



Agenda

Board of Commissioners Regular Meeting

7:00 PM April 13, 2026

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

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. Appointments

A. Parks and Recreation Board – Reappointment of Paul Weinberg for a term ending April 13, 2029

5. Items for decision – consent agenda

A. Minutes

- Regular meeting March 9, 2026
- Regular meeting closed session March 9, 2026
- Work session March 23, 2026

B. Miscellaneous budget amendments and transfers

C. Proclamation – Volunteer Appreciation Week

D. Resolution declaring surplus property and donation

E. Resolution adopting the Principles of Universal Design for Public Spaces

F. Resolution Opposing a Proposed Constitutional Amendment Limiting Local Property Tax Authority

G. Capital Project Ordinance Amendment – Sodium Hypochlorite Conversion

H. Capital Project Ordinance Amendment – Cates Creek Outfall Upgrade

I. Capital Project Ordinance Amendment – Elizabeth Brady Pump Station Upgrade

J. Contract for year-end audit services in connection with fiscal year ending June 30, 2026

K. Town Attorney Legal Services Memorandum of Understanding with The Brough Law Firm

L. Updates on East Corbin Street Parking

6. Items for decision - regular agenda

A. Trespassing issues with the unhoused community at the Hillsborough Youth Athletic Association field

B. General use rezoning request and development agreement for 715 US HWY 70 East (PIN 9874490155); Assistive Living Neighborhood (ALN) to Multifamily (MF) – **to be tabled** (please see 'action requested' at the end of the abstract for more information)

C. Proposal for Community Services Department Reorganization

D. Appointment of a voting delegate for the North Carolina League of Municipalities Board of Directors Election
101 E. Orange St., PO Box 429, Hillsborough, NC 27278
919-732-1270 | www.hillsboroughnc.gov | @HillsboroughGov

E. Hot topics for work session April 27, 2026

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 American 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 two business days in advance of the meeting.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Public Space and Sustainability
Agenda Section: Appointments
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Public Space and Sustainability Manager Stephanie Trueblood

ITEM TO BE CONSIDERED

Subject: Parks and Recreation Board – Reappointment of Paul Weinberg for a term ending April 13, 2029

Attachments:

Application

Summary:

Paul Weinberg has volunteered to serve a second term of three years on the Hillsborough Parks and Recreation Board fulfilling the dedicated role for a senior member. Paul serves as Vice Chair on the Parks and Recreation Board.

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

Reappoint Paul Weinberg to the Parks and Recreation Board for a second term beginning April 13, 2026 and ending April 13, 2029.



Appointed Boards Application

If you are a Town of Hillsborough resident and willing to volunteer your time and expertise to your community, please complete this form. Volunteers for the Parks and Recreation Board must be at least 13 years old, and volunteers for all other boards must be at least 18 years old.

The town strives to reflect the diversity of its residents in the makeup of its boards. Demographics and residence location are considered during the appointment process.

First name (required):

PAUL

Last name (required):

WEINBERG

Home address (required):

Botan Way Street Address Line2 Zip Code27278

Home phone number:

[REDACTED]

Work phone number:

Email address (required):

[REDACTED]

Place of employment:

Retired

Job title:

Birth date (required):

Oct. 15, 1944

Gender (required):

Male

Ethnic origin (check all that apply) (required):

White

First choice (required):

Parks and Recreation Board

Second choice (required):

Water and Sewer Advisory Committee

Third choice (required):

None

Reasons for wanting to serve (required):

Some of the recreation facilities are underutilized because we are not targeting the appropriate age groups.

Have you served or are you currently serving on a town board? If so, which ones and when? (required)?

No

Relevant work, volunteer or educational experience (required):

BS in Chemical Engineer from Northeastern University (1967)

During my college years, I worked for a small papermill in the city of Boston. One of my functions/ responsibilities was making about 7 million gallons of water a day. I spent much of my career in sales and marketing of specialty petroleum products to a wide variety of industrial companies.

How are you connected to Hillsborough (live, work, play, shop, own property) (required)?

Own a home in Waterstone Estates

Have you reviewed the Vision 2030 plan, and what are your thoughts about it (required)?

Yes.

The plan is fairly comprehensive. Some of the goals, especially the traffic one for Churton Street needs more immediate attention. 2030 which is now only 7 years away, progress/ actions need to be underway for many of the goals, so they have a shot at being implemented.

Have you reviewed other town documents (budget, strategy map, small area plans), and what are your thoughts about them?

I reviewed the water quality report and was pleased to see the Town was recognized for providing excellent quality water to the community. Water quality/ safe drinking water is under appreciated and taken for granted by most residents.

What challenges do you see the town facing that could be addressed by the board or boards on which you wish to serve (required)?

Better utilization of Cates Creek Park by the residents of both the Cadence apartment complex and Waterstone residents

How did you hear about this opportunity (required)?

Other

Check the box to confirm (required):

✓



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
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 March 9, 2026
2. Regular meeting closed session March 9, 2026
3. Work session March 23, 2026

Summary:

None.

Financial impacts:

None.

Staff recommendation and comments:

Approve minutes as presented.

Action requested:

To approve minutes of the Board of Commissioners regular meeting March 9, 2026, regular meeting closed session March 9, 2026, and work session March 23, 2026.



Minutes

Board of Commissioners Regular Meeting

7 p.m. March 09, 2026

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

Present: Mayor Mark Bell and commissioners Meaghun Darab, Robb English, Kathleen Ferguson and Matt Hughes

Absent: Commissioner Evelyn Lloyd

Staff: Assistant Town Manager and Community Services Director Matt Efird, Police Management and Accreditation Coordinator Marshall Grayson, Town Attorney Bob Hornik, Town Clerk and Human Resources Technician Sarah Kimrey, Communications Specialist JC Leser-McMinn, Finance Director Dave McCole, Town Manager Eric Peterson and Chief of Police Jason Winn

Opening of the meeting

Mayor Mark Bell called the meeting to order at 7 p.m.

1. Public charge

Bell did not read the public charge.

2. Audience comments not related to the printed agenda

- Owen Maddux, president of the Hillsborough Exchange Club, thanked the board for a grant that funded a walking path at Exchange Club Park and presented photos of the completed project.
- Patrick Cummings, president of Hillsborough Youth Athletic Association raised concerns about homeless encampments and drug activity at Collins Field and the Exchange Club Park.
- Two residents spoke in support of a traffic calming request on Lakeshore Drive, noting speeds 10 mph over the limit and safety concerns for children walking to bus stops on the residential street that lacks sidewalks.

