of any items which have not been completed. Our pricing assumes that the information we request (including general ledger accounts, supporting schedules, and other information) is ready and sent to us at least one week prior to fieldwork and that all year-end closing entries have been made.

The costs presented below are based on our understanding of the engagement and our previous experience with similar organizations. The cost estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested information. In addition, we estimate the total number of engagement hours to be approximately 425 hours for the Town, 85 for the Tourism Board and 70 for the Tourism Development Authority.

The costs detailed below are “not-to-exceed” for the fiscal year ended June 30, 2022.

Description	Town of Hillsborough	Town of Hillsborough Tourism Board	Hillsborough Tourism Development Authority
■ Audit of Financial Statements	\$50,000	\$10,000	\$8,000
■ Audit in Accordance with the Uniform Guidance or State Single Audit Implementation Act (if required)	Included	N/A	N/A
■ Supplies and Materials	Included	Included	Included
■ Other	Included	Included	Included
Total	<u>\$50,000</u>	<u>\$10,000</u>	<u>\$8,000</u>

Our fees above include the testing of one major Single Audit program. In the event additional programs are required to be tested, an additional \$4,000 to \$5,000 will be billed based on the complexity of the program. In the event the Town is not required to have a Single Audit, the fees quoted above will be reduced by \$6,000. We will commit that our fees should not rise more than 4-5% per year.

We wish to establish a long working relationship with the Town. Our fees above do not include approximately \$16,000 in additional first year costs related to information gathering, prior year workpaper inspection, and other initial year audit costs. In the event the Town wishes not to engage PB Mares for the three years as quoted above, our fees for a single year audit for the June 30, 2022 year will be \$63,000, \$13,000 and 11,000 for the Town, Tourism Board and Tourism Development Authority, respectively.

Professional Assistance

We encourage our clients to contact us with questions so we can address them as they arise. By keeping abreast of issues as they occur, we will not only be able to deliver a more efficient audit, but the advice we provide you will be more meaningful as we grow in our understanding of your organization.

Our staff members are committed to client service and generally respond to phone calls or emails the same business day. Our quoted fee includes ongoing consultation, any requested meetings and professional interaction related to the performance of the engagement.

In general, we do not charge for telephone calls or emails. However, if the call requires significant additional work on our part, there may be a fee. We will provide you an estimate before we perform any work requiring an additional fee.

Change in Engagement Scope

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Policy for Cost Overruns

We guard against surprises by spotting conditions that create time and fee pressures in advance. In addition, we believe it is inherent in our role as your strategic advisor that technical assistance and advice be provided. By communicating with you before expending any effort, we are able to reach a mutual solution before an issue turns into a problem. We take this responsibility seriously and will not bill you for time and fees that you have not agreed to in advance.

Why PBMAres?



www.PBMAres.com

While we hope that you will find our detailed proposal informative, outlined below is a summary of the reasons why we believe we are the best choice to serve as audit provider for the Town.

Innovation. Our team approach and paperless audit technology allows us to have our specialists from anywhere in the firm participate in the engagement, thus negating the impact of geographical boundaries and travel time.

An audit schedule that works for the Town. It is now commonplace for some firms to conduct audit procedures throughout the entire year, including periods that are inconvenient for the Town's staff. We will work with you to create an audit schedule that provides minimal disruption to your staff.

Experienced staff. We are serious about having the Town as our client. The audit of the Town is important business and we will have only the most qualified audit professionals with appropriate government training assigned to the engagement.

Partner involvement. We are committed to serving the needs of the Town and to making our senior level team members available to you as needed throughout the course of the engagement. Robbie Bittner and Sarah Kate Willis will be available throughout the year to attend meetings as requested, as well as participate in the presentation of the audit reports and letters as requested.

Focus on the public sector. Our governmental team is committed to supporting and growing our public sector practice. We have significant experience providing audit and consulting services to local governments and have established a dedicated government practice which consists of more than 30 professionals. This means the Town will be served by a team with the knowledge and experience to meet the needs of the audit.

Value. We realize and appreciate the need for governments to obtain real value for their purchases of goods and services. Through our in-depth knowledge and understanding of the accounting and business risks affecting governments, we have developed a very effective and efficient risk-based audit approach. Consequently, we believe in passing these savings on to our clients. As you will see, we are competitively priced without sacrificing technical competency or efficiency.

Extended services available through alliances. PBMAres is one of the region's leading CPA firms, independently owned and operated, but with strong ties to a national firm. We are members of the RSM US Alliance of accounting and consulting firms. This alliance includes select firms throughout North America that share resources, a common audit methodology, and business best practices. As a member firm, we maintain our name, autonomy and independence and are responsible for our own client fee arrangements, delivery of services and maintenance of client relationships. **PBMAres provides you *the best of both worlds* – the depth and breadth of resources typically available only through a national firm, with the service-oriented perspective and fee schedule you expect from a local firm.**

Robert “Robbie” Bittner, III, CPA

Partner

Morehead City, NC

rebittner@pbmares.com



Summary of Experience

Robbie's experience is concentrated in the governmental, nonprofit and utility industries. His experience includes audits of municipal and nonprofit utility agencies in North Carolina and Georgia as well as cities, towns, counties, boards of education, higher education institutions, solid waste authorities, transportation authorities, water and sewer utilities, and nonprofit agencies in North Carolina, South Carolina, Florida, Virginia, Georgia and New Hampshire. His experience also includes work with commercial manufacturing.

Robbie has served numerous audit clients across the governments, nonprofit and utility arena. His experience has given him deep technical understanding of the rules and requirements of the Governmental Accounting Standards Board (GASB) pronouncements as well as *Government Auditing Standards* and the *YellowBook* (GAGAS). He plays an integral role in the implementation of new GASB pronouncements with clients across North Carolina and Virginia. He has extensive experience and skills related to audits of federal grants in accordance with the Single Audit Act, Uniform Grant Guidance and OMB Circular A-133. He has worked closely with federal and state grantor agencies to ensure entity compliance with all federal and states grant rules, regulations and reporting requirements. Robbie has also performed special purpose examinations including on the operational effectiveness and efficiency of public transportation systems.

Engagement experience includes:

- Town of Morehead City, NC
- Cape Fear Public Transportation Authority, NC
- Carteret County, NC
- City of Asheville, NC
- City of Charlotte, NC
- City of Fayetteville, NC
- City of Greenville, NC
- City of Jacksonville, NC
- City of Manchester, NH
- City of New Bern, NC
- City of Wilmington, NC
- Craven County, NC
- ElectriCities of NC
- Fayetteville Public Works Commission
- Greenville Utilities Commission
- Jacksonville, FL Transportation Authority
- NC Eastern Municipal Power Agency
- New Hanover County, NC
- North Carolina Municipal Power Agency #1
- Onslow Water and Sewer Authority
- Piedmont Municipal Power Agency
- Prince William County, VA
- Stafford County Schools
- Stafford County, VA
- Cape Fear Council of Governments
- Neuse River Council of Governments
- d/b/a Eastern Carolina Council

Robbie has also served in RSM's audit standards methodology group. Responsibilities included developing overall RSM audit policy and procedures to meet or exceed professional standards, performing interoffice audit engagement inspections, developing firm wide national trainings and delivering national training to all levels of RSM assurance professionals. He has also presented at the annual Nuclear Non-Operators Owners Group conference.

Robert “Robbie” Bittner, III, CPA

Partner

Morehead City, NC

rebittner@pbmares.com

Professional Affiliations and Credentials

- Certified Public Accountant, North Carolina
- American Institute of Certified Public Accountants
- North Carolina Association of Certified Public Accountants
- North Carolina and Virginia GFOA
- NCACPA Government Audit and Accounting Committee
- National Society of Accountants for Cooperatives
- American Public Power Association

Education

- Master of Accounting, University of North Carolina Chapel Hill
- Master of Business Administration, East Carolina University
- Bachelor of Science, business administration, University of North Carolina Chapel Hill

Michael A. Garber, CPA, MBA
Partner-in-Charge – Central Region
Co-Leader, State and Local Government Team
Harrisonburg, Virginia
mgarber@pbmares.com



Summary of Experience

Mike Garber has more than 25 years of experience in planning, performing, participating, and managing audits of all forms of local governments and governmental type entities. He has served in various capacities on audit teams for more than 40 counties, cities and towns, authorities, boards, commissions, and numerous school activity funds. He also provides consulting services for all forms of governmental entities including operational studies, forensic auditing services, internal audit support, assistance with software conversions, and assistance with implementing new Governmental Accounting Standards Board (GASB) Statements.

He has been a presenter and session leader for new GASB pronouncements and other governmental related topics for the Virginia Society of Certified Public Accountants, the Virginia Association of School Business Officials, and the Virginia Government Finance Officers Association. Mike is also a reviewer for the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting program. For ten years, he was recognized by *Virginia Business* magazine and the VSCPA as a “Super CPA” in the service areas of Government and Not-for-Profit as voted on by his peers from throughout the Commonwealth.

Professional Affiliations and Credentials

- Certified Public Accountant
- American Institute of Certified Public Accountants
- Virginia Society of Certified Public Accountants (VSCPA)
- Government Finance Officers Association (GFOA)
- Virginia Government Finance Officers Association (VGFOA)

Education

- Bachelor of Science in Business Administration with a concentration in Accounting, Bridgewater College
- Master of Business Administration, James Madison University in Harrisonburg, Virginia

Sarah Kate Willis, CPA
Manager
Morehead City, NC
skwillis@pbmares.com

Summary of Experience

Sarah Kate's experience is concentrated in the governmental, nonprofit, and utility industries. Her experience includes working with cities, towns, counties and government agencies in North Carolina as well as municipal and nonprofit utility agencies in North Carolina.

Since joining the firm, Sarah Kate has served as engagement staff and in-charge for various clients across the governments, not-for-profit and utility arena. Her experience has given her technical understanding of the rules and requirements of the Governmental Accounting Standards Board (GASB) pronouncements as well as *Government Auditing Standards* and the *YellowBook*. She has experience and skills related to audits of federal grants in accordance with the Single Audit Act and Uniform Grant Guidance. She has worked closely with federal and state grantor agencies to ensure entity compliance with all grant rules and regulations. She has considerable experience and understanding of the Federal Energy Regulatory Commission's accounting method as well as the rules and regulations of the Rural Utilities Service.

Professional Affiliations and Credentials

- Certified Public Accountant, North Carolina
- North Carolina Association of Certified Public Accountants
- American Institute of Certified Public Accountants

Education

- Master of Accounting, University of North Carolina Wilmington
- Bachelor of Science, business administration, University of North Carolina Wilmington

Amalia E. Neco Valle, CPA
Assurance Supervisor
Morehead City, NC
aenecovalle@pbmares.com

Summary of Experience

Amalia Neco Valle provides financial and compliance audits and other attest services to a variety of not-for-profits, public sector and governmental entities. Amalia has developed a governmental and public accounting/audit background while serving a variety of the firm's clients.

Her prior experience includes a providing accounting and auditing services to clients in various industries, including real estate organizations and financial services. She has also assisted organizations with their implementation of governmental accounting systems.

Currently, Amalia assists in the development of several audit engagements, provides advice to team member and clients on accounting audit matters and helps ensure that the audits are handled in a timely manner and in accordance with accounting professional standards.

Professional Certifications and Affiliations

- Certified Public Accountant, North Carolina Board of Accountancy
- Certified Public Accountant, Puerto Rico Board of Accountancy
- American Institute of Certified Public Accountants

Education

- Bachelor of Science in Business Administration with a major in Accounting, University of Puerto Rico

Antonina McAvoy, CISM, CISA, QSA, PCIP
Senior Manager
Cyber & Control Risk Services Team Leader
Hampton Roads, Virginia
amcavoy@pbmares.com



Summary of Experience

Co-leader of the Cyber & Control Risk Services Team, Nina McAvoy uses her experience to perform a wide spectrum of cybersecurity reviews, SOX information technology general control assessments, readiness assessments, independent trust and transparency (SOC reporting), HIPAA reviews, information technology internal audits, and control services.

Ms. McAvoy specializes in SOC audits, cybersecurity, as well as data protection and privacy. She performs complex data mapping exercises to identify where key data resides in an organization's environment, assessing the operating effectiveness of control environments, as well as identifying control gaps and weak cybersecurity settings. Ms. McAvoy is instrumental in analyzing the root cause and impact of IT issues through gaining a deep understanding of organization's operations. She is well versed in translating IT risks, recommending business solutions, and advising organizations on designing strategies to create and improve sustainable data protection and enterprise-wide risk prevention programs.

Her areas of specialization include:

- Risk Management, Cybersecurity, Vendor Management, Incident Response, Disaster Recovery, Business Continuity Management, HIPAA, GDPR, Data Privacy, Change Management, VPN, Network Perimeter, Outsourced IT Environments, and SOC Reporting (SOC 1, SOC 2, SOC 3, and SOC for Supply Chain).
- Planning, resourcing, and executing Global IT compliance audit efforts for multi-national clients.
- Engaging/interacting with management at all levels as well as communicating risks, exceptions, and managing client expectations; ability to translate IT risks and recommend business solutions.
- Managing fieldwork for controls assessments in the areas of IT governance, program change management, computer operations, operating system security, database security, network architecture, and logical security access in an array of industries.

Professional Affiliations and Credentials

- Certified Information Systems Auditor (CISA)
- Cybersecurity Advisory Services Certificate
- Certified Information Security Manager (CISM)
- Payment Card Industry (PCI) Qualified Security Assessor (QSA)
- Payment Card Industry Professional (PCIP)
- Publication: *The Secret to Mastering the Defense Federal Acquisitions Regulation Supplement Cybersecurity Requirements* (ProQuest No 27672340)

Education

- Master of Science in Cybersecurity, Concentration in Cyber Operations, Utica College
- Bachelor of Science in Business Management, Concentration in Accounting Babson College



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Appendix B

Peer Review Report

KraftCPAs PLLC performed PBMares' most recent peer review which covered the system of quality control in effect for the year ended February 29, 2020. KraftCPAs issued its unmodified report, dated January 15, 2021, on the firm's system of quality control which was accepted by the AICPA. Our most recent peer review report is included below.

Report on the Firm's System of Quality Control

To the Shareholders of
PBMares, LLP
And the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of PBMares, LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended February 29, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality and complying with it to provide the firm reasonable assurance of performing and reporting in conformity with applicable professional standards in all material aspects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards when appropriate, and for remediating weakness in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

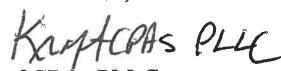
Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including a compliance audit under the Single Audit Act; audits of employee benefit plans, an audit of a broker-dealer, and an examination of service organizations [SOC 1 engagement].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of PBMares, LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended February 29, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. PBMares, LLP has received a peer review rating of *pass*.


KraftCPAs PLLC
January 15, 2021



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Administrative Services
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Manager Eric Peterson
Human Resources Manager Haley Bizzell
Administrative Services Director Jen Della Valle

ITEM TO BE CONSIDERED

Subject: Compensation and Classification Study

Attachments:

Current Classification and Pay Plan

Summary:

Throughout the last couple of years, organizations throughout the nation have had a harder time recruiting and retaining key talent and Hillsborough has certainly not been immune. We are in a very competitive employment market right now. As a small town, we don't have the staffing or redundancy in place that larger organizations often have. Therefore, losing just 1 or 2 critical positions can have devastating impacts on our operations. In the last year, we have had at least 10 job offers declined even after offering what we consider a competitive salary. Prospective candidates are finding employment elsewhere or having our offer countered by their current employer.

One area that we lag some of our neighbors is dependent health care. We're surrounded by jurisdictions that make substantially greater contributions to dependent coverage, which often costs us candidates as well. While our individual coverage is as good or better than others, the cost of dependent care continues to be an issue.

Many of our peers regionally and across the state have either recently conducted a pay study or are in the process of completing one. Earlier this calendar year, we contracted with Piedmont Triangle Regional Council (PTRC) to conduct a pay study of all town positions. Our market comparisons include local governments in the Triad and Triangle area, but our primary market is the Triangle. That's where we're located and who we often lose employees to, other than Mebane. The last pay study we conducted was in 2018, and although we have done salary adjustments since then to reflect merit, reclassifications, compression, etc., we were overdue for a comprehensive analysis of all positions.

Using information provided by departments regarding each position and evaluating market comparison, PTRC has developed proposed implementation options for the board to consider. PTRC Assistant Director Matt Reece will provide a presentation that outlines the methodology used and the different options.

Financial impacts:

The town budgeted \$335,000 across all three funds for implementation of the compensation and classification study (includes \$75,000 for police reclassifications).

The various options that PTRC presents will have varying financial impacts.

Staff recommendation and comments:

Receive update and consider approval of a revised classification and pay plan.

Action requested:

Consider approval of revised classification and pay plan.