3. Agenda changes and approval

Motion: Commissioner Kathleen Ferguson moved to approve the agenda as presented. Commissioner Meaghun Darab seconded.

Vote: 4-0.

4. Items for decision – consent agenda

- A. Minutes
 - Regular meeting Feb. 9, 2026
 - Regular meeting closed session Feb. 9, 2026
 - Work session Feb. 23, 2026
- B. Miscellaneous budget amendments and transfers
- C. Resolution accepting public streets in Elfin’s Pond
- D. Rezoning request for property at 202 Holiday Park Road (PIN 9865-40-7877)
- E. Joint Letter to North Carolina Utilities Commission Concerning Duke Energy’s Biennial Consolidated Carbon Plan and Integrated Resource Plan

- F. Lakeshore Drive Traffic Calming Request
- G. Request to place a marker recognizing five Revolutionary War patriots at the Old Town Cemetery at 205 N. Churton St.

Motion: Ferguson moved to approve all items on the consent agenda. Darab seconded.
Vote: 4-0.

5. Items for decision – regular agenda

- A. Adron Thompson Bond Order and Series Resolution authorizing the issuance of up to \$8,500,000 in water and sewer revenue bonds for the Thompson Building Renovation and Expansion Project

Finance Director Dave McCole presented the bond resolution for the Adron Thompson Building renovation and expansion project. The project includes new welding shops, stockrooms, office space, storage, and restrooms. The Local Government Commission approved the financing on March 3, and if approved, the bonds would close on March 19 with construction beginning shortly thereafter.

Motion: Ferguson moved to approve the resolution. Commissioner Matt Hughes seconded.
Vote: 4-0.

- B. Update on America 250 (4th of July) Event Planning Efforts
Assistant Town Manager Matt Efirid provided an update on planning for the July 4th America 250 celebration. He was joined by Tom Stevens, Chair of the Orange County Arts Alliance and former Hillsborough mayor, and Greg Bell of Belltone Productions, who are partnering with the town to produce this event.

The celebration will blend history, small town traditions, and family-friendly entertainment. Planned activities include a pedestrian parade, music, dancing and arts vendors. The general area of the celebration is planned in River Park and at the Farmer's Market Pavilion.

The board selected street banners to be displayed during July and approved the working title "Together, We Are America."

- C. Presentation of police department's annual report
Chief of Police Jason Winn presented the annual police report for 2025. Key highlights included:

Activity and Crime Statistics:

- Total dispatch calls increased by about 100 from 2024.
- Most crime categories decreased, including property crimes.
- Total reported crimes dropped from 936 to 773 incidents.

Internal Operations:

- Internal reviews decreased from 70 to 55.
- Use of force incidents declined.
- Department reorganization is nearly complete with new leadership positions filled.
- Staffing stabilized with two officers currently in training.

Community Engagement:

- Community engagement team conducted 130 events.
- Programs included crafts with cops, adopt (a dog) with a cop, and animal welfare initiatives.
- Community Police Academy scheduled for May-June 2026.

Commissioners praised the department's leadership transition and community-focused approach.

D. Hot topics for work session March 23, 2026

Town Manager Eric Peterson said the upcoming work session would include the annual stormwater update, noting that this year marks the 20th anniversary of the town's stormwater program.

6. Updates

A. Board members

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

B. Town manager

There were no additional updates.

C. Staff (written reports in agenda packet)

There were no additional updates.

Motion: Hughes moved to go into closed session. Ferguson seconded.

Vote: 4-0.

7. Closed session

A. Closed session as authorized by North Carolina General Statute Section 143-318.11(a)(3) to consult with the town attorney in order to preserve the attorney-client privilege

Motion: Ferguson moved to return to open session. Hughes seconded.

Vote: 4-0

8. Adjournment

Motion: Ferguson moved to adjourn at 8:30 p.m. Hughes seconded.

Vote: 4-0.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners

DRAFT

Budget Adjustment Report

Adjustment Detail

For Date Range: 03/09/2026 - 03/09/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 10 - GENERAL						
Department: 3100 - TAX LEVY						
10-00-3100-3101225	2025 TAX LEVY			-10,899,000.00	-6,683.00	-10,905,683.00
BA0000323	Snow Plow & Salt Spreader Repair	GLPKT02789	03/09/2026		-6,683.00	
Department 3100 Total:				-10,899,000.00	-6,683.00	-10,905,683.00
Department: 3870 - TRANSFER FROM						
10-71-3870-3870900	TRANSFER FROM FUND 78 GF COMMITTED			-691,174.00	-9,871.00	-701,045.00
BA0000322	Solar Feasibility Study Increase	GLPKT02785	03/09/2026		-9,871.00	
Department 3870 Total:				-691,174.00	-9,871.00	-701,045.00
Department: 3880 - NON-DEPARTMENTAL						
10-80-3880-3887000	INSURANCE PROCEEDS			0.00	-27,774.00	-27,774.00
BA0000326	HPD radios: Emergency Management and In...	GLPKT02841	03/09/2026		-27,774.00	
Department 3880 Total:				0.00	-27,774.00	-27,774.00
Department: 5100 - POLICE						
10-20-5100-5300330	SUPPLIES - DEPARTMENTAL			95,477.00	14,412.00	109,889.00
BA0000326	HPD radios: Emergency Management and In...	GLPKT02841	03/09/2026		14,412.00	
10-20-5100-5300732	EMERGENCY OPERATIONS CENTER			10,000.00	13,362.00	23,362.00
BA0000326	HPD radios: Emergency Management and In...	GLPKT02841	03/09/2026		13,362.00	
Department 5100 Total:				105,477.00	27,774.00	133,251.00
Department: 5550 - FLEET MAINTENANCE						
10-30-5550-5300080	TRAINING/CONF/CONV			2,450.00	-600.00	1,850.00
BA0000325	Ford Motor yearly renewal	GLPKT02825	03/09/2026		-600.00	
10-30-5550-5300113	LICENSE FEES			13,350.00	600.00	13,950.00
BA0000325	Ford Motor yearly renewal	GLPKT02825	03/09/2026		600.00	
10-30-5550-5300170	VEHICLE REPAIR - STREETS			15,000.00	6,683.00	21,683.00
BA0000323	Snow Plow & Salt Spreader Repair	GLPKT02789	03/09/2026		6,683.00	
Department 5550 Total:				30,800.00	6,683.00	37,483.00
Department: 6300 - PUBLIC SPACE						
10-10-6300-5300080	TRAINING/CONF/CONV			1,000.00	200.00	1,200.00
BA0000327	Playground Inspector Training	GLPKT02846	03/09/2026		200.00	
10-10-6300-5300441	CS - ENGINEERING			0.00	9,871.00	9,871.00
BA0000322	Solar Feasibility Study Increase	GLPKT02785	03/09/2026		9,871.00	
10-10-6300-5300570	MISCELLANEOUS			7,000.00	-200.00	6,800.00
BA0000327	Playground Inspector Training	GLPKT02846	03/09/2026		-200.00	
Department 6300 Total:				8,000.00	9,871.00	17,871.00
Fund 10 Total:				-11,445,897.00	0.00	-11,445,897.00
Fund: 30 - WATER/SEWER						
Department: 4000 - DISASTER						
30-80-4000-5300154	MAINT - GROUNDS			0.00	8,661.00	8,661.00
BA0000321	TS Chantal: Sewer Easement Repairs	GLPKT02767	03/09/2026		8,661.00	
30-80-4000-5700741	CAPITAL - EQUIPMENT			0.00	-8,661.00	-8,661.00
BA0000321	TS Chantal: Sewer Easement Repairs	GLPKT02767	03/09/2026		-8,661.00	
Department 4000 Total:				0.00	0.00	0.00

Budget Adjustment Report

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026				
	10	-11,445,897.00	0.00	-11,445,897.00
	30	5,200.00	0.00	5,200.00
	69	0.00	0.00	0.00
Budget Code 2025-2026 Total:		-11,440,697.00	0.00	-11,440,697.00

DRAFT



RESOLUTION

Accepting Dedication of Streets for Public Ownership: Elfin's Pond

WHEREAS, the Hillsborough Board of Commissioners approved a Special Use Permit authorizing the construction of the neighborhood known as Elfin's Pond on October 17, 2013; and

WHEREAS, the approved plans require the construction of a new private street network; and

WHEREAS, the Homeowners Association of Elfin's pond requested the Town of Hillsborough formally accept these private streets into the town's street network for maintenance and ownership; and

WHEREAS, the developer guaranteed the construction of the network through a series of performance bonds; and

WHEREAS, the applicant has submitted adequate information to verify the construction quality and construction value to allow these resources to be accepted by the town; and

NOW, THEREFORE, be it resolved that the Hillsborough Board of Commissioners hereby accepts the dedication of the following roads of the approximate lengths shown:

Red Admiral Court	580 feet
Elfin Boulevard	1,260 feet
Spicebush Circle	740 feet

Approved this 9th day of March in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough



CONSISTENCY STATEMENT

Pursuant to NC GS § 160D-605, Governing board statement

for a request to rezone 202 Holiday Park Road (PIN 9865-40-7877)

March 9, 2026

The Hillsborough Board of Commissioners has reviewed a request from Home Hillsborough LLC to rezone a parcel approximately 6.25 acres in area at 202 Holiday Park Road (PIN 9865-40-7877) from General Commercial (GC) to Neighborhood Business (NB).

The town board has determined the proposed action is consistent with the town's Comprehensive Sustainability Plan (CSP) because:

Section 1. The proposed amendment is **consistent** with the Comprehensive Sustainability Plan (CSP), specifically the following goal, strategy, and action in the Land Use and Development chapter of the plan:

- (a) Goal: Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth and principles and consider infrastructure constraints such as water and wastewater system capacity.
- (b) Strategy: Develop and adopt plans that contribute to meeting preferred future land use and growth patterns.
- (c) Action: Revise zoning and development regulations in accordance with the Future Land Use Plan and Future Land Use Map and water and sewer needs. Condense land use classifications.

Section 2. The proposed map amendment **advances** identified goals and strategies found in the Comprehensive Sustainability Plan and promotes the public health, safety, and welfare because the zoning district requested by the property owner, although less intensive than the original zoning district, will still

- (a) align with the town's Unified Development Ordinance and Comprehensive Sustainability Plan, and
- (b) allow for a variety of commercial/non-residential uses, which is desirable along with US 70 corridor.

The foregoing consistency statement, having been submitted to a vote, received the following vote and was duly adopted this 9th day of March in the year 2026.

Ayes: 4

Noes: 0

Absent or excused: 1



Sarah E. Kimrey

Sarah E. Kimrey, Town Clerk



ORDINANCE

Amending the Official Zoning Map for the Town of Hillsborough, NC 202 Holiday Park Road (Parcel Identification Number 9865-40-7877)

WHEREAS, an application was made to amend the Official Zoning Map for the Town of Hillsborough, specifically to rezone approximately 6.25 acres at 202 Holiday Park Road (PIN 9865-40-7877), the legal descriptions of which can be found in Deed Book 6577, Page 95 of the Orange County Registry, from General Commercial (GC) to Neighborhood Business (NB); and

WHEREAS, the application was 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 amendment with the town's comprehensive plan and such other matters as the Planning Board deemed appropriate; and

WHEREAS, 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.


NOW, THEREFORE, the Hillsborough Board of Commissioners ordains:

- Section 1.** The Official Zoning Map of the Town of Hillsborough is hereby amended to rezone the aforementioned property to Neighborhood Business.
- Section 2.** All provisions of any town ordinance in conflict with this ordinance are repealed.
- Section 3.** 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 9th day of March in the year 2026.

Ayes: 4
Noes: 0
Absent or excused: 1





Sarah E. Kimrey, Town Clerk

[Insert Month, Day] 2026

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Statement of Position of North Carolina Local Governments on Duke Energy’s Carbon Biennial Carbon Plan and Integrated Resource Plan (CPIRP); Docket No. E-100 Sub 207

Dear Chair Brawley and Commissioners,

The [insert towns, cities, and counties] (subsequently referred to as “the undersigned”) respectfully submit the following comments and recommendations regarding the proposed Carbon Plan Integrated Resource Plan (CPIRP) filed by Duke Energy on October 1, 2025, to the North Carolina Utilities Commission (NCUC). These comments are the result of discussions with dozens of local governments across North Carolina as part of a collective effort to achieve an affordable and sustainable energy future for our residents. We welcome the opportunity to collaborate and further discuss any of the issues described herein.

Introduction

Local governments have a fundamental responsibility to protect the health and safety of residents and businesses, act as careful stewards of public funds, and represent community interests in state and regional decision making. Accordingly, the undersigned have a substantial interest in ensuring an electricity system that is affordable, reliable, resilient, and clean. Energy affordability directly affects housing stability and economic wellbeing across our communities, while reliable and resilient energy is essential for protecting public health and safety during extreme heat, extreme cold, and other climate related disruptions. Decisions made in the CPIRP will shape these outcomes for decades.