Regular (Non-Law Enforcement) Positions

Salary Grade	Minimum	Midpoint	Maximum	FLSA Status	Class Code	Classification
1	33,209	42,571	51,934	N	0100	CUSTOMER SERVICE REPRESENTATIVE
1	33,209	42,571	51,934	N	0101	METER SERVICES TECHNICIAN
1	33,209	42,571	51,934	N	0102	UTILITY MAINTENANCE TECHNICIAN I
2	34,769	44,600	54,431	N	0204	ACCOUNTS PAYABLE TECHNICIAN
2	34,769	44,600	54,431	N	0205	ADMINISTRATIVE SUPPORT SPECIALIST
2	34,769	44,600	54,431	N	0206	EQUIPMENT OPERATOR I
2	34,769	44,600	54,431	N	0207	UTILITY MAINTENANCE TECHNICIAN II
3	36,408	46,730	57,052	N	0304	EQUIPMENT OPERATOR II
3	36,408	46,730	57,052	N	0305	SENIOR ADMINISTRATIVE SUPPORT SPECIALIST
3	36,408	46,730	57,052	N	0307	UTILITY MAINTENANCE TECHNICIAN III
3	36,408	46,730	57,052	N	0308	WASTEWATER PLANT OPERATOR I
3	36,408	46,730	57,052	N	0309	WATER PLANT OPERATOR I
4	38,128	48,967	59,805	N	0403	CREW LEADER/EQUIPMENT OPERATOR III
4	38,128	48,967	59,805	N	0405	PLANNING TECHNICIAN
4	38,128	48,967	59,805	N	0406	UTILITY SYSTEMS MECHANIC I
4	38,128	48,967	59,805	N	0407	WASTEWATER PLANT OPERATOR II
4	38,128	48,967	59,805	N	0408	WATER PLANT OPERATOR II
4	38,128	48,967	59,805	N	0409	PLANT MAINTENANCE MECHANIC I
4	38,128	48,967	59,805	N	0410	PLANT MECHANIC
5	39,934	51,315	62,695	N	0507	ACCOUNTING TECHNICIAN
5	39,934	51,315	62,695	N	0509	UTILITY SYSTEMS MECHANIC II
5	39,934	51,315	62,695	N	0510	PLANT MAINTENANCE MECHANIC II
6	41,831	53,781	65,730	N	0608	LABORATORY TECHNICIAN/WATER PLANT OPERATOR III
6	41,831	53,781	65,730	N	0609	UTILITY SYSTEMS MECHANIC III
6	41,831	53,781	65,730	N	0610	WASTEWATER LABORATORY SUPERVISOR
6	41,831	53,781	65,730	N	0611	WASTEWATER PLANT OPERATOR III
6	41,831	53,781	65,730	N	0612	WATER PLANT OPERATOR III
6	41,831	53,781	65,730	N	0613	PLANT MAINTENANCE MECHANIC III
7	43,823	56,370	68,916	N	0708	BACKFLOW/FOG SPECIALIST
7	43,823	56,370	68,916	N	0711	FLEET MECHANIC
7	43,823	56,370	68,916	N	0712	OPERATOR IN RESPONSIBLE CHARGE
8	45,914	59,088	72,262	N	0804	METER SERVICES SUPERVISOR
8	45,914	59,088	72,262	N	0806	COMMUNICATIONS SPECIALIST
8	45,914	59,088	72,262	N	0807	STORMWATER PROGRAM COORDINATOR
8	45,914	59,088	72,262	E	0808	BILLING & CUSTOMER SERVICE SUPERVISOR
9	48,110	61,942	75,775	N	0908	CHIEF WASTEWATER PLANT OPERATOR
9	48,110	61,942	75,775	E	0910	FINANCIAL ANALYST
9	48,110	61,942	75,775	E	0911	MANAGEMENT ANALYST
9	48,110	61,942	75,775	E	0912	PLANNER
9	48,110	61,942	75,775	N	0913	UTILITIES INSPECTOR
10	50,415	64,940	79,464	E	1013	HUMAN RESOURCES ANALYST
10	50,415	64,940	79,464	E	1016	WEB DEVELOPER/ASSISTANT COMMUNICATIONS MANAGER
10	50,415	64,940	79,464	N	1020	FACILITIES COORDINATOR
11	52,836	68,087	83,337	E	1107	UTILITY MAINTENANCE SUPERVISOR
11	52,836	68,087	83,337	E	1108	UTILITY SYSTEM SUPERVISOR
11	52,836	68,087	83,337	E	1109	BUDGET & MANAGEMENT ANALYST

12	55,378	71,391	87,404	E	1211	FLEET MAINTENANCE SUPERVISOR
12	55,378	71,391	87,404	E	1213	SENIOR PLANNER
13	58,047	74,860	91,674	E	1301	TOWN CLERK/HR TECH
13	58,047	74,860	91,674	E	1302	CIVIL ENGINEERING TECHNICAN
14	60,849	78,504	96,158	E	1407	SAFETY & RISK MANAGER
15	63,791	82,329	100,866	E	1507	UTILITY SYSTEM SUPERINTENDENT
15	63,791	82,329	100,866	E	1508	WASTEWATER PLANT SUPERINTENDENT
15	63,791	82,329	100,866	E	1509	WATER PLANT SUPERINTENDENT
16	66,881	86,345	105,809			
17	70,125	90,562	111,000	E	1701	COMMUNICATIONS MANAGER
17	70,125	90,562	111,000	E	1702	PUBLIC SPACES & SUSTAINABILITY MANAGER
17	70,125	90,562	111,000	E	1703	PUBLIC WORKS MANAGER
17	70,125	90,562	111,000	E	1704	HR MANAGER
17	70,125	90,562	111,000	E	1705	STORMWATER & ENVIRONMENTAL SERVICES MANAGER
17	70,125	90,562	111,000	E	1706	IT MANAGER
17	70,125	90,562	111,000	E	1707	ENVIRONMENTAL ENGINEERING SUPERVISOR
17	70,125	90,562	111,000	E	1708	ASSISTANT FINANCE DIRECTOR
18	73,531	94,990	116,450	E	1801	PLANNING & ECONOMIC DEVELOPMENT MANAGER
19	77,108	99,640	122,172			
20	80,863	104,522	128,181	E	2002	BUDGET DIRECTOR
21	84,806	109,648	134,490			
22	88,947	115,031	141,114	E	2201	ADMINISTRATIVE SERVICES DIRECTOR
23	93,294	120,682	148,070	E	2301	FINANCE DIRECTOR
23	93,294	120,682	148,070	E	2302	UTILITIES DIRECTOR
24	97,859	126,616	155,374	E	2400	ASSISTANT TOWN MANAGER/COMMUNITY SERVICES DIRECTOR

Sworn Law Enforcement Officer Positions

Salary				FLSA	Class	
Grade	Minimum	Midpoint	Maximum	Status	Code	Classification
P0	43,823	NA	NA	N	P100	Police Officer Trainee
P1	48,000	61,174	74,348	N	P101	POLICE OFFICER/POLICE OFFICER FIRST CLASS
P2	50,196	64,028	77,861	N	P201	SENIOR POLICE OFFICER
P3	52,501	67,026	81,550	N	P301	POLICE CORPORAL
P3	52,501	67,026	81,550	N	P302	MASTER POLICE OFFICER
P4	57,464	73,477	89,490	N	P401	POLICE SERGEANT
P5	62,935	80,590	98,244	E	P501	POLICE LIEUTENANT
P6	67,082	87,207	107,331	E	P601	POLICE MAJOR
P7	95,380	122,768	150,156	E	P601	CHIEF OF POLICE



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Planning and Economic Development
Agenda Section: Regular
Public hearing: Yes
Date of public hearing: July 21, 2022

PRESENTER/INFORMATION CONTACT

Planning and Economic Development Manager Shannan Campbell

ITEM TO BE CONSIDERED

Subject: Consistency statement and ordinance to voluntarily annex a contiguous parcel, amend the Zoning Map, and approve a development agreement for the Moren Tract

Attachments:

1. Draft annexation ordinance
2. Draft consistency statement
3. Draft zoning ordinance
4. Draft development agreement
5. Annexation and rezoning applications and maps

Summary:

This request is to voluntarily annex a contiguous parcel of 60.2 +/- acres. Then to rezone 2.43 acres in the ETJ from EDD (Economic Development District) to MF (Multi-Family) and zone the remaining area of 44.31 acres to MF (Multi-Family). The remaining 15.84 acres is currently zoned EDD and is requested to remain zoned EDD. This item was heard at the July joint public hearing. The Planning Board recommended adoption at the August meeting 7-0.

Minutes from the August 2022 Planning Board recommendation:

Annexation and General Use Rezoning: Moren Tract — To annex and rezone portions of the Moren Tract from Economic Development District to Multi-Family

Campbell summarized the staff report on Page 168 of the agenda packet. She said a few cleanup edits were made to the development agreement after the July 21, 2022, public hearing. Campbell summarized the changes, noting they comprised minor edits and corrections, not material changes.

Campbell said the annexation and rezoning requests remain the same. The applicant is requesting to annex about 60.2 acres into the town limits and rezone 2.43 acres within the town's extraterritorial jurisdiction from the Economic Development District zoning district to the Multi-Family zoning district. The applicant is requesting zoning 44.31 acres currently within Orange County's jurisdiction adjacent to town limits to the Multi-Family zoning district. A third portion, 15.84 acres, currently is within the town's extraterritorial jurisdiction and would remain zoned as Economic Development District. Campbell referred to the map in the packet that visually explains this.

When asked, Campbell confirmed any tree removal for this project would remain within the ordinance's requirements. She indicated that this is a general use rezoning and not a Planned Development District conditional rezoning, that the board is considering implementing as an option for the future.

When asked, project lead John Reyna of the Beach Company confirmed the applicants are not asking for concessions or flexibility within the Multi-Family zoning district, such as for building height. Campbell clarified concessions are not currently available. Reyna said the applicants are planning the project to comply with the Multi-Family and Economic Development District zoning districts standards.

When asked, Reyna confirmed the applicants would seek grocery and restaurant tenants for the commercial part of the project, but that it is market dependent.

When asked, Campbell confirmed the project conforms to the town's Future Land Use Plan. She said the future land use designation for the project's parcel is Mixed-Use, and she described that designation. Campbell confirmed the requested rezoning would not require amending the Future Land Use Plan. Schultz noted the project also conforms with the town and county's Strategic Growth Plan.

Chandler said she hoped the project would include trees in its green spaces. Reyna described the property's two stream buffers and noted the applicants do not want to develop those areas. He added the applicants believe trees improve developments.

There were no further questions or concerns.

Motion: Salvi moved to recommend the town board approve the annexation and rezoning requests.
Casadonte seconded.
Vote: 7-0.

Minutes from the July 2022 Public Hearing:

Annexation and General Use Rezoning: Moren Tract — To annex and rezone portions of the Moren Tract from Economic Development District to Multi-Family

King summarized the staff report. He said the Moren Tract currently is vacant and comprises approximately 60 acres off Old N.C. 86 between Waterstone Drive and Interstate 85. The applicant is requesting annexation of the entire property, and to rezone approximately 2.4 acres within the town's ETJ (extraterritorial jurisdiction) from the Economic Development District zoning district to the Multi-Family zoning district. The applicant is requesting rezoning to the Multi-Family zoning district of approximately 34 acres currently within Orange County's zoning jurisdiction adjacent to the town's ETJ. King said a third portion, approximately 15 acres, currently is within the town's extraterritorial jurisdiction and zoned as Economic Development District.

King said the general use rezoning would allow a range of uses by right or by special use permit in the Economic Development District zoning district and the Multi-Family zoning district. The applicant wishes to use a development agreement to incorporate an affordable housing element into the proposed future development.

When asked, King clarified the application map on Page 170 of the agenda packet might contain a mapping error. He explained the town's ETJ boundary follows the centerline of Cates Creek, and a portion of the land shown south of the creek to be rezoned from EDD to Multi-Family might be in Orange County's zoning jurisdiction. He pointed out the area proposed to contain affordable housing and the nearby wetlands and flood plains along the creek. When asked, King clarified the town's Flood Damage Prevention Ordinance does not allow development within a floodplain. (*Staff Clarification:* This development prohibition applies to the regulatory floodway and areas of 1% annual chance of flooding aka the 100-year floodplain).

Johnston invited the applicants and their representatives to speak. Dan Doyle, chief operating officer of the Beach Company, introduced himself and gave a brief overview of his company. Doyle noted he and his company have met with the town board two times previously and said he hoped they would see how far the plan has come. Doyle introduced project lead John Reyna; George Carr and A.J. Casavant of affordable housing developer Beacon Management Corporation; civil engineer Jordan Peterson; and attorney Brian Pearce. Doyle invited Reyna to lead the applicants' presentation.

Reyna briefly described the applicants' project. He said the Beach Company wants to build grocery-anchored retail in the area already zoned as Economic Development District. The applicants want the portion of the property currently within Orange County's zoning jurisdiction rezoned to build a variety of housing types, including multi-family apartments, multi-family townhomes and about 80 units of affordable housing. Reyna said the company recognized affordable housing is important to the town, and they realized they needed to partner with Beacon Management Corporation to incorporate high-quality affordable housing into the project. Reyna said the development agreement would hold the Beach Company accountable for deeding approximately 5.7 acres to Beacon Management Corporation for age-restricted affordable housing for people making less than 60% of area median income. He said the development agreement would not grant the Beach Company any zoning ordinance concessions and confirmed the company would comply with all zoning ordinances.

When asked, Reyna clarified about 3 acres of the 5.7 acres is developable. He said the affordable housing units would represent about 15% of the housing units in the project.

Reyna outlined the affordable housing portion of the project. He said the deed-restricted parcel would ensure 99 years of affordable housing. He said Beacon would have 5 years to break ground, otherwise the property would automatically transfer to the town to land bank. He said at that point the town could choose another affordable housing developer or could use the land to expand Cates Creek Park.

Reyna noted the company has moved toward a denser development in response to the town board's input. He said the company would like to start on the project in the middle of 2023.

Ferguson asked for more details regarding Beacon Management Corporation's affordable housing model. Carr described Beacon's history and his own background in affordable housing. Carr said Beacon focuses on high development quality rather than achieving the lowest rents, as the company wants to build units that will last 99 years. He said Beacon takes pride in excellent management and maintenance of their units. He described the deed restrictions that ensure the units would be affordable even if the property is sold. Carr noted that Beacon aims to blend in architecturally with surrounding neighborhoods. When asked, he said Beacon provides its own management.

Ferguson asked how Beacon handles the costs of long-term refurbishment without negatively impacting residents' finances. Carr explained Beacon plans for the long term by building with high-quality materials at the beginning of a project. He described the materials and designs the company uses.

Carr noted the project's affordable housing site has a limited area for construction. He said he believes the best design for the site would be a 3-story building with an elevator. He said the units in the building would be aimed at the 55-and-older market.

Lloyd asked about the project's grocery stores and restaurants. She emphasized people living in the development would need places to eat within walking distance, particularly those living in affordable housing who might not have cars. Reyna said Beach's goal is to attract a food-service tenant. Reyna assured Lloyd he would try to get a grocery store and restaurant for the retail portion of the development.

When asked, Carr said the affordable housing units should be aimed at people 55 years old and older because buildings with elevators are not best for children.

When asked, Reyna confirmed Utilities Director Marie Strandwitz confirmed several months ago there was enough water and sewer capacity for the project.

Ferguson thanked Reyna and the Beach Company for incorporating much of the town board's previous feedback about the project. She agreed with Lloyd that the town needs grocery stores and restaurants. Ferguson recalled a recent situation at another 55-and-older community in town in which an older woman had fallen with her door locked, with no one on site to open the door. Carr said Beacon does not provide around-the-clock staff but does use door systems that allow access by police and emergency services.

Weaver agreed the town needs affordable housing for older adults but said the town also needs affordable housing for families. She asked for more details about the decision to offer age-restricted affordable housing for this project. Reyna explained his research indicated seniors are disproportionately affected by increased housing costs. He said he also reached out to Campbell for guidance on what kinds of affordable housing the town was looking for, and the draft guidance identified seniors as a target affordable housing population. Ferguson asked if the affordable housing could be intergenerational, noting the market has changed in recent years and younger people who often are service workers need places to live. Carr agreed the affordable housing could be intergenerational but said it would no longer be defined as senior housing. He explained the U.S. Department of Housing and Urban Development discourages children living in taller buildings other than in large cities. He added age-restricted housing would still admit a disabled person regardless of their age.

Commissioner Robb English agreed with Ferguson that he appreciated the Beach Company incorporating the town board's previous feedback about the project.

Casavant added Beacon fully refurbishes its properties when they are between 15 and 18 years old so buildings never become dilapidated.

Commissioner Mark Bell said the town desires a balanced affordable housing portfolio. He noted the town already has one age-restricted affordable housing community but does not have affordable housing targeting middle-income earners making higher than 60% of area median income. He asked the applicants to keep middle-income affordable housing in mind, noting that issue is important to Commissioner Matt Hughes, who was absent.

Salvi said she prefers affordable housing integrated throughout a community rather than building all affordable units in one location. Carr agreed and explained in detail why such projects have become more difficult due to market forces, financing restrictions, tax credits and legislation. When asked, he confirmed the project would use the Low-Income Housing Tax Credit program. Ferguson agreed with Salvi that integrated affordable housing would be ideal and asked about an integrated affordable housing development in Colorado. Carr said Colorado might have a specific program for integrated affordable housing that's not available in North Carolina. Carr discussed the market forces that make affordable housing difficult without using tax credits. Reyna noted the applicants want to build affordable housing units without raising rents in the market-rate units, which he said would exacerbate the problem.

Lloyd asked the applicants to leave some trees in their development, noting the trees at the Collins Ridge community have not matured yet and do not look nice. Reyna agreed to keep as many trees as reasonably possible.

When asked, Hornik said the development agreement is still in draft form but is 95% complete. He said the development agreement guarantees the affordable housing part of the project is ironclad. He confirmed it is

still possible to comment on or change the draft. Reyna confirmed the development agreement does not give the Beach Company any concessions but only the opportunity to build affordable housing. Pearce added there have been a few recent changes to the development agreement draft but not to the affordable housing section of the draft, which is set. Pearce added the deed also would contain the provision that Beacon break ground within 5 years or the property would automatically revert to the town. Hornik added Community Services Director Margaret Hauth, Campbell, King and Strandwitz all have read the draft development agreement.

Attorney Jim Pendergrass said he represented the property owner. He agreed the development agreement is still in draft form and said he did not foresee any issues ironing out the remaining details. He said the property owner wholeheartedly supports the project.

Resident Alana Pavuk asked several questions about the project. When asked, Hornik clarified there was no neighborhood meeting about this project, explaining the town has not yet adopted the neighborhood meeting process mentioned earlier tonight under Item 5B.

Pavuk asked how regulations protecting the soil, water and animals on the land would change with the proposed rezoning. Applicant's Civil Engineer Jordan Peterson described the site's natural areas and the protections around the wetlands and riparian buffers. He said an environmental analysis found no endangered species. Peterson said the project would go above and beyond requirements for impervious surfaces, would plant native species of plants and would try to minimize irrigation as much as possible. When asked, he agreed to provide examples of other planned communities the company has developed. Pavuk noted much work has been done at Cates Creek Park regarding pollinators and local plants and said she would love to see that work continued in the development. Peterson agreed and said they would aim to create connectivity and a pedestrian-friendly environment, noting a desire in the market for open space networks and pocket parks. When asked, he confirmed the existing trails behind Cates Creek Park are not in the development zone.

When asked, Peterson confirmed the development's stormwater would not drain into the creek but would drain into a series of decentralized ponds. Reyna agreed and noted there are federal incentives discouraging the Beach Company from interfering with the site's wetlands. Peterson confirmed the development's stormwater would be contained and captured within the development.

Pavuk asked how increased traffic from the development would be handled, specifically at the intersection of Old N.C. 86 and Cates Creek Parkway. Weaver and Ferguson agreed the North Carolina Department of Transportation would decide how to handle increased traffic. Ferguson said the Department of Transportation also would decide whether a traffic light or a traffic circle would be better at that intersection.

Pavuk asked the applicants about their sustainability initiatives and how they would go above and beyond regulations to ensure the development would be a net benefit to the local environment. Doyle described the Beach Company's Environmental, Social and Governance program and how its environmental focus impacts their design of sustainable, energy efficient buildings. He described their data collection process and their approach to stormwater. He described one of the company's planned communities in South Carolina that incorporates local farmers and other environmental initiatives.

Ferguson noted the town also has a clean energy resolution. She said anything the applicants could do to use or encourage solar energy and limit their carbon footprint would be appreciated. Reyna said he could not commit to those things tonight but would read the town's resolution to better understand it.

Property owner Charles Moren noted the project's land has been in his family for 60 years. He said he personally researched development companies and found the Beach Company to be one of the best. He said he supports the project. Moren and Lloyd briefly discussed the property's history.

Weaver asked the applicants to discuss their vision for the market-rate units. Reyna said the Beach Company aims to develop a best-in-class market-rate apartment complex. He said the Beach Company has very high standards and believes in designing developments to fit in with local built and natural environments. He emphasized that each development design is unique to its location. He displayed and described examples of past developments and briefly outlined the design process and the company’s standards. Reyna said the Beach Company’s vision is to preserve Hillsborough’s small-town character in a walk-up apartment and townhome development in ways that makes sense.

There were no further questions or comments about this item.

Financial impacts:

N/A

Staff recommendation and comments:

None.

Action requested:

Consider adopting the voluntary annexation ordinance. Then consider adopting the consistency statement that the zoning amendment IS consistent with the Comprehensive Plan and adopt the ordinance amending the official zoning map. Consider approving the draft development agreement.

Ordinance No. 20220912-_____

Return to: Hillsborough Planning Department, P.O. Box 429, Hillsborough, NC 27278

The following ordinance was introduced by Commissioner _____, and duly seconded by Commissioner _____.

**AN ORDINANCE ANNEXING
CERTAIN CONTIGUOUS PROPERTY**

WHEREAS, a petition was received requesting the annexation of 60.2 +/- acres on Cates Creek Parkway by the owner, Charles Moren, Trustee of the Carolyn Davis Moren Living Trust dated 13 February 2018 in conjunction with applicant, Beach Equity Investments LLC;

WHEREAS, the Parcel Identification Number (PIN) for the requesting property is 9873-15-3366;

WHEREAS, the petition was signed by the owner of all the real property located within such area; and

WHEREAS, a public hearing on the annexation was held on July 21, 2022 following notice of such hearing published in the News of Orange County on July 6 and 13, 2022.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS FOR THE TOWN OF HILLSBOROUGH ORDAINS:

Section 1. The Board of Commissioners finds that a petition requesting the annexation of the area described in Section 2 was properly signed by the owners of all the real property located within such area and that such area is contiguous to the boundaries of the town of Hillsborough, as the term "contiguous" is defined in G.S. 160A-31(f).

Section 2. The following area is hereby annexed to and made a part of the Town of Hillsborough:

Being all of that certain tract of land consisting of 62.74 acres shown and more fully described on that certain plat entitled "Exempt Plat of WATERSTONE-Recombination and Private Access Easement Plat" dated 11/16/06, revised 1/24/07, 02/02/07 and 02/12/07, prepared by the John R. McAdams Company, Inc. and recorded in Plat Book/File IOI, Page 136 in the Office of the Orange County Register of Deeds. [PIN# 9873-15-3366]

Tract 1 (A)

Beginning at an existing iron pipe located on the intersection of the eastern edge of the Old NC 86 right-of-way and the northern edge of the Cates Creek Parkway right-of-way; thence following the eastern edge of the Old NC 86 right-of-way with a curve turning to the right having an arc length of 70.37', a radius of 1694.08' and a chord bearing of N 17°27'14" W with a chord length of 70.36' to a new iron pipe; thence N 14°14'37" W a distance of 239.09' to a new iron pipe; thence N 14°15'11" W a distance of 149.60' to a new iron pipe; thence leaving the eastern edge of the Old NC 86 right-of-way N 73°56'50" E a distance of 419.37' to an existing iron pipe; thence S 82°01'52" E a distance of 1099.21' to a point; thence S 56°55'58" W a distance of 290.44' to a point; thence S 41°31'48" W a distance of 159.73' to a point; thence S 61°35'45" W a distance of 209.45' to an existing magnetic nail located on the northern edge of the Cates Creek Parkway right-of-way; thence following the northern edge of the Cates Creek Parkway with a curve turning to the left having an arc length of 502.57', with a radius of 399.40', with a chord bearing of N 78°51'06" W and a chord length of 470.06' to an existing iron pipe; thence S 65°14'11" W a distance of 341.81' to a new iron pipe; thence with a curve turning to the right with an arc length of 69.07', with a radius of 44.92', and a chord bearing of N 63°03'31" W, with a chord length of 62.46' to an existing iron pipe; thence S 67°41'19" W a distance of 15.19' to an existing iron pipe which is the point of Beginning, having an area of 515,615 square feet, 11.837 acres.

Tract 2 (B)

Beginning at a new iron pipe located at the intersection of the eastern edge of the right-of-way of Old NC 86 and the southern right-of-way of Cates Creek Parkway; thence leaving the eastern right-of-way of Old NC 86 and following the southern edge of the Cates Creek Parkway right-of-way N 63°59'55" E a distance of 15.00' to an existing iron pipe; thence with a curve turning to the right with an arc length of 71.32', with a radius of 44.57', with a chord bearing of N 19°35'29" E, and a chord length of 63.95' to an existing iron pipe; thence N 65°06'47" E a distance of 341.64' to an existing iron pipe; thence with a curve turning to the right with an arc length of 427.44', with a radius of 339.26', with a chord bearing of S 78°51'12" E, with a chord length of 399.72' to an existing iron pipe; thence leaving the southern right-of-way of Cates Creek Parkway S 28°46'30" W a distance of 279.03' to a point; thence N 83°30'59" W a distance of 318.56' to an existing iron pipe; thence N 83°33'33" W a distance of 188.73' to an existing iron

pipe; thence N 83°05'19" W a distance of 75.90' to an existing iron pipe located on the eastern edge of the Old NC 86 right-of-way; thence following the eastern edge of the Old NC 86 right-of-way N 27°23'04" W a distance of 50.65' to a new iron pipe which is the point of Beginning, having an area of 174,002 square feet, 3.995 acres.

Tract 3 (C)

Beginning at an existing magnetic nail located on the northern edge of the Cates Creek Parkway right-of-way and also being located approximately 900' east of the Old NC 86 and Cates Creek Parkway intersection; thence leaving the northern edge of the Cates Creek Parkway right-of-way N 61°35'45" E a distance of 209.45' to a point; thence N 41°31'48" E a distance of 159.73' to a point; thence N 56°55'58" E a distance of 290.44' to a point; thence S 82°01'52" E a distance of 17.74' to a new iron pipe; thence S 29°34'40" E a distance of 188.85' to an existing iron pipe; thence S 33°32'32" E a distance of 287.77' to an existing iron pipe located on the northern edge of the Cates Creek Parkway right-of-way; thence following the right-of-way of Cates Creek Parkway S 67°51'06" W a distance of 352.79' to an existing iron pipe; thence with a curve turning to the right with an arc length of 447.48', with a radius of 369.88', with a chord bearing of N 77°30'11" W, and a chord length of 420.68' to an existing iron pipe; thence N 42°55'06" W a distance of 96.73' to an existing magnetic nail which is the point of Beginning, having an area of 247,160 square feet, 5.674 acres.

Tract 4 (D)

Beginning at an existing iron pipe located on the southern edge of the Cates Creek Parkway and being located approximately 900' east of the Old NC 86 and Cates Creek Parkway intersection; thence following the southern edge of the Cates Creek Parkway right-of-way S 42°52'55" E a distance of 96.74' to an existing iron pipe; thence with a curve turning to the left with an arc length of 520.14', with a radius of 430.71', with a chord bearing of S 77°30'50" E, and a chord length of 489.11' to an existing iron pipe; thence N 67°49'59" E a distance of 353.32' to an existing iron pipe; thence S 16°21'09" E a distance of 683.79' to an existing iron pipe; thence S 05°05'56" E a distance of 1310.00' to an existing rebar; thence N 89°15'51" W a distance of 947.79' to an existing iron pipe; thence N 02°21'17" W a distance of 589.41' to an existing iron pipe; thence N 02°22'30" W a distance of 1126.02' to an existing concrete monument; thence N 83°30'59" W a distance of 297.15' to a point; thence N 28°46'30" E a distance of 279.03' to an existing iron pipe located on the southern edge of Cates Creek Parkway right-of-way, which is the point of Beginning, having an area of 1,683,147 square feet, 38.640 acres.

Section 3. This Ordinance shall become effective on adoption.

Section 4. The Town Clerk shall cause to be recorded in the Office of the Register of Deeds of Orange County and in the Office of the Secretary of State an accurate map of the annexed territory described in Sections 2 together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Orange County Board of Elections as required by G.S. 163-288.1.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 12th day of September 2022.

Ayes:

Noes:

Absent or Excused:

Town of Hillsborough
Sarah E. Kimrey, Town Clerk

SEAL

STATE OF NORTH CAROLINA
COUNTY OF ORANGE

I, _____, a Notary Public of the County and State aforesaid, certify that Sarah E. Kimrey personally appeared before me this day and acknowledged that she is the Town Clerk for the Town of Hillsborough, a North Carolina municipal corporation, and that she, as Town Clerk, being duly authorized to do so, executed the foregoing instrument to acknowledge that it is an Annexation Ordinance duly adopted by the Town of Hillsborough Board of Commissioners on the date indicated.

Witness my hand and official seal, this the _____ day of _____, ____.

(Official Seal)

Notary Public

My commission expires.

Town Board's Statement per N.C. Gen. Stat. 160D-605

The Town of Hillsborough Town Board has received and reviewed the application of Charles Moren, Trustee of the Carolyn Davis Moren Living Trust dated 13 February 2018 in conjunction with applicant, Beach Equity Investments LLC to amend the Town of Hillsborough Official Zoning Map as follows:

Rezone 2.43 acres of PIN 9873153366 from EDD (Economic Development District) to MF (Multi-Family) and zone the remaining area of 44.31 acres to MF (Multi-Family). Retain existing EDD zoning on the remaining 15.84 acres.

The Hillsborough Town Board has determined that the proposed action is consistent with the Town of Hillsborough's comprehensive plan and the Town Board's proposed action on the amendment is reasonable and in the public interest for the following reason(s):

The rezoning is consistent with the Vision 2030 plan as it provides increased and diverse housing options and supports future connectivity and connectedness in this area of town. It also continues to support and encourage sustainable practices in public and private development.

Adopted by the Town of Hillsborough Board of Commissioners this 12th day of September, 2022.

Sarah E. Kimrey, Town Clerk



ORDINANCE

Amending the Zoning Map of the Town of Hillsborough

The Hillsborough Board of Commissioners ordains:

- Section 1.** An application has been made for the zoning map amendment of the property herein.
- Section 2.** The application has been referred to the town Planning Board for its recommendation and the Planning Board has provided the town board with a written recommendation addressing the consistency of the proposed rezoning and future land use plan map amendment with the town's comprehensive plan and such other matters as the Planning Board deemed appropriate.
- Section 3.** The town board has, prior to acting on the application, adopted a statement describing the consistency of the proposed rezoning with the town's comprehensive plan and explaining why the action contemplated by the town board as reflected herein is reasonable and in the public interest.
- Section 4.** The Official Zoning Map of the Town of Hillsborough is hereby amended to rezone 2.43 acres of PIN 9873153366 from EDD (Economic Development District) to MF (Multi-Family) and zone the remaining area of 44.31 acres to MF (Multi-Family). The remaining 15.84 acres is currently zoned EDD and is requested to remain zoned EDD.
- Section 5.** The legal description of the parcel area of PIN 9873153366 to be zoned MF is as follows:

Tract 3 (C)

Beginning at an existing magnetic nail located on the northern edge of the Cates Creek Parkway right-of-way and also being located approximately 900' east of the Old NC 86 and Cates Creek Parkway intersection; thence leaving the northern edge of the Cates Creek Parkway right-of-way N 61°35'45" E a distance of 209.45' to a point; thence N 41°31'48" E a distance of 159.73' to a point; thence N 56°55'58" E a distance of 290.44' to a point; thence S 82°01'52" E a distance of 17.74' to a new iron pipe; thence S 29°34'40" E a distance of 188.85' to an existing iron pipe; thence S 33°32'32" E a distance of 287.77' to an existing iron pipe located on the northern edge of the Cates Creek Parkway right-of-way; thence following the right-of-way of Cates Creek Parkway S 67°51'06" W a distance of 352.79' to an existing iron pipe; thence with a curve turning to the right with an arc length of 447.48', with a radius of 369.88', with a chord bearing of N 77°30'11" W, and a chord length of 420.68' to an existing iron pipe; thence N 42°55'06" W a distance of 96.73' to an existing magnetic nail which is the point of Beginning, having an area of 247,160 square feet, 5.674 acres.

Tract 4 (D)

Beginning at an existing iron pipe located on the southern edge of the Cates Creek Parkway and being located approximately 900' east of the Old NC 86 and Cates Creek Parkway intersection; thence following the southern edge of the Cates Creek Parkway right-of-way S 42°52'55" E a distance of 96.74' to an existing iron pipe; thence with a curve turning to the left with an arc length of 520.14', with a radius of 430.71', with a chord bearing of S 77°30'50" E, and a chord length of 489.11' to an existing iron pipe; thence N 67°49'59" E a distance of 353.32' to an existing iron pipe; thence S 16°21'09" E a distance of 683.79' to an existing iron pipe; thence S 05°05'56" E a distance of 1310.00' to an existing rebar; thence N 89°15'51" W a distance of 947.79' to an existing iron pipe; thence N 02°21'17" W a distance of 589.41' to an existing iron pipe; thence N 02°22'30" W a distance of 1126.02' to an existing concrete monument; thence N 83°30'59" W a distance of 297.15' to a point; thence N 28°46'30" E a distance of 279.03' to an existing iron pipe located on the southern edge of Cates Creek Parkway right-of-way, which is the point of Beginning, having an area of 1,683,147 square feet, 38.640 acres.

Section 6. All provisions of any town ordinance in conflict with this ordinance are repealed.

Section 7. This ordinance shall become effective upon adoption.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 12th day of September in 2022.

Ayes:

Noes:

Absent or excused:

Sarah E. Kimrey, Town Clerk

DEVELOPMENT AGREEMENT
BY AND BETWEEN
BEACH CATES CREEK, LLC
AND
TOWN OF HILLSBOROUGH, NORTH CAROLINA

_____, 2022

Prepared by:
Brian T. Pearce
Nexsen Pruet, PLLC
800 Green Valley Road, Suite 500
Greensboro, NC 27408

**DEVELOPMENT AGREEMENT
BY AND BETWEEN
BEACH CATES CREEK, LLC

AND
TOWN OF HILLSBOROUGH, NORTH CAROLINA**

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Exhibit D:	Property Development Plan
Exhibit E:	Town of Hillsborough Rezoning Ordinance
Exhibit F:	Town of Hillsborough Annexation Ordinance

**DEVELOPMENT AGREEMENT
BY AND BETWEEN
BEACH CATES CREEK, LLC AND
TOWN OF HILLSBOROUGH, NORTH CAROLINA**

THIS DEVELOPMENT AGREEMENT (together with the Exhibits attached hereto, the "Agreement") is entered into effective as of the ____ day of _____, 2022 and effective as of ____ day of _____, 202_ (the "Effective Date"), by and between **Beach Cates Creek, LLC**, a South Carolina limited liability company (the "Owner") and the **TOWN OF HILLSBOROUGH**, a political subdivision of the State of North Carolina (the "Town"). The Owner and Town are sometimes separately referred to in this Agreement as a "party" or jointly referred to as the "parties."

RECITALS

WHEREAS, the North Carolina General Statutes Sections 160D-1001 through 160D-1012, as they exist on the Effective Date of this Agreement (collectively the "Act"), enables local governments of the State of North Carolina to enter into binding development agreements with entities intending to develop real property under certain conditions as set forth in the Act; and

WHEREAS, Owner is the Owner of that certain real property located in the Town of Hillsborough, Orange County, North Carolina known as Orange County PIN 9873153366 including approximately 60.146 +/- acres of Real Property; and

WHEREAS, the Town, acting by and through its Board of Commissioners, annexed the Real Property into the corporate limits of the Town of Hillsborough, North Carolina pursuant to Ordinance Number [_____] adopted on [_____] 2022, attached hereto and incorporated herein by reference as **Exhibit F**, and designated the Real Property for zoning purposes as partially Multi-Family District and partially Economic Development District, pursuant to Ordinance Number [_____] a copy of which is attached hereto as **Exhibit E** and incorporated herein by reference;

WHEREAS, this Agreement is being made and entered into between the Owner and the Town, under the terms of the Act, for the purpose of providing assurances to the Town that Owner will include affordable housing as part of the intended development upon the Real Property's annexation into the Town and for the purpose of providing assurances to the Owner that it may proceed with the development of the Real Property pursuant to the terms hereof, without encountering subsequent changes in the law which would affect the ability to develop the Real Property in accordance with the Current Regulations (hereinafter defined);

WHEREAS, pursuant to the Act, the Town conducted a public hearing regarding its consideration of this Agreement on [_____] 2022, after publishing and announcing notice, in accordance with the Act; and

WHEREAS, Board of Commissioners adopted Ordinance Number [_____] on [_____] 2022, (a) determining that this Agreement is consistent with the Act, the

Current Regulations, and the Town's Comprehensive Plan (hereinafter defined), and (b) approving this Agreement. A copy of the Ordinance is attached hereto as **Exhibit C**.