Collectively, the undersigned local governments serve [insert #] million North Carolinians and are among Duke Energy’s largest individual customers, consuming approximately [insert #] GWh annually for government operations. In their dual role as major energy consumers and community representatives, the undersigned have worked in partnership with Duke Energy to advance initiatives that improve energy efficiency, support distributed energy resources, and expand customer-driven clean energy procurement options. Many have also participated in prior NCUC proceedings to ensure that energy system planning reflects the needs and priorities of the communities they serve.¹ The undersigned appreciate Duke Energy’s ongoing collaboration with local governments and value the opportunities to work together toward shared goals.

At the same time, local governments are concerned about the significant energy cost increases facing North Carolinians. Between Q1 2022 and Q1 2025, the average residential electricity price in North Carolina rose by 14.6% on an inflation-adjusted basis.² As of June 2025, nearly one in thirteen North Carolina households had past-due energy utility debt in collections. For governments committed to keeping housing affordable and safeguarding public welfare, these trends underscore the urgent need for proactive measures that limit cost burdens on residents, small businesses, and public institutions.

¹ Commission Dkt. No. E-100, Sub 165, 165CS, 190, 190CS; Lacey Shaver et al., *Driving Climate Action through Utility Integrated Resource Plans: A North Carolina Case Study of Local Government Leadership*, American Cities Climate Challenge (2022), https://cityrenewables.org/wp-content/uploads/2022/02/Driving-Climate-Action-Through-Utility-IRPs_North-Carolina-Case-Study.pdf.

² Energy Information Administration, *Electricity Data Browser*, <https://www.eia.gov/electricity/data/browser/>.

Local governments are also committed to accelerating an affordable transition to clean energy. Many have adopted near-term climate, clean energy, and resilience goals (see Appendix A), and decisions in this IRP—particularly around generation, transmission, demand side resources, and procurement options—will directly affect local governments’ ability to meet climate, clean energy, and sustainability commitments, as well as the cost associated with meeting these goals. Local governments view the clean energy transition as integral to improving community resilience, reducing long-term risks, and ensuring safer and more livable conditions for residents.

Given these responsibilities, local governments have carefully reviewed Duke Energy’s load forecast assumptions, economic development load adjustments, and generation choices in the 2025 CPIRP. The accuracy of demand projections has significant implications for infrastructure needs that drive system costs and impact rates. Local governments appreciate Duke Energy’s efforts to prepare for load growth and economic development but remain concerned that uncertainty in the forecasts and an overreliance on capital-intensive new fossil generation could lead to unnecessary cost burdens for existing customers. Ensuring transparency, methodological clarity, and prudent resource selection are essential to protecting ratepayers and maintaining an affordable and reliable grid.

The undersigned view this CPIRP process as a pivotal opportunity to collaborate with Duke Energy, the NCUC, and other stakeholders to shape an energy future that remains affordable, reliable, resilient, and clean for all North Carolinians. Local governments stand ready to continue working constructively with Duke Energy to evaluate solutions, share on-the-ground insights, and ensure that planning decisions reflect both statewide objectives and the lived experiences of the communities we serve.

Below is a summary of key recommendations for the NCUC, which are further elaborated throughout this letter. The undersigned recommend that the NCUC:

- **Call for greater transparency and explanation of Duke Energy’s economic development load forecasting methodology.** Duke Energy’s methodology for projecting new load drives major investment decisions and long-term rate impacts. Clearer assumptions and documentation will help stakeholders evaluate system needs and protect customers from unnecessary costs.
- **Require Duke Energy to plan for an affordable, reliable, and resilient energy system by optimizing the existing grid and investing in cost-effective, least-risk electricity generation resources.** Fossil fuel generation exposes customers to unpredictable fuel costs, while renewable resources have no fuel costs and provide long-term price stability. Strengthening the existing grid and competitively acquiring resources through all-source procurement will reduce reliance on more costly new generation and limit exposure to volatile fuel markets, supporting a least-risk system and helping maintain affordability for residents, businesses, and local governments.
- **Encourage Duke Energy to create viable, cost-effective clean energy procurement pathways for large customers.** The resource mix proposed in the CPIRP will not enable local governments to meet their near-term clean energy and climate targets, making alternative procurement pathways essential. Current Green Source Advantage (GSA) and GSA Choice structures remain too complex, restrictive, and costly, suppressing customer uptake and underscoring the need for accessible, affordable programs that can fill the near-term gap.
- **Direct Duke Energy to fully value energy efficiency and demand-side resources in planning.** These resources reduce peak demand, defer costly infrastructure, and enhance resilience at a lower cost than new generation. Treating them as selectable planning resources will improve system affordability and reliability.

- **Protect existing ratepayers from disproportionate cost burdens associated with new large loads.** Rapid growth should not result in higher bills for residents, small businesses, or public agencies already struggling with rising energy costs. Fair cost allocation—consistent with models used in other states—will help maintain affordability as the grid expands.

Recommendations

This letter outlines the undersigned’s comments on key elements of the CPIRP filings, their impacts on local government actions and community members, and recommendations for the NCUC as it prepares its final Order in the 2025–26 CPIRP proceeding. The undersigned ask the NCUC to:

1. Ensure Duke Energy provides greater transparency and explanation of its load forecasting methodology to guide cost-effective infrastructure planning.

Accurate energy demand forecasts are critical, as all resource planning decisions found in the CPIRP process rely on these projections as foundational inputs. Underestimating future demand risks reliability shortfalls, while overestimating it could leave ratepayers paying for unneeded infrastructure.

North Carolina is experiencing rapid growth and is expected to become the seventh most populous state by the early 2030s.³ Its expanding economy brings new industries, investment, and jobs—benefits local governments recognize and support. Local governments also recognize that as population and productivity grow, statewide energy demand is likely to follow.