NOW THEREFORE, in consideration of the premises of this Agreement and the mutual benefits to the parties, the parties agree as follows:

1. **The Real Property**. The Real Property subject to this Agreement currently consists of approximately 60.146 +/- acres of Real Property. A legal description of the Real Property is set forth in **Exhibit A**, and the boundary lines of the Real Property are shown on the survey contained in **Exhibit A-1**.

2. **Definitions**. In this Agreement, unless the word or phrase is non-capitalized:

(a) **"Affordable Housing Deed"** means the Special Warranty Deed to the Affordable Housing Developer to be executed and recorded no later than _____.

(b) **"Affordable Housing Developer"** shall mean Beacon Management Corporation and/or its affiliates and subsidiaries.

(c) **"Affordable Housing Dwelling Units"** shall mean Dwelling Units that are made available only to income-qualified individuals whose income is no more than 60% of Area Median Income (AMI) as AMI is determined by the U.S. Department of Housing and Urban Development.

(d) **"Affordable Housing Tract"** means the part of the Real Property described on **Exhibit A-2**.

(e) **"Agreement"** means this Development Agreement, including the recitals and exhibits attached hereto.

(f) **"Comprehensive Plan"** means collectively the Town of Hillsborough Future Land Use Plan, Vision 2030, Strategic Growth Plan, Parks and Recreation Master Plan, Community Connectivity Plan, Churton Street Corridor Strategic Plan, U.S. 70/Cornelius Street Corridor Plan, and Comprehensive Sustainability Plan..

(g) **"Current Regulations"** means the Town of Hillsborough Unified Development Ordinance as last amended on _____.

(h) **"Density"** means the number of Dwelling Units per acre.

(i) **"Development"** means the planning for or carrying out of a building activity, the making of a material change in the use or appearance of any structure or property, or the dividing of land into three or more parcels, and is intended by the Parties to include all uses of, activities upon or changes to the Real Property as are authorized by the Agreement.

"Development," as designated in a land or development permit, includes the planning for and all other activity customarily associated with it unless otherwise specified. When appropriate to the context, "Development" refers to the planning for or the act of developing or to

the result of development. Reference to a specific operation is not intended to mean that the operation or activity, when part of other operations or activities, is not development. Reference to particular operations is not intended to limit the generality of this item.

(j) “**Development Parcel**” means any tract of land on which Development may occur, including platted Lots and unplatted parcels, but excluding street rights-of-way.

(k) “**Development Permit**” includes a building permit, zoning permit, subdivision approval, rezoning certification, special exception, variance, certificate of occupancy and any other official action of Local Government having the effect of permitting the Project or use of property.

(l) “**Development Plan**” means the Property Development Plan attached hereto as **Exhibit D** and incorporated herein by reference.

(m) “**Dwelling Unit**” means one or more rooms, designed, occupied or intended for occupancy as separate living quarters, with cooking, sleeping and sanitary facilities provided within the dwelling unit. Dwelling Unit shall not include, however, hotel rooms or other facilities for transient short term stays, assisted living facilities, or other commercial properties.

(n) “**Facilities**” means major capital or community improvements including, but not limited to, transportation, sanitary sewer, solid waste, drainage, and potable water. The definition of Facilities shall not include, and the Owner is specifically exempted from, any Town requirement for the provision of facilities relating to public education, public health systems and facilities, libraries, parks, public housing, jails and other detention sites, courts, and police sites. Such exemptions shall not, however, exempt Owner from payment of applicable user fees for any such facilities. Said user fees shall be no greater than those charged to other property owners in the Town.

(o) “**Land Development Regulations**” mean ordinances and regulations enacted by the Town or the State of North Carolina for the regulation of any aspect of Development and includes the Town’s Unified Development Ordinance, subdivision, building construction, occupancy or sign regulations or any other regulations controlling the Development or use of property.

(p) “**Law**” means all ordinances, resolutions, regulations, comprehensive plans, Land Development Regulations, policies and rules, custom and usage (formal and informal) adopted by the Town affecting the Development of property and includes laws governing permitted uses of the property, governing density, and governing design, improvement, and construction standards and specifications.

(q) “**Local Government**” means any Town, municipality, special district, or governmental entity of the State, Town, municipality, or region established pursuant to law which exercises regulatory authority over, and grants Development Permits for land Development or which provides public Facilities.

(r) “**Lot**” means any Development Parcel identified on the Subdivision Plat recorded in the Orange County Register of Deeds Office.

(s) “**Owner**” means Beach Cates Creek, LLC and any successors in interest or successors in title and/or assignees by virtue of assignment or other instrument pursuant to Section 27 of this Agreement.

(t) “**Parties**” means the Owner and Town.

(u) “**Parcel**” means any of those tracts of Real Property that are identified on the Survey, attached hereto as **Exhibit A-1**, as same may be specifically identified by the filing of a subdivision application.

(v) “**Project**” is the Development that will occur within and upon the Real Property described in **Exhibit A**.

(w) “**Real Property**” is the real property referred to in Section 5 and includes any improvements or structures customarily regarded as part of real property.

(x) “**Subdivision Plat**” means that certain Subdivision Plat recorded in Book ___, Page ___ of the Orange County Registry and any future recorded graphic description of the Real Property, or part of the Real Property, prepared and approved in compliance with the Current Regulations, as modified in this Agreement.

(y) “**Term**” shall have the meaning set forth in Section 15 of this Agreement.

(z) “**Town**” means the Town of Hillsborough, North Carolina.

3. **Parties.** Parties to this Agreement are the Owner and the Town.

4. **Relationship of the Parties.** This Agreement creates a contractual relationship between the Parties. This Agreement is not intended to create, and does not create, the relationship of master/servant, principal/agent, independent contractor/employer, partnership, joint venture, or any other relationship where one party may be held responsible for acts of the other party. Further, this Agreement is not intended to create, nor does it create, a relationship whereby the conduct of the Owner constitutes “state action” for any purposes.

5. **Legal Description of the Real Property.** The Real Property which is the subject of this Agreement is described as follows:

(a) A legal description of the Real Property is set forth in **Exhibit A**.

(b) A survey of the Real Property is set forth in **Exhibit A-1**.

The Real Property currently consists of approximately 60.416 +/- acres, as more fully depicted on **Exhibit A-1**.

The Owner may notify the Town from time to time of property proposed to be added to the legal description of the Real Property by the filing of a legal description of such properties owned by Owner with the Town Clerk and the Planning Director; provided, however, that no other property shall be added to the Agreement unless: (1) the Development Plan is duly amended; and

(2) this Agreement is duly amended to add the legal description of the properties desired to be added to the legal description of the Real Property, pursuant to N.C. Gen. Stat. Section 160D-1001, et seq.

6. Intent of the Parties. The Town and the Owner agree that the burdens of this Agreement bind, and the benefits of this Agreement shall inure, to each of them and to their successors in interest and, in the case of the Owner, its successors in title and/or assigns. The Town and the Owner are entering into this Agreement in order to secure benefits and burdens referenced herein and as permitted by N.C. Gen. Stat. Section 160D-1001 et. seq. To that end, the Parties agree to cooperate fully with each other to accomplish the purpose of this Agreement during the Term of this Agreement.

7. Consistency with the Town's Comprehensive Plan and Land Development Regulations. This Agreement is consistent with the Town's Comprehensive Plan and the Current Regulations. Whenever expressed or implied substantive provisions of this Agreement are inconsistent with the applicable standards set forth in the Current Regulations, the standards set forth in the Current Regulations and the standards set forth in this Agreement shall, to the extent possible, be considered in *pari material* to give effect to both the Current Regulations and this Agreement; provided, however, that in the event of a conflict, the standards set forth in this Agreement shall govern. In the event of a dispute between the parties to this Agreement as to whether a provision of the Comprehensive Plan or Current Regulations is inconsistent with any expressed or implied substantive provisions of this Agreement, the parties must first submit such disputed interpretation to Board of Commissioners and must wait fourteen (14) days after such submittal before invoking the remedies afforded them under this Agreement.

8. Legislative Act. Any change in the standards established by this Agreement or to Laws pertaining to the same shall require the approval of the Board of Commissioners, subject to compliance with applicable statutory procedures and consistent with Section 9(a). This Agreement constitutes a legislative act of the Board of Commissioners. The Board of Commissioners adopted this Agreement only after following procedures required by N.C. Gen. Stat. Section 160D-1001, et seq. This Agreement shall not be construed to create a debt of the Town as referenced in N.C. Gen. Stat. Section 160D-1012.

9. Applicable Land Use Regulations.

(a) Applicable Laws and Land Development Regulations. Except as otherwise provided by this Agreement or by N.C. Gen. Stat. Section 160D-1001, et seq., the Laws applicable to Development of the Real Property, subject to this Agreement, are those in force at the time of execution of this Agreement, defined as the Current Regulations, attached hereto as **Exhibit B.** The Town shall not apply subsequently adopted Laws and Land Development Regulations to the Real Property or the Project for the Term of the Agreement except as provided by N.C. Gen. Stat. Sections 160D-1007(b) and 160D-1007(c). Nothing herein shall preclude Owner from agreeing to abide by such new Laws, regulations, or ordinances subsequently passed by the Town which it, in its sole discretion, deems appropriate; and in such case the Laws, regulations, or ordinances, so agreed to by Owner shall become part of the Current Regulations.

(b) Vested Rights. Subject to the provisions of subparagraph (a) above, all rights and prerogatives accorded the Owner by this Agreement shall immediately constitute vested rights for the Development of the Real Property consistent with the terms of this Agreement.

Subparagraph 9(a) of this Agreement does not abrogate any rights either preserved by N.C. Gen. Stat. Section 160D-1007 or that may have been vested pursuant to common law and otherwise in the absence of a development agreement.

10. Building Codes and Laws Other Than Land Use Regulations. The Owner, notwithstanding any provision which may be construed to the contrary in this Agreement, must comply with any building, housing, electrical, mechanical, plumbing, and gas and energy codes subsequently adopted by the Town or other governmental entity, as authorized by Applicable Law. This Agreement shall not be construed to supersede or contravene the requirements of any building, housing, electrical, mechanical, plumbing, and gas and energy codes subsequently adopted by the Town or other governmental entity, as authorized by Applicable Law. The provisions of this Agreement are not intended, nor should they be construed in any way, to alter or amend in any way the rights, duties and privileges of the Town to exercise governmental powers and pass laws not applicable to Development of the Real Property including, but not limited to, the power of eminent domain and the power to levy and collect taxes; provided, however, that Laws applicable to the Development of the Real Property shall be subject to Section 9(a).

11. Local Development Permits and Other Permits Needed. The Parties anticipate that the following local Development Permits and other regulatory permits will be needed to complete the Development of the Project: Site plan approvals, Zoning permits, plat approvals (preliminary, conditional and/or final), stormwater management permits, soil and erosion control permits, roads and drainage construction plan approvals, building permits, certificates of occupancy, and utility plan and construction drawing approval, water and sewer extension agreement, and operating permits.

The failure of this Agreement to address a particular permit, condition, term, or restriction does not relieve the Owner of the necessity of complying with the laws governing permit requirements, conditions, terms, or restrictions.

12. Affordable Housing. It is the intent of Owner, and Owner hereby agrees, that Owner will convey the Affordable Housing Tract to the Affordable Housing Developer by the recordation of the Affordable Housing Deed with the Orange County Register of Deeds no later than that date that is thirty (30) days after the Effective Date hereof. The Affordable Housing Deed shall include a deed restriction for a period of ninety-nine (99) years limiting the use of the Affordable Housing Tract to a use as Affordable Housing Dwelling Units. The Affordable Housing Deed shall also include a provision that should the Affordable Housing Developer fail to commence construction of the Affordable Housing Dwelling Units on the Affordable Housing Tract on that date that is five (5) years from the date the Affordable Housing Deed is recorded, the Affordable Housing Tract shall vest in the Town and the Town shall be permitted to use the Affordable Housing Tract for the use permitted by the deed restriction or for use as an expansion of Cates Creek Park.

13. Public Facilities. The Town and the Owner recognize and acknowledge that the following Facilities will be provided by the Town and/or the Owner:

(a) Private Roads. All private roads, if any, within the Real Property shall be constructed by the Owner or other parties and maintained by such party(ies), or dedicated for maintenance to other appropriate entities as shall be determined as site plans for the Project are approved by the Town. Unless set forth in this Agreement or the Town otherwise agrees, the Town will not be responsible for the construction or maintenance of any private roads within the Real Property.

(b) Potable Water. Potable water will be supplied to the Real Property by the Town, or some other legally constituted public or private provider allowed to operate in the Town. The Owner shall be responsible for all costs associated with extending water service to the Real Property. Upon satisfaction of all terms of the water and sewer extension agreement for the Project, formal acceptance of such improvements by the Town, and after expiration of any applicable warranty period for such improvements, the Town shall assume ownership of such improvements and shall be responsible for any maintenance or costs associated with water service within the Real Property.

(c) Sewage Treatment and Disposal. Sewage treatment and disposal will be provided by the Town or some other legally constituted public or private provider allowed to operate in the Town. The Owner shall be responsible for all costs associated with extending sewage improvements to the Real Property. Upon satisfaction of all terms of the water and sewer extension agreement for the Project, formal acceptance of such improvements by the Town, and after the expiration of any applicable warranty period for such improvements, the Town shall assume ownership of such improvements and shall be responsible for any treatment, maintenance or costs associated with sewage treatment within the Real Property.

(d) Recreation Services. The Town shall provide recreation services to the Property on the same basis as it provided to other similarly situated residents and businesses in the Town.

14. Schedule for Project Development.

(a) Commencement Date. The Project will be deemed to commence Development upon the Effective Date of this Agreement.

(b) Completion Date. The Owner projects that by the year 2030 the Project should be substantially completed (i.e., essentially all structures erected and/or all necessary infrastructure in place to serve the intended uses).

15. Term of the Agreement. The term of this Agreement shall be eight (8) years, commencing on the Effective Date (the "Term"); provided, however, that the Term of this Agreement may also be renewed upon approval of the Board of Commissioners.

16. Amending or Canceling the Agreement. Subject to the provisions of N.C. Gen. Stat. Sections 160D-1006(e) and 160D-1009, this Agreement may be amended or canceled in whole or in part only by written mutual consent of the Parties or by their successors in interest.

Any amendment to this Agreement shall comply with the provisions of N.C. Gen. Stat. Section 160D-1001, et seq. Any requirement of this Agreement requiring consent or approval of

one of the Parties shall not require amendment of this Agreement unless the text expressly requires amendment. Wherever said consent or approval is required, the same shall not be unreasonably withheld. A major modification of this Agreement shall occur only after public notice and a public hearing by the Town.

17. Modifying or Suspending the Agreement. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, the pertinent provisions of this Agreement shall be modified or suspended as may be necessary to comply with the state or federal laws or regulations.

18. Periodic Review. The appropriate Town Administrator or their designee of the Town shall review the Project and this Agreement at least once every twenty-four (24) months, at which time the Owner shall demonstrate good-faith compliance with the terms of this Agreement.

If, as a result of its periodic review or at any other time, the Town finds and determines that the Owner has committed a material breach of the terms or conditions of this Agreement, the Town shall serve notice in writing upon the Owner setting forth with reasonable particularity the nature of the breach and the evidence supporting the finding and determination, and providing the Owner a reasonable time in which to cure the material breach.

If the Owner fails to cure any material breach within the time given, then the Town unilaterally may terminate or modify this Agreement; provided that the Town has first given the Owner the opportunity: (1) to rebut the Town's finding and determination; or (2) to consent to amend this Agreement to meet the concerns of the Town with respect to the findings and determinations.

19. Severability. Subject to the provisions of N.C. Gen. Stat. Section 160D-1001 *et. seq.*, if any word, phrase, sentence, paragraph or provision of this Agreement shall be finally adjudicated to be invalid, void, or illegal, it shall be deleted and in no way affect, impair, or invalidate any other provision hereof.

20. Merger. This Agreement, coupled with its Exhibits, which are incorporated herein by reference, shall state the final and complete expression of the Parties' intentions. In return for the respective rights, benefits, and burdens undertaken by the Parties, the Owner shall be, and is hereby, relieved of obligations imposed by future land development laws, ordinances and regulations, except those which may be specifically provided for herein.

The parties hereto agree to cooperate with each other to effectuate the provisions of this Agreement and to act reasonably and expeditiously in all performances required under the Agreement.

In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to cooperate in defending such action.

21. Conflicts of Law. This Agreement shall be construed and enforced in accordance with the laws of the State of North Carolina.

22. Remedies. Each Party recognizes that the other Party would suffer irreparable harm from a material breach of this Agreement and that no adequate remedy at law exists to enforce this Agreement. Consequently, the Parties agree that any nonbreaching Party who seeks enforcement of the Agreement is entitled to the remedies of injunction and specific performance but not to any other legal or equitable remedies including, but not limited to, damages; provided, however, the Owner shall not forfeit its right to just compensation for any violation by the Town of Owner's Fifth Amendment rights. The Town will look solely to the Owner as to any rights it may have against the Owner under this Agreement, and hereby waives any right to assert claims against limited partners or members of the Owner, and further agrees that no limited partner, member or agent of the Owner has any personal liability under this Agreement. Likewise, each Party agrees to look solely to the other Party's assets as to any rights it may have against the other Party under this Agreement, and hereby waives any right to assert claims for personal liability against individuals acting on behalf of each Party, including its members, managers, its Board of Commissioners members, agencies, boards, or commissions.

23. Recording. Within five (5) days after the Effective Date of this Agreement, the Owner shall record the agreement with Orange County Register of Deeds. The burdens of this Agreement are binding upon, and the benefits of this Agreement shall inure to, all successors in interest and assigns of the Parties to this Agreement.

24. Third Parties. Notwithstanding any provision herein to the contrary, this Agreement shall not be binding and shall have no force or effect as to persons or entities who are not Parties or successors and assigns to this Agreement.

25. Town Approval of Agreement. The Board of Commissioners has approved the Project and this Agreement under the process set forth in N.C. Gen. Stat. Sections 160D-1003 and 160D-1005 on the terms and conditions set forth in this Agreement.

26. Successors and Assigns.

(a) Binding Effect. This Agreement shall be binding on the successors and assigns of the Owner in the ownership or Development of any portion of the Real Property or the Project. A purchaser, lessee or other successor in interest of any portion of the Real Property shall be solely responsible for performance of Owner's obligations hereunder as to the portion or portions of the Real Property so transferred. Assignees of development tracts shall be required to execute a written acknowledgment accepting and agreeing to the Owner's obligations in this Agreement, said document to be in recordable form and provided to the Town at the time of the recording of any deed transferring a development tract. Following delivery of such documents Owner shall be released of any further liability or obligation with respect to said tract.

This paragraph shall not be construed to prevent Owner from obtaining indemnification of liability to the Town from third parties. Further, Owner shall not be required to notify the Town or obtain the Town's consent with regard to the sale of Lots in residential subdivisions or Lots in commercial areas which have been platted and approved in accordance with the terms of this Agreement.

This Agreement shall also be binding on the Town and all future Board of Commissioners for the duration of this Agreement, even if the Board of Commissioners members change.

(b) Transfer of Project. Owner shall be entitled to transfer any portion or all of the Real Property to a purchaser(s), subject to the following exceptions:

(i) Notice of Property Transfer. If the Owner transfers all or a portion of the Real Property to a purchaser who, by virtue of assignment or other instrument, becomes the “Owner” under and within the meaning of this Agreement, Owner shall notify the Town within thirty (30) days of said transfer by written notice and provide it a copy of the assignment of such status as the “Owner.”

(ii) Mortgage Lenders. Notwithstanding anything to the contrary contained herein, the exceptions to transfer contained in this Section shall not apply: (i) to any mortgage lender either as the result of foreclosure of any mortgage secured by any portion of the Real Property or any other transfer in lieu of foreclosure; (ii) to any third party purchaser at such a foreclosure; or (iii) to any third party purchaser of such mortgage lender’s interest subsequent to the mortgage lender’s acquiring ownership of any portion of the Real Property as set forth above. Furthermore, nothing contained herein shall prevent, hinder or delay any transfer or any portion of the Real Property to any such mortgage lender or subsequent purchaser. Except as set forth herein, any such mortgage lender or subsequent purchaser shall be bound by and shall receive the benefits from this Agreement as the successor in title to the Owner.

(c) Release of Owner. In the event of conveyance of all or a portion of the Real Property and compliance with the conditions set forth therein, the Owner shall be released from any further obligations with respect to this Agreement as to the portion of Real Property so transferred provided that the transferee has acknowledged in writing its agreement to be bound by the terms of this Agreement, and the transferee shall be substituted as the Owner under the Agreement as to the portion of the Real Property so transferred.

(d) Estoppel Certificate. Upon request in writing from an assignee or the Owner to the Town sent by certified or registered mail or publicly licensed message carrier, return receipt requested, the Town will provide a certificate (the “Certificate”) in recordable form that solely with regard to the portion of the Real Property described in the request, there are no violations or breaches of this Agreement, except as otherwise described in the Certificate. The Town will respond to such a request within ten (10) business days of the receipt of the request, and may employ such professional consultants, municipal, county and state agencies and staff as may be necessary to assure the truth and completeness of the statements in the Certificate. The reasonable costs and disbursements of private consultants will be paid by the person making the request.

The Certificate issued by the Town will be binding on the Town in accordance with the facts and statements contained therein as of its date and may be relied upon by all persons having notice thereof. No claim or action to enforce compliance with this Agreement may be brought against the Owner or its assignees properly holding rights hereunder, alleging any violation of the terms and covenants affecting such portion of the Real Property except as otherwise described in the Certificate.

If the Town does not respond to such request within ten (10) business days receipt thereof, the portion of the Real Property described in the request will be deemed in compliance with all of the covenants and terms of this Agreement. A certificate of such conclusion may be recorded by the Owner, including a copy of the request and the notice of receipt and it shall be binding on the Town as of its date. Such notice shall have the same effect as a Certificate issued by the Town under this Section.

27. General Terms and Conditions.

(a) Agreements to Run with the Land. This Agreement shall be recorded against the Real Property as described in Exhibit A hereto and shown on Exhibits A-1 attached hereto. The agreements contained herein shall be deemed to run with the land. The burdens of this Agreement are binding upon, and the benefits of the Agreement shall inure to, all successors in interest to the Parties to the Agreement.

(b) Construction of Agreement. This Agreement should be construed so as to effectuate the public purpose of settlement of disputes, while protecting the public health, safety and welfare.

(c) Mutual Releases. At the time of, and subject to (i) the expiration of any applicable appeal period with respect to the approval of this Agreement without any appeal having been filed or (ii) in the event an appeal is filed with respect to an approval, the final determination of any court upholding this Agreement, whichever occurs later, and excepting the parties' respective rights and obligations under this Agreement, Owner, on behalf of itself and Owner's members, officers, directors, employees, agents, attorneys, and consultants, hereby releases the Town and the Town's board of commissioners, officials, employees, agents, attorneys and consultants, and the Town, on behalf of itself and the Town's board of commissioners, officials, employees, agents, attorneys and consultants, hereby releases Owner and Owner's members, officers, directors, employees, agents, attorneys and consultants, from and against any and all claims, demands, liabilities, costs, expenses of whatever nature, whether known or unknown, and whether liquidated or contingent, arising on or before the date of this Agreement in connection with the Real Property or the application, processing or approval of the Project; provided, however, that each party shall not be released from its continuing obligation to comply with the law, including the Current Regulations.

(d) State and Federal Law. The Parties agree, intend, and understand that the obligations imposed by this Agreement are only such as are consistent with state and federal law. In the event state or federal laws or regulations prevent or preclude compliance with one or more provisions of this Agreement, the provisions of this Agreement shall be modified or suspended as may be necessary to comply with state or federal laws or regulations. The Parties further agree that if any provision of this Agreement is declared invalid, this Agreement shall be deemed amended to the extent necessary to make it consistent with state or federal law, as the case may be, and the balance of the Agreement shall remain in full force and effect.

(e) No Waiver. Failure of a Party hereto to exercise any right hereunder shall not be deemed a waiver of any such right and shall not affect the right of such Party to exercise at some future time said right or any other right it may have hereunder. Unless this Agreement is

amended by vote of the Board of Commissioners taken with the same formality as the vote approving this Agreement, no officer, official or agent of the Town has the power to amend, modify or alter this Agreement or waive any of its conditions as to bind the Town by making any promise or representation contained herein. Any amendments are subject to Section 16 and 17 herein.

(f) Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in writing mutually agreed to and accepted by both Parties to this Agreement.

(g) Attorney's Fees. Should any Party hereto employ an attorney for the purpose of enforcing this Agreement, or any judgment based on this Agreement, for any reason or in any legal proceeding whatsoever, including insolvency, bankruptcy, arbitration, declaratory relief or other litigation, including appeal or rehearings, the prevailing Party shall be entitled to receive from the other party thereto reimbursement for all reasonable attorneys' fees and all costs and expenses. Should any judgment or final order be issued in that proceeding, said reimbursement shall be specified therein.

(h) Notices. All notices hereunder shall be given in writing by certified mail, postage prepaid, at the following addresses:

To the Town: Mayor of the Town of Hillsborough

With copy to: The Brough Law Firm, PLLC
PO Box 2388
Chapel Hill, NC 27514
Attention: Robert Hornik

To the Owner: Beach Cates Creek, LLC
320 Broad Street, Suite 600
Charleston, South Carolina 29401
Attention: John Reyna

With copy to: Nexsen Pruet, PLLC
800 Green Valley Road, Suite 500
Greensboro, NC 27408
Attn: Brian T. Pearce, Esq.

(i) Execution of Agreement. This Agreement may be executed in multiple parts as originals or by facsimile copies of executed originals; provided, however, if executed and evidence of execution is made by facsimile copy, then an original shall be provided to the other party within seven (7) days of receipt of said facsimile copy.

[SEPARATE SIGNATURE PAGES ATTACHED]

DRAFT

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the day and year first above written.

Witness:

TOWN OF HILLSBOROUGH

By: _____
_____, Mayor

Attest: _____
_____, Clerk of Council

STATE OF NORTH CAROLINA)
COUNTY OF ORANGE)

ACKNOWLEDGMENT

I, _____, Notary of the Public of the State of North Carolina, do hereby certify that the Town of Hillsborough, by _____, its Mayor and _____ its Clerk of Council personally appeared this ____ day of _____, 2022, and acknowledged the execution of the foregoing instrument.

Notary Public for North Carolina

Print Name: _____

My Commission Expires: _____

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the day and year first above written.

BEACH CATES CREEK, LLC, a South
Caroline limited liability company

By: _____
Name: _____
Title: _____

STATE OF SOUTH CAROLINA)
County of _____)

ACKNOWLEDGMENT

I, the undersigned Notary Public for the state of South Carolina, do hereby certify that _____ as _____ of Beach Cates Creek, LLC, a South Carolina limited liability company, who is personally known to me, or was proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument appeared before this day, and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this _____ day of _____, 2022.

Notary Public for South Carolina

Print Name: _____

My Commission Expires: _____

EXHIBITS

Exhibit A: Legal Description

Exhibit A-1: Boundary Plat

Exhibit A-2: Legal Description of the Affordable Housing Parcel

Exhibit B: Town of Hillsborough Zoning Ordinance (Current Regulations)

Exhibit C: Development Agreement Ordinance

Exhibit D: Property Development Plan

Exhibit E: Town of Hillsborough Rezoning Ordinance

Exhibit F: Town of Hillsborough Annexation Ordinance

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT A-1
BOUNDARY PLAT

EXHIBIT A-2

Legal Description of Affordable Housing Parcel

DRAFT

EXHIBIT B

**TOWN OF HILLSBOROUGH UNIFIED DEVELOPMENT ORDINANCE
(CURRENT REGULATIONS)**

EXHIBIT C

DEVELOPMENT AGREEMENT ORDINANCE

EXHIBIT D

PROPERTY DEVELOPMENT PLAN

The Real Property shall be permitted to be used for all uses permitted for the zoning designations provided to the Real Property in the Rezoning Ordinance by the Current Regulations with such Density, and building types, intensities, placement on the site, and design as permitted by the Current Regulations.

EXHIBIT E

TOWN OF HILLSBOROUGH REZONING ORDINANCE

EXHIBIT F

TOWN OF HILLSBOROUGH ANNEXATION ORDINANCE

Appendix J

Application Packet for Annexations

Deadlines for January – December 2022		
Application Deadline (12pm)	Joint Public Hearing Date	Earliest Decision Date
December 16, 2021	January 20, 2022	March 14, 2022
March 17, 2022	April 21, 2022	June 13, 2022
June 16, 2022	July 21, 2022	September 12, 2022
September 15, 2022	October 20, 2022	December 12, 2022
December 15, 2022	January 19, 2023	March 13, 2023

Fee Schedule

Rezoning to General Purpose or Overlay District:

the greater of \$500.00 or \$50.00 per acre

Rezoning to conditional District:

the greater of \$2,000.00 or \$200.00 per acre

* Rezoning reviewed in conjunction with an annexation request should first calculate the standard fee and then double it to account for fiscal impact analysis of the application.

Submittal Requirement Checklist

Voluntary Annexation Request

- ☒ Annexation Petition
- ☒ Zoning Map Amendment request (see Appendix I)

Involuntary Annexation Request

- ☐ Zoning Map Amendment application (see Appendix I)



TOWN OF
HILLSBOROUGH

PETITION FOR
Annexation of Contiguous Property

Planning Department
101 E. Orange Street / P.O. Box 429
Hillsborough, NC 27278
Phone: (919) 296-9471 Fax: (919) 644-2390
Website: www.hillsboroughnc.gov

TO THE BOARD OF COMMISSIONERS OF THE TOWN OF HILLSBOROUGH:

- (1) The undersigned, Charles W. Moren, Trustee of the Carolyn Davis Moren Living Trust dated 13 February 2018

being the owner(s) of all real property located within the area described in paragraph two below requests that such area be annexed to the Town of Hillsborough.

- (2) The area to be annexed is contiguous to the Town of Hillsborough and is located on Cates Creek Parkway and Old NC 86

- (3) A map of the foregoing property, showing its relationship to the existing corporate limits of the town, is attached hereto.

- (4) This petition is presented under the authority contained in G.S. 160A-31.

Respectfully submitted this 13th day of June, 2022

Property Owner

Witness

Property Owner

Witness

Property Owner

Witness

Property Owner

Witness

Property Owner

Witness

Property Owner

Witness

Application Packet for Unified Development Ordinance Text & Zoning Map Amendments (Rezoning) / Future Land Use Plan & Comprehensive Plan Amendments

Deadlines for 2022		
Application Deadline (12pm)	Joint Public Hearing Date	Earliest Decision Date
December 16, 2021	January 20, 2022	March 14, 2022
March 17, 2022	April 21, 2022	June 13, 2022
June 16, 2022	July 21, 2022	September 12, 2022
September 15, 2022	October 20, 2022	December 12, 2022
December 15, 2022	January 19, 2023	March 13, 2023

Fee Schedule

Future Land Use/Comprehensive Plan Map Amendment:	\$300.00
UDO Text Amendment	\$300.00
Rezoning to General Purpose or Overlay District:	The greater of \$500.00 or \$50.00 per acre

* Rezoning reviewed in conjunction with an annexation request should first calculate the standard fee and then double it to account for the fiscal impact analysis of the application.

Submittal Requirement Checklist

Unified Development Ordinance & Future Land Use/Comprehensive Plan Text Amendments

- ☐ Complete application and applicable review fee
- ☐ For UDO text amendments, a written narrative addressing UDO Section 3.7.2 (see page 3 of this packet)

Zoning Map & Future Land Use Map Amendments

- ☒ Complete application and applicable review fee
- ☒ Copy of the deed and/or a fully dimensioned survey to a scale greater than 100 ft to the inch and smaller than 20 ft to the inch that includes existing structures, critical areas (specified on application), rights-of-way and width, and driveways (existing and new)
- ☒ For zoning map amendments, a written narrative addressing UDO Section 3.7.2 (see page 3 of this packet)



TOWN OF
HILLSBOROUGH

**APPLICATION FOR
Text and/or Map Amendment Request**

Planning Department
101 E. Orange Street/P.O. Box 429
Hillsborough, NC 27278

Phone: (919) 296-9477 Fax: (919) 644-2390

Website: www.hillsboroughnc.gov

Amendment Type: ☐ Future Land Use Plan Map

☒ Zoning Map

☐ Comprehensive Plan Text

☐ Unified Development Ordinance text

Property Address: Cates Creek Parkway/Old NC 86

PIN: 9873153366

Applicant Name: Beach Equity Investments, LLC

Mailing Address: 320 Broad Street, Suite 600

Phone: 843-277-3052

City, State, Zip: Charleston, SC 29401

E-mail: jreyna@beachcompany.com

Property Owner Name: Charles W. Moren, Trustee of the Carolyn Davis Moren Living Trust dated 13 February 2018

Mailing Address: 1131 Margaret Drive

Phone: 843-229-1315

City, State, Zip: Florence, South Carolina 29501

E-mail: charlesmoren@sc.rr.com

Location/Streets Accessed: Cates Creek Parkway/Old NC 86

Current Zoning District(s): ETJ/Orange County

Proposed Zoning District(s): MF/EDD (see attached map)

Acreage: 60.146

Water Service: ☒ Public Water ☐ Well

Sewer Service: ☒ Public Sewer ☐ Septic Tank

Existing Structures on Site: None

Critical Areas:

☒ Flood ☒ Drainage/Stream/Pond ☐ Cemetery ☐ Historic Resource ☐ Steep Slopes

☐ Easement

See next page

Describe how the request will address the following factors that the Town Board of Commissioners must determine when considering an amendment to the test of the Unified Development Ordinance or Zoning Map (use separate sheet):

1. The extent to which the amendment is consistent with all applicable Town-adopted plans.
2. The extent to which there are changed conditions that require an amendment.
3. The extent to which the proposed amendment addresses a demonstrated community need.
4. The extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject land and is the appropriate zoning district for the land.
5. The extent to which the proposed amendment would result in a logical and orderly development pattern or deviate from logical and orderly development patterns.
6. The extent to which the proposed amendment would encourage premature development.
7. The extent to which the proposed amendment would result in strip or ribbon commercial development.
8. The extent to which the proposed amendment would result in the creation of an isolated zoning district unrelated to or incompatible with adjacent and surrounding zoning districts.
9. The extent to which the proposed amendment would result in significant adverse impacts on the property values of surrounding lands.
10. The extent to which the proposed amendment would result in significantly adverse environmental impacts, including but not limited to water, air, noise, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.

I/We certify that all of the information presented by me/us in this application is accurate to the best of my/our knowledge, information, and belief. **APPLICATIONS WILL NOT BE ACCEPTED WITHOUT SIGNATURE OF PROPERTY OWNER.**

Applicant's signature

date

Carolyn Davis

Property Owner's signature

date

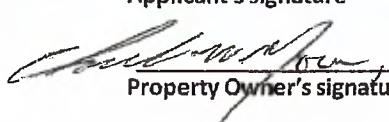
Trustee of the Carolyn Davis Moore Living Trust Dated 13 February 2018
27 6/13/2022

Describe how the request will address the following factors that the Town Board of Commissioners must determine when considering an amendment to the test of the Unified Development Ordinance or Zoning Map (use separate sheet):

1. The extent to which the amendment is consistent with all applicable Town-adopted plans.
2. The extent to which there are changed conditions that require an amendment.
3. The extent to which the proposed amendment addresses a demonstrated community need.
4. The extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject land and is the appropriate zoning district for the land.
5. The extent to which the proposed amendment would result in a logical and orderly development pattern or deviate from logical and orderly development patterns.
6. The extent to which the proposed amendment would encourage premature development.
7. The extent to which the proposed amendment would result in strip or ribbon commercial development.
8. The extent to which the proposed amendment would result in the creation of an isolated zoning district unrelated to or incompatible with adjacent and surrounding zoning districts.
9. The extent to which the proposed amendment would result in significant adverse impacts on the property values of surrounding lands.
10. The extent to which the proposed amendment would result in significantly adverse environmental impacts, including but not limited to water, air, noise, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.