However, even accounting for this growth, Duke Energy’s demand projections appear to significantly overestimate the magnitude and pace of new economic development load. The Advancing Development load forecast scenario, which serves as Duke Energy’s base planning assumption, projects more than 51 TWh of new economic development load by 2040, roughly equivalent to adding the current electricity consumption of Arkansas to the existing system in under 15 years.⁴ More than 60 percent of this projected load is expected to materialize by 2031.⁵

Duke Energy’s recent presentation at an NCUC technical conference indicates that much of this projected growth is attributed to data centers.⁶ While data center expansion is affecting load forecasts nationwide, there are well-documented reasons for skepticism about the scale and timing of associated load growth, including efficiency gains, supply chain constraints, market shifts, and the prevalence of speculative and duplicative requests.⁷ Recent

³ Michael Cline, *NC to become 7th most populated state in early 2030s*, Office of State Budget and Management (Feb. 2025), <https://www.osbm.nc.gov/blog/2025/02/03/nc-become-7th-most-populated-state-early-2030s>.

⁴ U.S. Energy Information Administration, *Electric Power Annual* (Oct. 2025), <https://www.eia.gov/electricity/annual/> (For further comparison, in its October 2025 Integrated Resource Plan Update, Dominion Energy forecasted that its net load would increase by 67 TWh by 2040 across its Virginia and North Carolina footprint. Dominion Energy serves the largest data center market in the world in Northern Virginia and is considered a utility industry leader in data center practice).

⁵ Appendix D – Load Forecast, Commission Dkt. No. E-100, Sub 207 (2025), <https://starw1.ncuc.gov/NCUC/ViewFile.aspx?Id=da8c7ac9-b1c1-4624-8fc9-2d4a8ba2febf>.

⁶ Duke Energy’s Technical Conference Presentation Materials, Commission Dkt. No. E-100, Sub 208 (2025), <https://starw1.ncuc.gov/NCUC/ViewFile.aspx?Id=86ae7250-53a6-4b81-ad84-a70ed8b5c6f4> (On slide 4, the rightmost chart shows that there are 39.8 GW of data center projects in Duke Energy’s Carolinas Economic Development Pipeline out of a total 47 GW, representing 84.6% of projected demand from all entries in the pipeline).

⁷ Ian Goldsmith and Zach Byrum, *Powering the US Data Center Boom: Why Forecasting Can Be So Tricky*, World Resources Institute (Sep. 2025), <https://www.wri.org/insights/us-data-centers-electricity-demand>; Brian Martucci, *A fraction of proposed data centers will get built. Utilities are wising up*, Utility Dive (May 2025), <https://www.utilitydive.com/news/a-fraction-of-proposed-data-centers-will-get-built-utilities-are-wising-up/748214/>.

months have seen large load queues in other states like Georgia⁸ and Ohio⁹ decrease by multiple gigawatts as data center plans changed.

Given the scale and pace of projected economic development load additions, the undersigned urge the NCUC to have Duke Energy provide greater transparency and explanation of its methodology for economic development load adjustments within the CPIRP proceeding. Duke Energy should explain the basis for its chosen discount factors, the rationale for selecting certain project stages in its scenarios, and the justification for adding approximately 2,000 MW of demand to the Advancing Development scenario beyond the Moderate Development case.¹⁰ The 2,000 MW adjustment warrants particular scrutiny, as it lacks significant supportive evidence and modeling and could be speculative.¹¹

To ensure sound planning, the NCUC can draw on emerging best practices from other jurisdictions and expert groups. For example, the Texas market operator ERCOT has developed a methodology for adjusting large load forecasts provided by utilities using observed data center demand and operational data.¹² Other utilities have adopted advanced modeling techniques to better account for uncertainty.¹³ The Energy Systems Integration Group has also recently published recommendations for forecasting emerging large loads, informed by research and stakeholder engagement through its Large Load Task Force.¹⁴

The undersigned also request that Duke Energy be required to provide more frequent and detailed updates on its economic development pipeline and resulting load impacts. The NCUC's 2024 Order requiring semi-annual reporting was an important step toward transparency.¹⁵ However, given the pace of change in large load development, particularly data centers, the undersigned believe that the initial reporting requirements are no longer sufficient to capture and respond to changes in the large load market. Following approaches in Georgia¹⁶ and Texas¹⁷—states also experiencing significant data center growth—the undersigned request that update reports

⁸ *Large Load Economic Development Report for Q3 2025 PD*, Georgia Public Service Commission Dkt. No. 55378 (2025), <https://psc.ga.gov/search/facts-document/?documentId=224615> (In November 2025, Georgia Power' Q3 2025 Large Load Economic Development Report showed a net 6 GW decrease in Georgia Power large load pipeline from the previous quarter, with 14.3 GW of projects exiting in total).

⁹ *Correspondence Status of Process for Signing Up New Schedule DCT [Data Center Tariff] Customers*, Public Utilities Commission of Ohio Case No. 24-0508-EL-ATA (2024), <https://dis.puc.state.oh.us/CaseRecord.aspx?CaseNo=24-0508> (In October 2025, it was reported that AEP Ohio' data center pipeline had shrunk from 30 GW to 13 GW after the introduction of a new large load tariff requiring customers to pay at least 85% of contracted demand per month); see also Skidmore, Zachary. *AEP Ohio slashes data center pipeline by more than half – report*. Data Center Dynamics (Oct. 2025), <https://www.datacenterdynamics.com/en/news/aep-ohio-slashes-data-center-pipeline-by-more-than-half-report/>.

¹⁰ *2025 Carolinas Resource Plan*, Chapter 2 – Methodology & Key Assumptions, Commission Dkt. No. E-100 (Oct. 2025), <https://starw1.ncuc.gov/NCUC/ViewFile.aspx?Id=3368d947-071c-4edc-8414-d5006648be8d>.

¹¹ *Direct Testimony and Exhibits in Support of 2025 Carbon Plan Integrated Resource Plan, Direct Testimony Of Phillip O. Stillman, Andrew Tate, and Benjamin Passty on behalf Of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC*, Commission Dkt. No. E-100, Sub 207 (2025), <https://starw1.ncuc.gov/NCUC/ViewFile.aspx?Id=4386559b-8991-4e60-b693-ec4b9e689038>.

¹² Pablo Vegas et al., *Item 8.1: Long-Term Load Forecast Update (2025-2031) and Methodology Changes*, ERCOT (Apr. 2025), <https://www.ercot.com/files/docs/2025/04/07/8.1-Long-Term-Load-Forecast-Update-2025-2031-and-Methodology-Changes.pdf>.

¹³ [ViewFile.aspx](#)

¹⁴ John Wilson and Sophie Meyer, *Forecasting for Large Loads: Current Practices and Recommendation*, Energy Systems Integration Group (Dec. 2025), <https://www.esig.energy/wp-content/uploads/2025/12/ESIG-Large-Loads-Forecasting-report-2025.pdf>.

¹⁵ *Carolinas Resource Plan*, Order Accepting Stipulation, Granting Partial Waiver of Commission Rule R8-60A(d)(4), and Providing Further Direction for Future Planning, Commission Dkt. No. E-100, Sub 190, (November 1, 2024).

¹⁶ *Order Adopting Stipulated Agreement*, Attachment A, Georgia Public Service Commission Dkt. No. 55378, (April 26, 2024), <https://psc.ga.gov/search/facts-document/?documentId=218484>; see also Pablo Vegas et al., *Item 8.1: Long-Term Load Forecast Update (2025-2031) and Methodology Changes*, ERCOT (Apr. 2025), <https://www.ercot.com/files/docs/2025/04/07/8.1-Long-Term-Load-Forecast-Update-2025-2031-and-Methodology-Changes.pdf>.

¹⁷ ERCOT, *Questions and Answers About the Large Load Interconnection Process* (2025), <https://www.ercot.com/files/docs/2025/12/24/Large-Load-Interconnection-Process-Q-A.pdf>.

be filed more frequently (e.g., quarterly or monthly) and that individual large load requests be reported in a structured dataset, including project load, queue status, and load ramp timing.

These measures will help ensure that planning decisions affecting millions of North Carolinians are evidence-based and responsive to rapidly evolving market conditions.

2. Require Duke Energy to plan for an affordable, reliable, and resilient energy system by optimizing the existing grid and investing in cost-effective, least-risk electricity generation resources.

Duke Energy's Recommended Portfolio reflects North Carolina's projected economic growth by adding new resources to maintain reliable service. The undersigned commend Duke Energy's commitment to procure thousands of additional megawatts of solar, energy storage, and hybrid projects, recognizing these technologies as essential components of a low-cost, reliable energy system. Investments in clean energy generation also create jobs and support customer choices for electricity generation; in 2025, North Carolina ranked ninth in the country for clean energy employment, supporting over 113,000 workers.¹⁸

However, Duke Energy's plans to meet near-term needs through adding natural gas generation and delaying coal retirements and long-term reliance on indeterminate plans for nuclear, while minimizing proven technologies like wind, pose significant economic and resilience risks for both the utility and consumers. Natural gas prices are highly volatile, leaving consumers vulnerable to rate increases as fuel costs fluctuate. Greater reliance on natural gas, as reflected in the Recommended Portfolio¹⁹ expose substantial price risk. This risk is validated by historical data: from 2017 to Q1 2024, approximately 46-68% of the increase in the residential retail volumetric rate stemmed from fuel costs, which coincided with high natural gas prices.²⁰

Additionally, delaying coal plant retirements prolongs negative impacts to air quality and public health and introduces further economic volatility for consumers.²¹ Duke Energy's CIPRP analysis acknowledges that coal generation faces growing uncertainty due to declining domestic coal production, transportation challenges, aging units, and an unclear regulatory outlook. These risks raise concerns about both grid reliability and long-term system costs, and local governments are concerned that prolonging coal operations could shift these financial burdens onto North Carolina ratepayers. Near-term investments in natural gas, paired with delayed coal retirements, further heighten exposure to fuel price volatility and system risk, making energy prices more unpredictable and potentially increasing bills for residents, small businesses, and low-income households.

To support planning for a least-cost, least-risk system, the undersigned recommend that the NCUC pursue two strategies: 1) adopting all-source procurement processes that expand and streamline opportunities to procure renewable energy, and 2) evaluating targeted transmission and distribution upgrades that optimize existing grid assets and reduce the need for costlier new generation.

¹⁸ E2, *Clean Jobs North Carolina 2025*, (Nov. 2025), <https://www.energync.org/wp-content/uploads/2025/11/E2-Clean-Jobs-North-Carolina-2025.pdf>.

¹⁹ The Recommended Portfolio over the Base Planning Period (through 2040) includes a net added 3,083 MW of nameplate capacity from combustion turbines and 7,900 MW of nameplate capacity from combined cycles.

²⁰ EQ Research LLC, *Issue Brief: The Role of Fuel Costs in Duke Energy's North Carolina's Retail Rates from 2017 through March 2024*, (Apr. 2024), https://www.edf.org/sites/default/files/documents/Issue_Brief_Narrative_4_22_24.pdf.

²¹ The Optimal Coal Unit Retirements in the 2025 CIPRP (Table F-2) suggest delaying retirements of Belews Creek 1, Belews Creek 2, Marshall 3, Marshall 4, and Roxboro 2 plants.

There are precedents for these approaches. The Northern Indiana Public Service Company (NIPSCO)²² has incorporated all-source procurement into its resource planning, and states such as Indiana²³ and Utah²⁴ now require utilities to study grid-enhancing technologies (GETs) in their integrated resource plans. Similar strategies in North Carolina could improve system efficiency and reduce costs. The NCUC could require Duke Energy to conduct an all-source procurement as part of the next CIPRP to gather real-world data to inform planning assumptions and sensitivities. Following the 2025 CIPRP, the NCUC could have Duke Energy utilize an all-source procurement with an independently run and transparent evaluation process to meet forecasted demand with least-cost solutions.

For the 2025 CIPRP, the NCUC ordered Duke Energy to include a report on how GETs can be leveraged for an efficient, cost-effective system.²⁵ Local governments commend this step but encourage the NCUC to pursue additional actions to support least-cost, least-risk planning. These could include establishing a utility working group to study advanced transmission technologies (ATTs)²⁶, identify which solutions are best suited to the system, and evaluate how they can enable new load interconnections. The NCUC could also request that Duke Energy publish a report on transmission system efficiency and points of congestion, assessing where ATTs could cost-effectively relieve constraints. Finally, the undersigned encourage the NCUC to consider hiring an independent engineering firm to work with the utility and/or system operator to identify near-term, cost-effective ATT deployments and long-term strategies.

3. Encourage Duke Energy to create viable, cost-effective clean energy procurement pathways for large customers, including local governments, to achieve established climate and clean energy goals.

The Near-Term Action Plan (NTAP) and Recommended Portfolio create significant challenges for local governments and other large customers with near-term climate and clean energy obligations. The continued operation of coal plants, coupled with the addition of new natural gas resources, increases the share of fossil fuels in North Carolina's electricity mix over the next decade. While the Recommended Portfolio is projected to meet the statutory requirement of carbon neutrality by 2050, Figure 3-14 of the CIPRP shows that meaningful, sustained emissions reductions do not begin until the late 2030s. In the meantime, annual emissions across Duke Energy's Combined Carolinas system are expected to remain flat or even rise, peaking above 55 million tons of CO₂ in 2036.