I/We certify that all of the information presented by me/us in this application is accurate to the best of my/our knowledge, information, and belief. **APPLICATIONS WILL NOT BE ACCEPTED WITHOUT SIGNATURE OF PROPERTY OWNER.**

 BEACH EQUITY INVESTMENTS, LLC
SVP OF MANAGER 6.15.22
Applicant's signature date

 Trustee of the Carolyn Davis Moore Living Trust Dated 13 February 2018
Property Owner's signature date
27 6/13/2022

1. *The extent to which the amendment is consistent with all applicable Town-adopted plans.*

The proposed development complies with several goals that are included in the Hillsborough Vision 2030 plan. In particular, the proposed development represents desirable future uses that are compatible with the special character of Hillsborough, will support the economic and cultural diversity of the community, and will promote a sustainable community. The developer intends to develop the property as a mixed use and mixed income area that includes multi-family housing (including over five acres for affordable housing use) together with retail services that will serve not only the residents of this new development but also the residents of the surrounding neighborhoods in a sustainable, pedestrian-friendly manner. These retail uses will provide options for surrounding residents that are not currently located in the immediate area. Moreover, they will provide opportunities for surrounding residents to both live and work in this area of Hillsborough. The proposed project also complies with the Hillsborough-Orange County Strategic Growth Plan, which identifies the property as being located within the “Proposed Hillsborough Services/Future Annexation Area.” This is understandable, as the annexation and zoning of this property would give Hillsborough greater planning control over an area that is already serving as part of its ETJH. The Strategic Growth Plan provides support for the particular proposed uses as it identifies that Multi-Family Residential Uses shall be located along N.C. 86 near the Waterstone Development, which is adjacent to the subject property.

2. *The extent to which there are changed conditions that require an amendment.*

A zoning map amendment is required as the original zoning will need to be established as part of Hillsborough’s annexation of the property.

3. *The extent to which the proposed amendment addresses a demonstrated community need.*

In January, 2022, the developer commissioned The Concord Group to produce a market study for the Hillsborough multi-family rental market. The findings of this study reflect an increasing and unmet demand for new rental housing in the Hillsborough community. The study showed that the existing rental housing stock in the community is limited and becoming even more so as shown by the fact that vacancy rates have steadily declined since 2019. Specifically, occupancy rates at apartment communities that neighbor the subject property within the Town exceed 95%. The average apartment vacancy rate for the combined Hillsborough, Mebane, and Graham areas were 4.9% for the year 2021 and 5.0% year to date for 2022. The proposed zoning amendment, if approved as requested, will add additional rental inventory to the market and will, thereby, provide additional options for Hillsborough residents who are looking to rent among their alternatives to homeownership.

According to the study, in the combined Hillsborough, Mebane, and Graham market areas, there are 934 total new dwelling units that have either been approved or are pending approval for development during the 5-year period of 2022 – 2026. This number does not meet the projected demand for dwelling units during the same time period. The study concludes that the 3.6% annual rent growth in the Hillsborough multifamily market is due, in part, to limited

rental supply, net in-migration to Orange County, and the fact that even though rent is increasing, rental options are still significantly more affordable than owning a home. Absent an increase in rental inventory, these factors may continue to drive up rent growth in the Hillsborough market over the next 3-5 years. Rezoning the requested portion of the property to MF “Multi-Family” zoning will allow for the development of additional rental inventory, help offset unmet demand, and regulate the growth of rental rates.

Rezoning the property as requested will allow for the development of a significant number of affordable housing units for fixed income residents, consistent with the Principles for Affordable Housing outlined by the Town Board. The Town has expressed a desire to develop a diverse portfolio of affordable housing for people of varying income levels and priority populations, such as disabled individuals, senior citizens, veterans, and middle-income residents up to 120% of AMI. To contribute to these efforts, the developer will agree to subdivide and donate approximately 5.8 acres of the subject property for the construction of an affordable senior housing apartment community of approximately 81 units. Beacon Management Corporation, a Greensboro-based affordable housing development and management company, has agreed in principle to develop the affordable units utilizing the State of North Carolina’s Low-Income Housing Tax Credit Program on the 5.8 acres. This number of affordable units amounts to 18% of the total market-rate rental units currently being considered for the subject property, and 15.3% of all units currently under consideration for the subject property (including the affordable units). This donation will, therefore, exceed the 15% minimum guidance that has been provided by the Town to the developer. The donated portion of the subject property will be deed-restricted, meaning that the use of the property will be required for 99-years to be only used for affordable housing for income-qualified renters at or below 60% of AMI.

If, for any reason, Beacon Management Corporation fails to commence construction on the affordable housing units on the donated property within a stipulated 5-year window from the time of recordation of the deed, the applicant is willing to include a provision in the deed that the donated property will be automatically transferred to the Town of Hillsborough and, in such case, the deed-restricted uses could be expanded to include permitting the future expansion of Cates Creek Park onto the site in addition to the permitted affordable housing use.

Per the results of the geotechnical study performed on the site, the portion of the property to be designated for affordable housing has some of the highest-quality soils on the property. The donation by developer is currently expected to be valued at over \$2,100,000.00.

4. *The extent to which the proposed amendment is compatible with existing and proposed uses surrounding the subject land and is the appropriate zoning district for the land.*

The portion of the subject property to be designated MF “Multi-family” zoning is contiguous to established multi-family uses. As discussed above, this meets a target of the Hillsborough-Orange County Strategic Growth Plan. Because this portion of the property lacks road frontage and visibility to a high-traffic corridor, it is not suitable for commercial development. The

portion of the subject property to be designated EDD has road frontage on Old NC 86 (16,500 Vehicle Trips / Day) and is suited for commercial development.

5. *The extent to which the proposed amendment would result in a logical and orderly development pattern or deviate from logical and orderly development patterns.*

The proposed amendment would result in development of the property that is consistent with development that has occurred on contiguous properties in the area, including, the Waterstone development and Cadence at Cates Creek apartments. As a result of this consistency, the proposed development will complement the Waterstone development and nearby uses in a logical and orderly pattern.

6. *The extent to which the proposed amendment would encourage premature development.*

The aforementioned market study that uses current and actual figures has established that a real and present need exists for the multi-family housing and commercial uses that are included as part of the proposed development. Moreover, given the surrounding already developed uses, development of the subject property is appropriate and timely.

7. *The extent to which the proposed amendment would result in strip or ribbon commercial development.*

The applicant's development plan is for attractive, pedestrian friendly, sustainable mixed use development rather than strip or ribbon commercial development. The requested zoning is necessary to allow the applicant the density required to provide such quality.

8. *The extent to which the proposed amendment would result in the creation of an isolated zoning district unrelated to or incompatible with adjacent and surrounding zoning districts.*

The portion of the subject property that is to be designated MF "Multi-family" zoning is contiguous to the Waterstone development and Cadence at Cates Creek apartments, both of which have established multi-family uses. The remainder of the subject property will be used for uses that serve the multi-family use and other surrounding residential uses in a compatible manner.

9. *The extent to which the proposed amendment would result in significant adverse impacts on the property values of surrounding lands.*

There will be no adverse impacts to land values as a result of the proposed amendment. To the contrary, if the amendment is approved, the applicant will develop high quality sustainable and compatible development that should have positive impacts on the property values of surrounding lands

10. *The extent to which the proposed amendment would result in significantly adverse environmental impacts, including but not limited to water, air, noise, stormwater management, wildlife, vegetation, wetlands, and the natural functioning of the environment.*

The subject property is located in an area that is planned for commercial growth along a thoroughfare that is ripe for development without any significant adverse environmental impact. All development on the subject property will comply with local, state, and federal environmental laws and regulations. The due diligence that the developer has performed with respect to the property has not identified any material water, air, noise, stormwater management, wildlife, vegetation wetlands, or other negative impacts that the applicant will have to address in completing the proposed development.

Moreover, the density allowable by the MF zoning district is inherently more sustainable than single-family developments of equal size to the proposed development. According to the U.S. Energy Information Administration, a single household living in an apartment uses nearly half as much energy as they would in a single-family home.



**ColeJenest
& Stone**

Shaping the Environment
Realizing the Possibilities

Land Planning
Landscape Architecture
Civil Engineering
Urban Design

131 S. South Wilmington St., Suite 200
Raleigh, North Carolina 27601
p: 919 719 1800 f: 919 719 1819
url: www.colejeneststone.com

MOREN PROPERTY

HILLSBOROUGH
North Carolina 27278

REZONING PLAN EXISTING ZONING

Project No.
50546

Issued
04/14/2022

Revised



VICINITY MAP

NTS

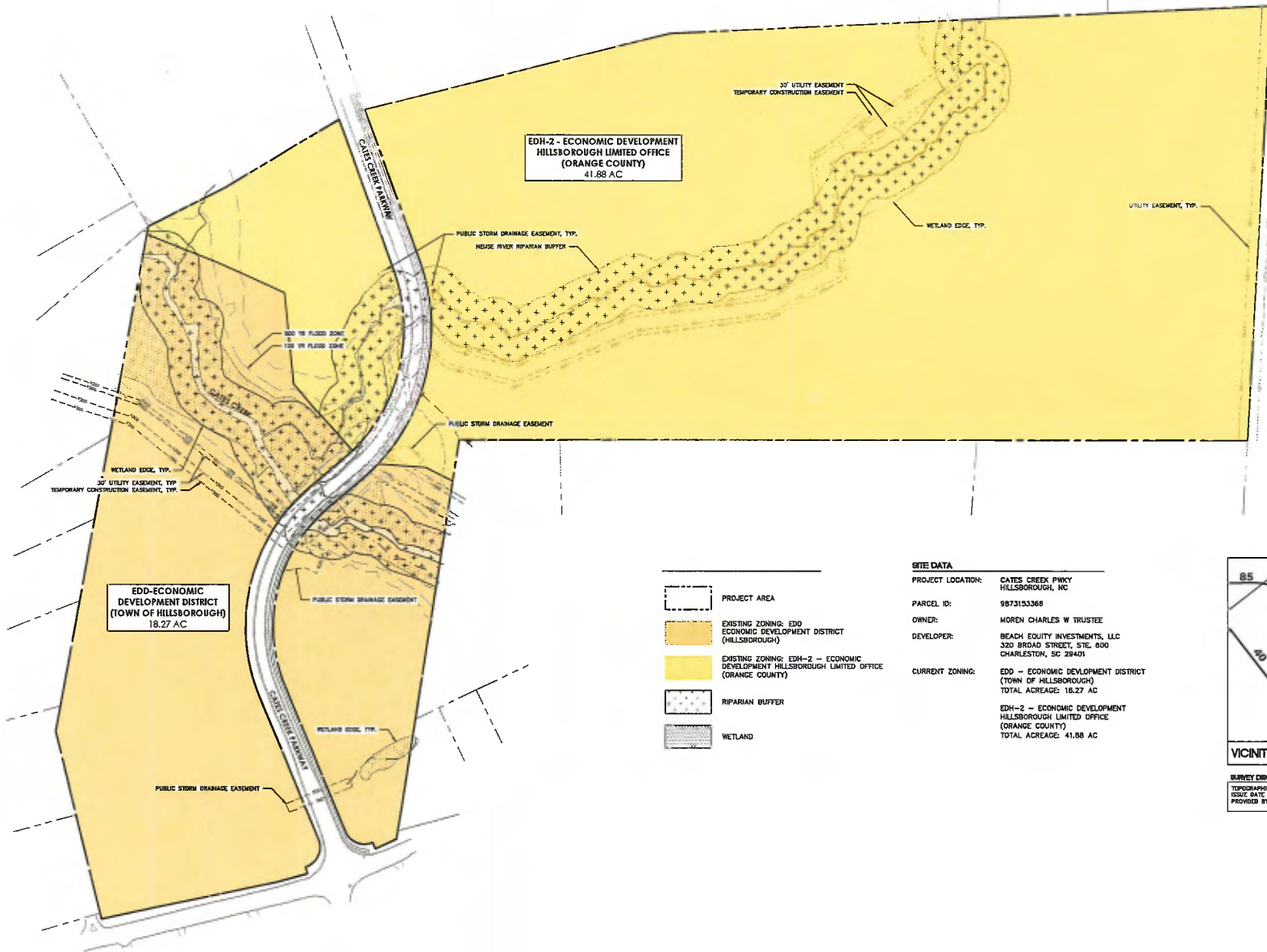
SURVEY DISCLAIMER
TOPOGRAPHIC OR "ALTA/ACSD" LAND TITLE SURVEY SURVEY
ISSUE DATE MONTH XX, 200X. REVISION MONTH XX, 200X.
PROVIDED BY SURVEYOR'S NAME, ADDRESS, PHONE NUMBER

SCALE: 1"=100'
0 200'

RZ-1.0

The drawings, the project manual and the design shown herein are instruments of service of Bolton & Menk, Inc., a subsidiary of Stone. The reproduction or unauthorized use of the documents without consent of Bolton & Menk, Inc., is prohibited.

© Bolton & Menk, Inc., 2022



- PROJECT AREA
- EXISTING ZONING: EDD ECONOMIC DEVELOPMENT DISTRICT (HILLSBOROUGH)
- EXISTING ZONING: EDH-2 - ECONOMIC DEVELOPMENT HILLSBOROUGH LIMITED OFFICE (ORANGE COUNTY)
- RIPARIAN BUFFER
- WETLAND

SITE DATA

PROJECT LOCATION: CATES CREEK PKWY
HILLSBOROUGH, NC
PARCEL ID: 9873153368
OWNER: MOREN CHARLES W TRUSTEE
DEVELOPER: BEACH EQUITY INVESTMENTS, LLC
320 BROAD STREET, STE. 800
CHARLESTON, SC 29401
CURRENT ZONING: EDD - ECONOMIC DEVELOPMENT DISTRICT
(TOWN OF HILLSBOROUGH)
TOTAL ACREAGE: 18.27 AC
EDH-2 - ECONOMIC DEVELOPMENT
HILLSBOROUGH LIMITED OFFICE
(ORANGE COUNTY)
TOTAL ACREAGE: 41.88 AC



Shaping the Environment
Realizing the Possibilities

Land Planning
Landscape Architecture
Civil Engineering
Urban Design

121 S. South Wilmington St., Suite 200
Raleigh, North Carolina 27601
p: 919 775 1800 f: 919 719 1819
c: www.colejeneststone.com

MOREN PROPERTY

HILLSBOROUGH
North Carolina 27278

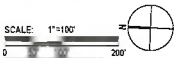
REZONING PLAN PROPOSED ZONING

Project No.
50546
Issued
04/19/2022

Revised



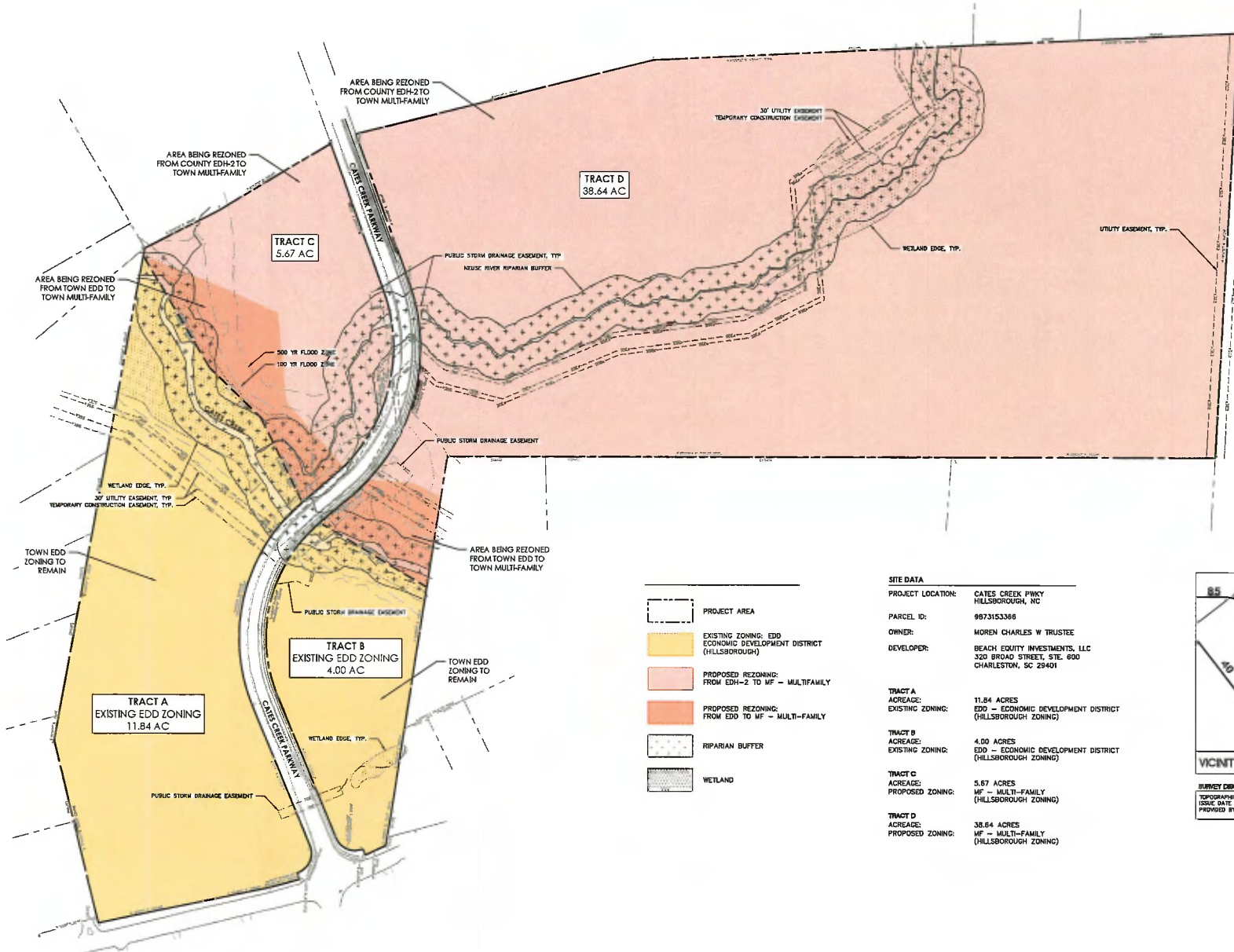
SURVEY DISCLAIMER
TOPOGRAPHIC OR "AS-IS" LAND TITLE SURVEY SURVEY
ISSUE DATE MONTH XX, 202X. REVISED MONTH XX, 202X.
PROVIDED BY SURVEYOR'S NAME, ADDRESS, PHONE NUMBER



RZ-2.0

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SITE DATA	
PROJECT LOCATION:	CATES CREEK PKWY HILLSBOROUGH, NC
PARCEL ID:	9873153366
OWNER:	MOREN CHARLES W TRUSTEE
DEVELOPER:	BEACH EQUITY INVESTMENTS, LLC 320 BROAD STREET, STE. 600 CHARLESTON, SC 29401
TRACT A ACREAGE:	11.84 ACRES
EXISTING ZONING:	EDD - ECONOMIC DEVELOPMENT DISTRICT (HILLSBOROUGH ZONING)
TRACT B ACREAGE:	4.00 ACRES
EXISTING ZONING:	EDD - ECONOMIC DEVELOPMENT DISTRICT (HILLSBOROUGH ZONING)
TRACT C ACREAGE:	5.67 ACRES
PROPOSED ZONING:	MF - MULTI-FAMILY (HILLSBOROUGH ZONING)
TRACT D ACREAGE:	38.64 ACRES
PROPOSED ZONING:	MF - MULTI-FAMILY (HILLSBOROUGH ZONING)

HIGH INTENSITY RESIDENTIAL DISTRICT- MULTI-FAMILY (MF) The purpose of the MF District is to provide locations for residential development that allows housing options at a higher density than typical detached single-family developments such as are intended for R-40, R-20, R-15, and R-10 districts. Prominent uses within this district include single-family attached units, townhouses, condominiums, apartments, and other multi-family dwelling units.