Many North Carolina local governments have set clean energy or carbon reduction targets for 2030 or 2035—well before the emissions reductions anticipated in the CIPRP (Appendix A). Relying solely on Duke Energy's standard generation mix makes meeting these near-term public commitments effectively impossible. To comply with targets (some of which are legally binding) and public climate obligations, local governments need access to viable, cost-effective clean energy procurement options that deliver real additionality without excessive premiums or administrative burdens.

Given the NTAP and Recommended Portfolio, the need for robust, scalable, and accessible clean energy procurement options for large customers is more urgent than ever. Programs such as Green Source Advantage (GSA) and GSA Choice have been essential tools for large customers seeking to directly support new renewable

²² For its 2018 IRP, The Northern Indiana Public Service Company (NIPSCO) released an all-source procurement to gather information about the lowest cost means to meet system needs. This process gave NIPSCO critical information that brought the reduced system forecast costs down \$1.1 billion in its 2018 IRP relative to the 2016 IRP, which did not include an all-source procurement practice. The lowered forecasted costs were due to earlier coal plant retirements and investments in solar, storage, wind, capacity market purchases, and demand side management as these demonstrated lower cost options relative to natural gas investments.

²³ Indiana law now requires all IRPs filed to study the use of at least one GET to meet demand starting in 2026 and include a description of transmission and distribution systems starting in 2030 (Ind. Code Ann. § 8-1-8.5-3.4).

²⁴ As of 2025, Utah requires that utilities analyze GETs as a part of resource planning processes as well as general rate cases and transmission system addition or expansion proceedings (Utah Code Ann. § 54-17-11-1101).

²⁵ Duke Energy Carolinas LLC and Duke Energy Progress, LLC 2023 Biennial CIPRP, Commission Dkt. No. E-100, Sub 190.

²⁶ GETs include hardware and software technologies that improve functionality of the transmission system. ATTs encompass GETs and additional technologies, such as high-performance conductors.

generation, demonstrating strong demand and attracting significant economic investment. However, these programs remain difficult for local governments to use due to complex processes, restrictive requirements, long timelines, and cost structures that can make participation financially or administratively prohibitive. These barriers directly suppress program uptake—an outcome misaligned with both customer demand and the Carbon Plan’s intent.

Accordingly, the undersigned recommend that the NCUC direct Duke Energy to establish a transparent, well-structured stakeholder engagement process dedicated to North Carolina local governments’ procurement of clean energy. Local governments respectfully request that this dedicated process include clearly defined objectives, timelines, and milestones; a shared understanding of what specific program fixes or redesigns will be evaluated; greater transparency around program cost drivers; and a focus on creating procurement options that are easier, simpler, and as low-cost as possible for public entities and the residents they serve.

A successful model already exists: the PowerPair stakeholder process, which local governments found valuable for its good faith collaboration, transparency, and opportunities to jointly explore technical and operational constraints. Local governments recognize they do not have full visibility into all utility and system limitations; transparent processes help all parties build mutual understanding and identify win-win solutions.

4. Direct Duke Energy to fully value the benefits of energy efficiency and demand-side resources in its resource planning.

Duke Energy is a recognized leader in advancing innovative energy efficiency and grid-edge resource programs. In 2023, both Duke Energy Carolinas and Duke Energy Progress exceeded the national average for energy efficiency savings as a percentage of sales, making North Carolina the leading state in the Southeast for such savings.²⁷ Duke Energy has also successfully implemented a suite of programs, including demand response and PowerShare for businesses, EV charging solutions through Charger Solution, on-bill financing via Improve & Save, and residential solar and battery incentives under PowerPair. Local governments have partnered with Duke Energy to develop, promote, and learn from these initiatives. The undersigned commend Duke Energy’s leadership and continued efforts to integrate energy efficiency and grid-edge resources into the CPIRP consistent with prior recommendations.²⁸

The undersigned local governments also recognize the significant grid benefits that energy efficiency and grid-edge resources already provide to North Carolina’s electric system. We believe Duke Energy can and should do more to fully capture these benefits in its resource planning and accelerate deployment of these least cost, customer focused resources. These resources reduce peak demand, defer or avoid costly infrastructure investments, enhance system resilience, and help customers directly manage their bills. Greater reliance on energy efficiency and grid-edge technologies would materially affect Duke Energy’s modeling outcomes, including system affordability, climate impacts, and reliability. Duke Energy’s own Portfolio Sensitivity Analysis shows that a “high” energy efficiency scenario—assuming annual minimum energy efficiency savings equal to 1.5% of eligible load—would eliminate the need for 1,365 MW of combined cycle natural gas capacity and 428 MW of combustion turbine capacity relative to the preliminary base portfolio.

²⁷ Heather Pohnan, *Energy Efficiency in the Southeast: Sixth Edition Report*, Southern Alliance for Clean Energy (Jan. 2025), <https://cleanenergy.org/wp-content/uploads/Energy-Efficiency-in-the-Southeast-Sixth-Edition-January-2025.pdf> (In 2023, North Carolina achieved 0.59% of retail electricity sales in energy efficiency savings, ranking first in the Southeast and placing it above the national average of 0.50%. The report notes, however, that energy efficiency programs at this point had not achieved savings seen in 2017-2019).

²⁸ In the 2024 CIPRP proceeding, local governments advocated for Duke Energy to adjust its load forecast methodology to proactively and accurately account for impact of demand side management, improved energy efficiency programs, and transit and building electrification. Therefore, we believe Duke Energy’s addition of EV adoption and behind-the-meter solar as key assumptions for its load forecast scenarios, as well as the creation and evaluation of Demand-Side Management Sensitivity Analysis Portfolios, is a positive step.

Utilities are increasingly evaluating energy efficiency and grid-edge resources as modeled, selectable resources available for capacity expansion planning. For example, Duke Energy Indiana considered energy efficiency, demand response, and integrated vol-var control collectively as selectable generation assets to meet system demand in its 2024 CIPRP.²⁹ **The undersigned therefore recommended that the NCUC direct Duke Energy to model energy efficiency and certain grid-edge energy resources as selectable resources in its capacity expansion and resource adequacy modeling in future CIPRP proceedings.**

Grid-edge programs, including distributed energy resources, also provide critical community-level resiliency benefits as demonstrated in the aftermath of Hurricane Helene in 2024. For example, the Hot Springs microgrid—placed in service in 2023 as a more resilient and less expensive alternative to traditional grid expansion—continued providing power through solar and battery storage after the town’s substation was washed away during the storm.³⁰

To maximize the value and uptake of these resources, the undersigned further request that the NCUC direct Duke Energy to consult with community groups, community-based organizations, and nonprofit energy affordability groups to support the creation of new grid-edge programs and increase participation in existing ones. Community engagement in program design and implementation is essential to program success, and local governments can be valuable partners to Duke Energy in this effort. Such collaboration can enhance the efficacy, reach, and scale of existing and future projects, ultimately improving outcomes for customers and supporting the goals of the Carbon Plan.