Uses Permitted By-right:

Dwelling: Attached (1-4 units)
Dwelling: Attached (5-19 units)
Dwelling: Attached (20+ units)
Dwelling: Single-family
Family Care Home
Park, Cultural or Natural
Park, Neighborhood

Uses requiring a Special Use Permit:

Public Utilities
Telecommunication Tower
Transmission Lines

ECONOMIC DEVELOPMENT DISTRICT (EDD) The intent of the Economic Development District is to provide locations for a wide range of light industrial, distribution, flex space, office, service, and retail uses.

By right:

Artisan Studio
Bank & Financial Institution
Bar
Building/Trade Contractor's office
Child Day Care
Church, Place of worship
Event Center
Farmer's Market
Flex Space
Food Preparation Business
Funeral Home
Health Care Facility
Health/Fitness Club
Hotels & Motels
Library
Manufacturing Complex
Meeting Facility
Office operations
Offices and professional services
Order Fulfillment Center
Outlet sales
Park, Athletic or Community
Park and Ride Facility
Parking as Principal Use, Surface or Structure
Performance Facility
Personal service business
Postal and Parcel Delivery Services
Public Safety Services
Recreational Facilities
Research Facility
Restaurant
Restaurant, Convenience
Retail sales/rentals of goods
School: Art & Music
School: Dance, Martial Arts
School: Vocational
Storage & Warehousing: Inside building, excluding explosives & hazardous wastes
Storage & Warehousing: Outside
Veterinarian/Animal Hospital
Wholesale sales, indoor

SUP:

Detention Facility
Government Maintenance Yard
Motor Vehicle Fuel Station
Processing Facility
Public Utilities
Research Facility, Intense
School: Elementary, Middle & Secondary
Telecommunication Tower
Transmission Lines

Permitted as accessory use:

School: Elementary, Middle & Secondary



**ColeJenest
& Stone**

Shaping the Environment
Realizing the Possibilities

Land Planning
Landscape Architecture
Civil Engineering
Urban Design

131 S. South Wilmington St., Suite 200
Raleigh, North Carolina 27601
p: 919 719 1800 f: 919 719 1819
url: www.colejenestone.com

MOREN PROPERTY

HILLSBOROUGH
North Carolina 27278

REZONING PLAN PROPOSED ZONING

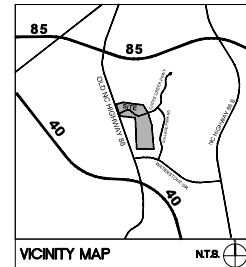
Project No.

50546

Issued

06/16/2022

Revised



VICINITY MAP
NTS

SURVEY DISCLAIMER
TOPOGRAPHIC OR "ALTA/ASCM LAND TITLE SURVEY" SURVEY
ISSUE DATE: MONTH XX, 2020. REVISED: MONTH XX, 2021.
PROVIDED BY: SURVEYOR'S NAME, ADDRESS, PHONE NUMBER

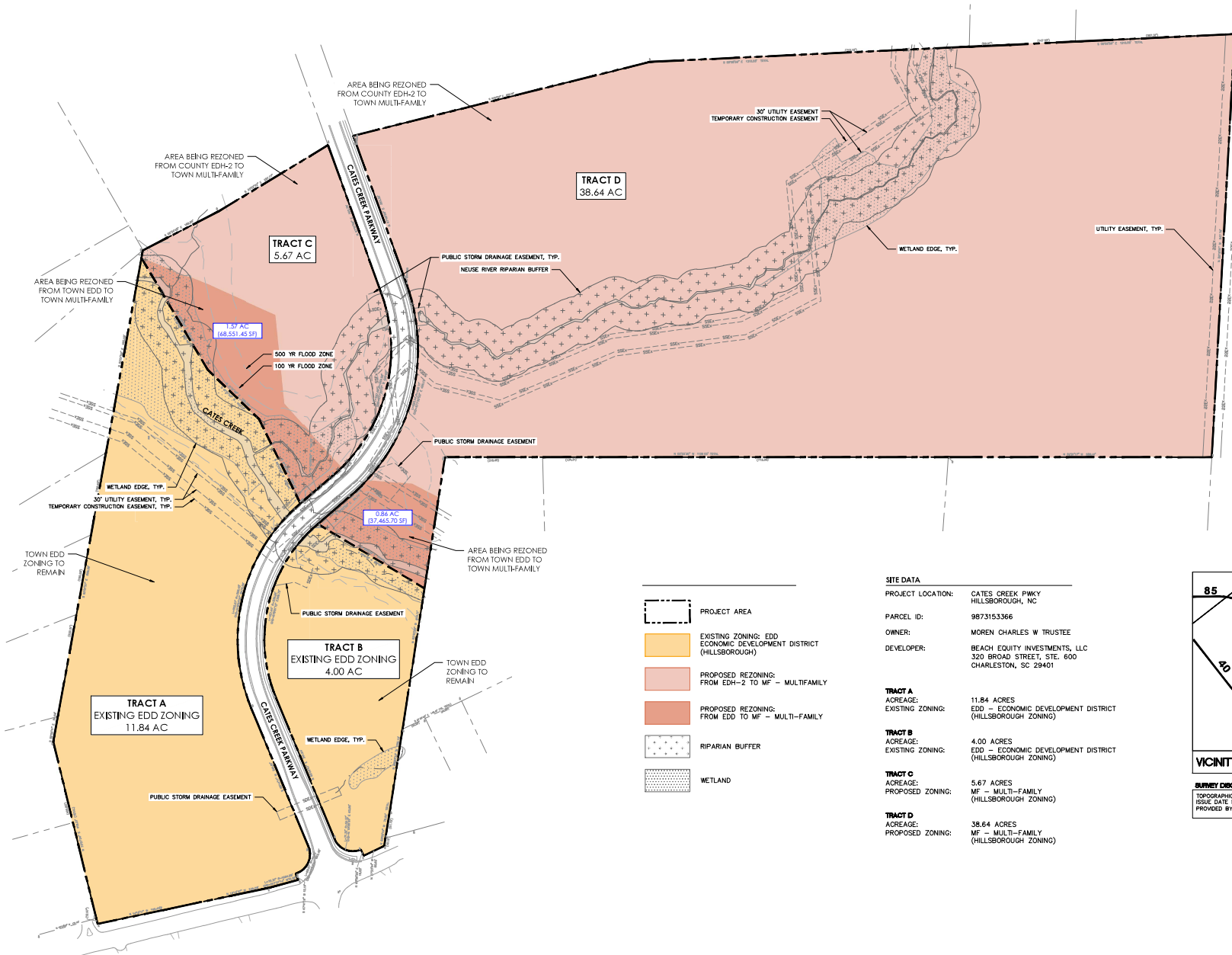
SCALE: 1"=100'

0 50' 100' 200'

RZ-2.0

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- PROJECT AREA
- EXISTING ZONING: EDD ECONOMIC DEVELOPMENT DISTRICT (HILLSBOROUGH)
- PROPOSED REZONING: FROM EDH-2 TO MF - MULTIFAMILY
- PROPOSED REZONING: FROM EDD TO MF - MULTI-FAMILY
- RIPIARIAN BUFFER
- WETLAND

SITE DATA

PROJECT LOCATION: CATES CREEK PKWY
HILLSBOROUGH, NC

PARCEL ID: 9873153366

OWNER: MOREN CHARLES W TRUSTEE

DEVELOPER: BEACH EQUITY INVESTMENTS, LLC
320 BROAD STREET, STE. 600
CHARLESTON, SC 29401

TRACT A

ACREAGE: 11.84 ACRES

EXISTING ZONING: EDD - ECONOMIC DEVELOPMENT DISTRICT (HILLSBOROUGH ZONING)

TRACT B

ACREAGE: 4.00 ACRES

EXISTING ZONING: EDD - ECONOMIC DEVELOPMENT DISTRICT (HILLSBOROUGH ZONING)

TRACT C

ACREAGE: 5.67 ACRES

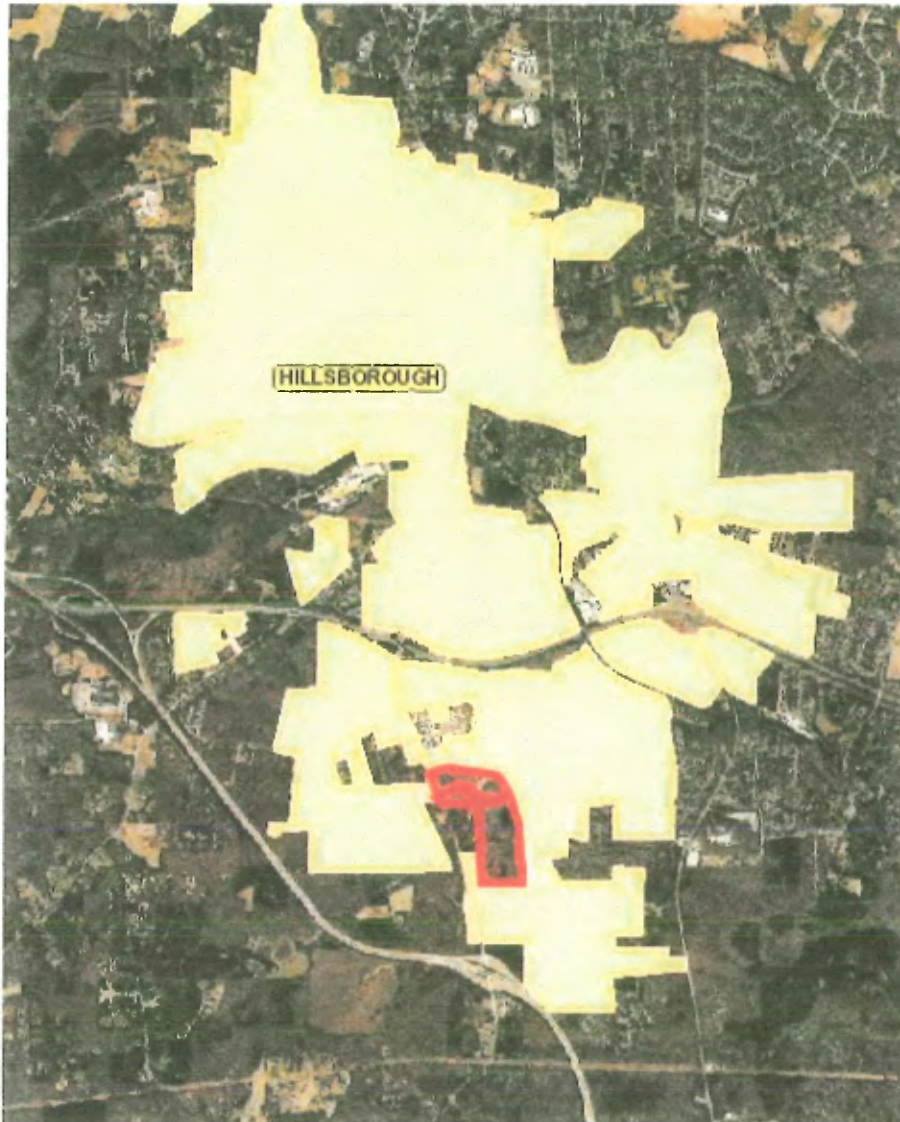
PROPOSED ZONING: MF - MULTI-FAMILY (HILLSBOROUGH ZONING)

TRACT D

ACREAGE: 38.64 ACRES

PROPOSED ZONING: MF - MULTI-FAMILY (HILLSBOROUGH ZONING)





4
mm

1/1



Doc No: 30016214
Recorded: 02/20/2020 11:49:06 AM
Fee Amt: \$26.00 Page 1 of 2
Excise Tax: \$0.00
Orange County North Carolina
Mark Chilton, Register of Deeds
BK 6646 PG 745 - 746 (2)

Sandra Kim

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax: None

Parcel Identifier No. 9873-15-3366 Verified by *W* County on the ___ day of ___, 20___
By: _____

Return to: Pendergrass Law Firm, PLLC P.O. Drawer 33809 Raleigh, NC 27636

This instrument was prepared by: Pendergrass Law Firm, PLLC (at the direction of the South Carolina Trust Counsel without review of Trust Instruments and without Title Examination, Survey or Tax Advice)

Brief description for the Index: 62.74 acres - Plat Book 101, Page 136

THIS DEED made this 6 day of February, 2020, by and between
GRANTOR GRANTEE

CHARLES W. MOREN, Successor Trustee
of the Moren Family Trust dated
4 February 2009

CHARLES W. MOREN, Trustee of the
Carolyn Davis Moren Living Trust
dated 13 February 2018
in c/o Richard Canner
115 Cargill Way, Suite C2
Hartsville, SC 29550 P.K.P.

Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e.g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of _____ Township, Orange County, North Carolina and more particularly described as follows:

BEING all of that certain tract of land consisting of 62.74 acres shown and more fully described on that certain plat entitled "Exempt Plat of: WATERSTONE - Recombination and Private Access Easement Plat" dated 11/16/06, revised 1/24/07, 2/02/07 and 2/12/07, prepared by The John R. McAdams Company, Inc. and recorded in Plat Book/File 101, Page 136 in the Office of the Orange County Register of Deeds. [PIN # 9873-15-3366]

Page 1 of 2

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Printed by Agreement with the NC Bar Association

North Carolina Bar Association - NC Bar Form No. 3
North Carolina Association of Realtors, Inc. - Standard Form 3

Book 6646

199


All or a portion of the property herein conveyed ___ includes or X does not include the primary residence of a Grantor.
A map showing the above described property is recorded in Plat Book 101, Page 136.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

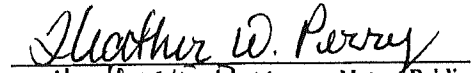
1. Taxes for the year 2020 and subsequent years, not yet due and payable;
2. That certain non-recourse dedication of right-of-way of Cates Creek Parkway Extension as same is more particularly depicted on that certain plat recorded in Plat Book 115, Page 39 in the Office of the Orange County Register of Deeds; and
3. Easements, restrictions, and rights-of-way of record.

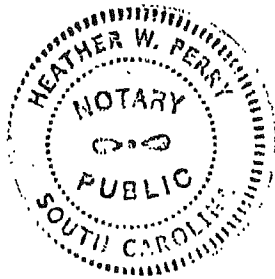
IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

 (SEAL)
CHARLES W. MOREN, Successor Trustee of the Moren Family Trust dated 4 February 2009

State of South Carolina County or City of Darlington
I, the undersigned Notary Public of the County or City of Darlington and State aforesaid, certify that CHARLES W. MOREN, Successor Trustee of the Moren Trust dated 4 February 2009 personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this 6 day of February, 2020

My Commission Expires: 5/2/24
(Affix Seal)


Heather W. Perry Notary Public
Notary's Printed or Typed Name



Heather W. Perry
NOTARY PUBLIC
State of South Carolina
My Commission Expires 5/2/

Page 2 of 2

Heather W. Perry
NOTARY PUBLIC
State of South Carolina
My Commission Expires 5/2/2024

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North Carolina Bar Association – NC Bar Form No. 3
North Carolina Association of Realtors, Inc. – Standard Form 3

Tract I

Beginning at an existing iron pipe located on the intersection of the eastern edge of the Old NC 86 right-of-way and the northern edge of the Cates Creek Parkway right-of-way; thence following the eastern edge of the Old NC 86 right-of-way with a curve turning to the right having an arc length of 70.37', a radius of 1694.08' and a chord bearing of N 17°27'14" W with a chord length of 70.36' to a new iron pipe; thence N 14°14'37" W a distance of 239.09' to a new iron pipe; thence N 14°15'11" W a distance of 149.60' to a new iron pipe; thence leaving the eastern edge of the Old NC 86 right-of-way N 73°56'50" E a distance of 419.37' to an existing iron pipe; thence S 82°01'52" E a distance of 1099.21' to a point; thence S 56°55'58" W a distance of 290.44' to a point; thence S 41°31'48" W a distance of 159.73' to a point; thence S 61°35'45" W a distance of 209.45' to an existing magnetic nail located on the northern edge of the Cates Creek Parkway right-of-way; thence following the northern edge of the Cates Creek Parkway with a curve turning to the left having an arc length of 502.57', with a radius of 399.40', with a chord bearing of N 78°51'06" W and a chord length of 470.06' to an existing iron pipe; thence S 65°14'11" W a distance of 341.81' to a new iron pipe; thence with a curve turning to the right with an arc length of 69.07', with a radius of 44.92', and a chord bearing of N 63°03'31" W, with a chord length of 62.46' to an existing iron pipe; thence S 67°41'19" W a distance of 15.19' to an existing iron pipe which is the point of Beginning, having an area of 515,615 square feet, 11.837 acres.

Tract 2

Beginning at a new iron pipe located at the intersection of the eastern edge of the right-of-way of Old NC 86 and the southern right-of-way of Cates Creek Parkway; thence leaving the eastern right-of-way of Old NC 86 and following the southern edge of the Cates Creek Parkway right-of-way N 63°59'55" E a distance of 15.00' to an existing iron pipe; thence with a curve turning to the right with an arc length of 71.32', with a radius of 44.57', with a chord bearing of N 19°35'29" E, and a chord length of 63.95' to an existing iron pipe; thence N 65°06'47" E a distance of 341.64' to an existing iron pipe; thence with a curve turning to the right with an arc length of 427.44', with a radius of 339.26', with a chord bearing of S 78°51'12" E, with a chord length of 399.72' to an existing iron pipe; thence leaving the southern right-of-way of Cates Creek Parkway S 28°46'30" W a distance of 279.03' to a point; thence N 83°30'59" W a distance of 318.56' to an existing iron pipe; thence N 83°33'33" W a distance of 188.73' to an existing iron pipe; thence N 83°05'19" W a distance of 75.90' to an existing iron pipe located on the eastern edge of the Old NC 86 right-of-way; thence following the eastern edge of the Old NC 86 right-of-way N 27°23'04" W a distance of 50.65' to a new iron pipe which is the point of Beginning, having an area of 174,002 square feet, 3.995 acres.

Tract 3

Beginning at an existing magnetic nail located on the northern edge of the Cates Creek Parkway right-of-way and also being located approximately 900' east of the Old NC 86 and Cates Creek Parkway intersection; thence leaving the northern edge of the Cates Creek Parkway right-of-way N 61°35'45" E a distance of 209.45' to a point; thence N 41°31'48" E a distance of 159.73' to a point; thence N 56°55'58" E a distance of 290.44' to a point; thence S 82°01'52" E a distance of 17.74' to a new iron pipe; thence S 29°34'40" E a distance of 188.85' to an existing iron pipe; thence S 33°32'32" E a distance of 287.77' to an existing iron pipe located on the northern edge of the Cates Creek Parkway right-of-way; thence following the right-of-way of Cates Creek Parkway S 67°51'06" W a distance of 352.79' to an existing iron pipe; thence with a curve turning to the right with an arc length of 447.48', with a radius of 369.88', with a chord bearing of N 77°30'11" W, and a chord length of 420.68' to an existing iron pipe; thence N 42°55'06" W a distance of 96.73' to an existing magnetic nail which is the point of Beginning, having an area of 247,160 square feet, 5.674 acres.

Tract 4

Beginning at an existing iron pipe located on the southern edge of the Cates Creek Parkway and being located approximately 900' east of the Old NC 86 and Cates Creek Parkway intersection; thence following the southern edge of the Cates Creek Parkway right-of-way S 42°52'55" E a distance of 96.74' to an existing iron pipe; thence with a curve turning to the left with an arc length of 520.14', with a radius of 430.71', with a chord bearing of S 77°30'50" E, and a chord length of 489.11' to an existing iron pipe; thence N 67°49'59" E a distance of 353.32' to an existing iron pipe; thence S 16°21'09" E a distance of 683.79' to an existing iron pipe; thence S 05°05'56" E a distance of 1310.00' to an existing rebar; thence N 89°15'51" W a distance of 947.79' to an existing iron pipe; thence N 02°21'17" W a distance of 589.41' to an existing iron pipe; thence N 02°22'30" W a distance of 1126.02' to an existing concrete monument; thence N 83°30'59" W a distance of 297.15' to a point; thence N 28°46'30" E a distance of 279.03' to an existing iron pipe located on the southern edge of Cates Creek Parkway right-of-way, which is the point of Beginning, having an area of 1,683,147 square feet, 38.640 acres.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Planning and Economic Development
Agenda Section: Consent
Public hearing: Yes
Date of public hearing: July 21, 2022

PRESENTER/INFORMATION CONTACT

Planning and Economic Development Manager, Shannan Campbell

ITEM TO BE CONSIDERED

Subject: UDO Text Amendment: Section 5.2.12 Event Centers and Section 3.2 Administrative Procedures Applicable to All Review Processes

Attachments:

UDO Text Amendment revised language for both Section 5.2.12 and Section 3.2

Summary:

Currently the standards for event centers prevent new, free standing event centers from being built because requirements 5.2.12.1.a and 5.2.12.1.b both indicate that an event center has to be wholly within an existing building. This question has come up a handful of the times in recent years with inquiries from those wanting to start event businesses by constructing their own building to operate out of. These provisions are keeping event centers which can host birthday parties, showers, weddings, religious and social celebrations, from being able to establish in our community unless they're within an existing building.

Section 5.2.12.1.c is redundant and the need for that provision is unclear. All uses must get applicable permits and licenses before certificate of occupancy.

The Planning Board at their June meeting had partial membership support to incorporate this language into Section 3.2 for all uses and also to include a reference in Section 5.2.12 for UDO users that may not think to look in other parts of the ordinance for requirements.

At the July joint public hearing meeting there was limited comments regarding the amendment and it remains proposed unchanged from that meeting. The Planning Board voted to recommend the amendments 6-0.

August Planning Board Recommendation Minutes:

Text amendment to the Unified Development Ordinance: Section 5.2.12 — To change use requirements for "Event Center"

Campbell confirmed the proposed amendment language had not changed since the July 21, 2022, joint public hearing.

When asked, the board members raised no questions or concerns about the proposed amendment.

Motion: Chandler moved to recommend the town board approve the text amendments as proposed.
Salvi seconded.

Vote: 6-0.

July Joint Public Hearing Minutes:

Text amendment to the Unified Development Ordinance: Section 5.2.12 — To change use requirements for “Event Center”

King summarized the staff report. He said several months ago staff met with someone interested in building an event center. King said the ordinance currently requires event centers to locate in pre-existing buildings. He said staff recommends removing that provision and allowing free-standing event centers to be built. He said staff had, based on discussion at the Planning Board’s June meeting, added flexible language to the provision requiring businesses to obtain any required licenses or permits before being granted a certificate of occupancy. King noted several types of business, such as daycares and kennels, cannot obtain licenses until the businesses are open. He said Planning and Economic Development Manager Shannan Campbell had proposed language adding flexibility to that section.

Salvi asked if the ordinance language could be reworded to still require businesses to obtain licenses and permits before receiving a certificate of occupancy, except for those types of businesses King had mentioned. King pointed out Campbell’s proposed language states businesses either must have obtained the required permits or licenses or be working toward obtaining them. When asked, he confirmed the proposed language would cover those instances he had mentioned.

There were no further questions or comments about this item.

Financial impacts:

N/A

Staff recommendation and comments:

Staff recommends approval to allow event centers to locate in more places throughout town.

Action requested:

Approve or deny the request.



ORDINANCE

Amending the Unified Development Ordinance of the Town of Hillsborough

The Hillsborough Board of Commissioners ordains the following amendments:

5.2.1 EVENT CENTER

5.2.1.1 Standards for Evaluation

The following specific standards shall be used to evaluate an application for approval of this use:

~~5.2.12.1.a The proposed uses must occupy a structure that exists on the applicant parcel before application is submitted.~~

~~5.2.12.1.b The proposed use of the site shall not require a structural expansion or addition of more than fifty (50) percent of the gross floor area existing in the building to be used at the time of application and planned to be retained for use.~~

~~5.2.12.1.c If a state, county or town license or permit is required to operate such a facility, the standards necessary to qualify for such a permit have been, or can be met; no building permit or certificate of occupancy for such use shall be issued until all other state, county and/or local permits required for the use are submitted to the Town.~~

5.2.12.1.a If live or recorded music is allowed at events, no amplified sound and/or music shall be allowed outdoors after 9 PM or indoors after 12:00 AM (midnight).

5.2.12.1.b The proposed methods of soundproofing the buildings must be sufficient to reduce noise from the interior of the building. The noise level at the property line shall not exceed forty-five (45) decibels.

5.2.12.1.c Outdoor areas planned to be used in connection with the event center shall be located and buffered in such a manner as to protect neighboring uses from light, noise, and loss of privacy.

5.2.12.1.d *See Section 3.2 for additional requirements applicable to all review processes*

3.2 APPLICABLE TO ALL REVIEW PROCESSES

3.2.1 COMPLETE APPLICATIONS

All applications for any approval required by this Ordinance must be complete. Planning Director will establish application deadlines to allow time to review applications for completeness before continuing the application process. Applicants who submit incomplete applications will receive a written notice stating the information needed to complete the application and a date by which the information must be submitted to maintain the review schedule. No application will be considered complete until all fees required by the Town's fee schedule have been paid in full. Application Packets including application deadlines, submittal requirements, and application forms can be found in the *Administrative Manual*.

3.2.2 EXPEDITIOUS REVIEW

Town shall make every reasonable effort to process applications expeditiously, consistent with the need to ensure that all development conforms to the requirements of this chapter.

3.2.3 FEES

Filing fees for all development approvals pursuant to this ordinance shall be established by the Fee Schedule adopted by the Town Board. The fee schedule can be found in the *Administrative Manual*.

3.2.4 AUTHORITY TO FILE

Applications for any approval or permit required by this Ordinance must be signed by the property owner, a designated owner's agent, or a contract purchaser of a property with authorization of the property owner. Written proof of authority must be submitted with every application.

3.2.5 PERMIT ISSUANCE

Unless otherwise designated in this ordinance, the Town shall not issue or sign off on any building permit or certificate of occupancy for any use requiring additional state, county, or local permits or licenses that have not yet been obtained or are not working toward being obtained as demonstrated by the applicant.

The foregoing ordinance having been submitted to a vote, received the following vote and was duly adopted this 12th day of September in 2022.

Ayes:

Noes:

Absent or excused:

Sarah E. Kimrey, Town Clerk



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
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 Update

Attachments:

1. Revised Strategy Map
2. Values Definitions

Summary:

After pausing work on the strategic plan during the pandemic, staff is ready to resume work on the strategic plan. Administrative Services Director Jen Della Valle will provide an update on where we're at with the strategic plan and present an anticipated plan for the remainder of the fiscal year.

Financial impacts:

None.

Staff recommendation and comments:

None.

Action requested:

Receive update and provide any feedback.

Strategy Map

Vision Statement

We envision Hillsborough as a prosperous town, filled with vitality, fostering a strong sense of community, celebrating its unique heritage and small-town character.

Mission Statement

We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources, and services that enhance the quality of life for the living beings and land within our town.

Values

As we strive to achieve our goals, we commit to maintain these core values:

- Vibrancy
- Equity & Inclusion
- Forward Thinking
- Public Service

Strategic Focus Areas



Values

Vibrancy

A vibrant Hillsborough is one that is lively and active. We see this manifest in cultural art events, recreation, and how people know each other and are connected by physical and social networks. The community can find ways to participate and connect from both inside and outside their homes. The people, physical environment, and business community are core to this vibrant atmosphere.

Equity and Inclusion

Hillsborough is a place where every resident can thrive, where everyone who lives and works here feels they belong. We will strive to support policies, plans, and actions that are administered fairly to build a Hillsborough where people of all races, ethnicities, gender identifications, sexes, sexual orientations, abilities, and incomes want to live, can afford to live, and will be treated with dignity and respect.

Forward Thinking

We think and make decisions that can persist over generations for a sustainable Hillsborough, acknowledging that economic, environmental and social issues are interrelated. This community has a unique sense of place encapsulated by both Hillsborough's long and treasured history and where it meets change and looks to the future. We have an obligation to be fiscally, environmentally, and culturally wise in order to plan for the long term and be resilient to climate change and unforeseen events. We strive to foster a culture of innovation and creativity in town operations.

Public Service

The town of Hillsborough is here to serve. We are committed to good and ethical governance. We are responsible stewards of community tax dollars put to use for the public good. We strive to ensure each resident, visitor, business, and employee are safe as they live, work, and play in Hillsborough, and this sense of safety should extend beyond the physical environment to foster a community where the people are free from worry regarding whether who they are has bearing on how they are treated.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: Administrative Services
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Manager Eric Peterson

ITEM TO BE CONSIDERED

Subject: Hot Topics for Work Session Sept. 26, 2022

Attachments:

None.

Summary:

There are currently no identified hot topics for the September work session.

Preview for upcoming work sessions:

- Staff would like to present the electric vehicle charging station GIS model in October. This model was prepared jointly with county partners and helps identify priority locations for electric vehicle charging stations to help all jurisdictions plan and compete for grant funding.
- Appointed board discussion and next steps on October 24
- Future train station design update on November 28

Financial impacts:

None.

Staff recommendation and comments:

None.

Action requested:

None.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Sept. 12, 2022
Department: All
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Department Heads

ITEM TO BE CONSIDERED

Subject: Staff (written reports in agenda packet)

Attachments:

Monthly departmental reports

Summary:

N/A

Financial impacts:

N/A

Staff recommendation and comments:

None.

Action requested:

Accept reports.



Administrative Services Report

August 2022

Budget

- Completed lease portion of DebtBook implementation.
- FY23 Adopted Budget is available on the town's website. This is the condensed version. The full version is still being built out in OpenGov.

Communications

- Branding — Updated documents; created or assisted with new templates; worked with graphics artist on remaining logos for divisions and offices and Government 101; reviewed templates for Comprehensive Sustainability Plan.
- Town materials — Completed September print newsletter; finalized draft social media policy update; reviewed awards program documents and recruitment materials; finalized work on street banners, with exception of FAQs.
- Website — Completed requests and complaints page and publications and reports page; added an American Rescue Plan section to the Budget page; revised Innovation, Customer Service and Endurance Awards form; revised Government 101 application form and created a staff interface for processing all types of applications submitted through the website.
- Utilities outreach — Completed draft of FY2022 Wastewater Quality Report and worked on translation; worked on wastewater process chart; included flyer on water advisories and notices in September bill.
- Other — Prepared several sets of minutes; prepared materials for and promoted Government 101; helped with police inquiries from media; helped with communications planning for Orange County fiber project; provided input on purchasing policy; investigated website platform option.

Fleet Maintenance

- No updates.

Human Resources/Town Clerk

- Municode Meetings agenda software implementation
- Biweekly payrolls

RECRUITMENT AND SELECTION	
Position	Status
Assistant Town Manager/Community Services Director	Recruitment closes Sept. 30; first review of applicants scheduled for Sept. 16.
Environmental Engineering Supervisor	Open until filled.
Meter Services Technician	Recruitment closed 9/7.
Police Officer	Continuous recruitment
Utility Maintenance Technician I (Locator)	Open until filled.
Utility Maintenance Technician I, II or III	Open until filled.
Utility Systems Mechanic trainee, I, II, or III	Open until filled.
Wastewater Plant Operator I, II, or III	Recruitment closes 9/22.
Water Plant Operator I, II, or III (night shift)	Open until filled.

Information Technology

- Continuing to focus on cybersecurity awareness and spam/phishing email test campaigns for employees as these types of cyber threats remain at high level.
- Working through the replacement of 15 MDT laptops in the Police Department squad cars.

Safety and Risk Management

- Inspections — Completed inspections at Gold Park, Turnip Patch Park, Murray Street Park, Hillsborough Heights Park, and Cates Creek Park and forwarded recommendations (work orders). Forwarded safety inspection results to departments.
- Random drug screens — On target for 3rd quarter drug screens random FMCA drug screens and completed pre-hire drug screens.
- Safety Committee — All available safety committee members completed safety audits for water plant and public works departments. Working on completion of incident reviews and inspection requirements with Safety Committee members.
- Safety equipment — Stocked/distributed/ordered safety gear, distributed updated safety wear.
- Other — Hosted and attended 2 AED Training sessions and 2 First Aid Training sessions; worked on employee training schedule and workers compensation claims; general duties concerning Highway 86 building renovation; collected fire extinguisher monthly check sheets.



Public Works Report: August 2022

Work Orders

9 completed within two days

Public Spaces

74 staff hours

Cemetery

2 graves marked

Stormwater Maintenance

104 staff hours, 734 linear feet

Training

1 staff attended CPR and First Aid training/ 2 staff attended ITRE Trenching Training

Special Events:

Last Friday's – 3 staff hours

Asphalt Repairs:

2 utility cuts repaired, and 1 pothole



Utilities Department Status Report for September 2022 (covering August)

PROJECT/CATEGORY	STATUS
WTP/Distribution System	Knowledge is being gained on managing iron and manganese in the system. Staff has reduced the sodium permanganate feed as a result and things have been good. Superintendent Nathan Cates passed his B-Surface examination! The leak detection effort has concluded. A summary report will be provided by the vendor and a future update to the board and WSAC will be provided.
WWTP/Collection System	The annual wastewater quality report is under final review for release in September. This covers the fiscal year of 2022. Unfortunately, the staff reported a sanitary sewer overflow on Churton Street between West Orange Street and West Union Street on August 24 after 5 p.m. Staff pulled out a large amount of disposable wipes/cloth and encountered grease. The water did make it to the storm drain before they could get onsite and estimate a maximum of 300 gallons to surface waters.
West Fork of the Eno Reservoir	The reservoir is at 42.7 feet. The new Phase 2 normal pool elevation is 53 feet. The releases met or exceeded the minimum required release. Lake Orange is 4' down due to construction. Lake Ben Johnson is spilling. A flow transducer replacement is underway.
Water Restrictions	We continue Stage 1 withdraw restrictions until flow remains above 10 cfs for 7 consecutive days. Our reservoir releases are increased to make up the difference between our limit and what is needed.
Funding Opportunities	The town will resubmit some of the spring round applications to the fall round for state and federal grants or loans. These projects include River Pumping Station, OWASA Booster Pumping Station, Lawndale Rehabilitation, Eno River Interceptors, US70 and Hassel Street Tank and if time, likely a grant application to update our GIS mapping system with water service laterals to meet the upcoming lead service line inventory. Applications are due September 30.
Staffing	There is a viable candidate for the Environmental Engineering Supervisor. The interview process is underway. We are still looking for two Utility Maintenance Mechanics, two Utility Maintenance Technicians and a night operator for the water plant. One operator at the wastewater plant is resigning Sep. 6 to pursue a job using his electrical and instrumentation skills. This position will be posted shortly.
Water and Sewer Advisory Committee (WSAC) Activities	Outreach information and table setup is underway. The next joint meeting with the board will be in November at the workshop. Agenda to be developed in October. The current chair will be rolling off the committee at the end of the year due to a two round term limitation. Officer elections will be occurring at the Sep. 1 meeting.