5. Protect North Carolina communities from disproportionate cost burdens associated with new large loads through financial safeguards for existing ratepayers.

Local governments share the concerns of advocates and community organizations that, if not properly allocated, infrastructure costs needed to serve new large loads could be subsidized by other customers. As discussed earlier, Duke Energy’s projections of substantial near-term load growth—driven primarily by economic development projects such as data centers—form the basis of its Recommended Portfolio and subsequent action plans. Balancing this economic development with the affordability concerns of existing ratepayers is a critical priority as electricity demand increases across the state.

The undersigned therefore ask that the NCUC take measures to ensure that residential and other commercial ratepayers are protected from unfairly bearing the costs of infrastructure built to support new large economic development loads. While direct ratemaking decisions fall outside the scope of CIPRP proceedings, the significant influence of new economic development load on Duke Energy’s resource planning decisions makes it essential for NCUC to evaluate long-term resource decisions with fair and reasonable cost allocation in mind. Consistent with longstanding ratemaking principles, residential and other commercial customers should not be expected to pay for infrastructure which they did not cause and from which they do not benefit.

The NCUC can look to other jurisdictions for approaches that promote fair cost allocation in response to rapid large-load growth. In Virginia, for example, the State Corporation Commission directed Dominion Energy to develop proposals for new cost allocation methodologies for generation and transmission costs associated with new data center construction.³¹ Many utilities have also adopted large load tariff structures that include consumer protections such as large exit fees, minimum contract lengths, minimum demand charges, and options for

²⁹ Duke Energy, *Duke Energy Indiana Integrated Resource Plan*, (2024), <https://www.duke-energy.com/home/products/indiana-integrated-resource-plan>.

³⁰ Jared Leader, *Hurricane Helene: Hot Springs Microgrid*, Smart Electric Power Alliance (Mar. 2025), <https://sepapower.org/resource/case-study-hurricane-helene-hot-springs-microgrid/>.

³¹ Virginia State Corporation Commission, Docket PUR-2025-00058 (Nov. 2025), [HTTPS://WWW.SCC.VIRGINIA.GOV/DOCKETSEARCH/DOCS/89g6011.PDF](https://www.scc.virginia.gov/DOCKETSEARCH/DOCS/89g6011.PDF).

co-located generation.³² These approaches can address the unique demands of large load customers while minimizing financial risk to other ratepayers.

As North Carolina faces record growth in electricity demand from data centers and other large loads, it is critical that the state’s approach evolves to continue protecting ratepayers from unfair cost-shifting by incorporating industry best practices and using accurate demand forecasting.

Conclusion

The undersigned local governments are committed to the economic wellbeing, health, and resilience of our communities. Although our specific goals vary, we share a common commitment to an affordable, reliable, and clean energy system that supports the needs of all North Carolinians. The plans and actions proposed by Duke Energy have a profound influence on local governments’ ability to meet our goals and targets. In particular, the significant amount of projected energy demand, the proposed short-term investments in natural gas, and the delayed retirement of coal units to meet this demand create an economically risky environment with adverse health and financial impacts on residents and businesses. Some of these risks may be mitigated through refinements to Duke Energy’s planning processes and expansion of customer choice programs.

The undersigned local governments have a long history of partnering with Duke Energy on energy programs that benefit our residents, businesses, and local government operations. We remain committed to working collaboratively with Duke Energy to advance the solutions outlined above — lowering costs, reducing risk, and improving system efficiency for the benefit of our communities.

Thank you for the opportunity to provide comments. If you need additional information, please contact **NAME** with **CITY/COUNTY** (email or **XXX-XXX-XXXX**) and **HE/SHE/THEY** will direct your inquiry to the appropriate local government representative.

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³² Alyssa Perez et al., *Large energy users want power. Here’s how to protect other ratepayers from the costs*, RMI (Nov. 2025), <https://rmi.org/large-energy-users-want-power-heres-how-to-protect-other-ratepayers-from-the-costs/>.

Appendix A: Clean Energy and GHG Reduction Targets of North Carolina Local Governments

The clean energy and GHG reduction targets of the undersigned local governments include:

Local Government	Clean energy and GHG reduction targets
Town of Boone	Adopted a resolution establishing the goals of climate neutrality in municipal operations by 2030, 100% clean renewable energy used in municipal operations by 2040, and 100% clean renewable energy used in the entire Town of Boone by 2050. As of February 2022, the electricity that the Town of Boone consumes is from 100% renewable sources.
Town of Carrboro	Adopted its Community Climate Action Plan in 2017, aiming to reduce community-wide greenhouse gas emissions by 80% from a 2010 baseline by 2030.
Town of Chapel Hill	Adopted a resolution in 2019 to create a Climate Action Plan and achieve 80% clean, renewable energy in the community by 2030, and 100% by 2050. The Town also has a goal of reducing community GHGs 26-28% by 2025, 50% by 2030, and reaching net-zero emissions by 2050.
Chatham County	Adopted a resolution in 2017 to achieve 100% clean energy by 2050 and crafted a Comprehensive Plan focused on sustainable development, quality of life, and resiliency. The Comprehensive Plan's Resiliency section sets a goal to become a carbon-negative county. Electrification of transportation, energy efficiency, and cleaning the power supply will play a huge role in achieving and maintaining this goal.
Town of Davidson	Adopted a municipal operations goal of achieving carbon neutrality by 2037 and a community-wide carbon neutrality goal by 2050. The Town adopted a Climate Action Plan on April 9, 2024, which sets forth goals, strategies, and actions to reduce emission levels based on a 2019 greenhouse gas inventory to meet their carbon neutrality goals.
City of Durham	Adopted its Carbon Neutrality and Renewable Energy Action Plan in 2021. This plan commits the City to powering City buildings and operations with 80% renewable energy sources by 2030 and 100% by 2050 and reducing greenhouse gas emissions from City operations by 50% by 2030 and 100% by 2040.
Durham County	Adopted a greenhouse gas emissions reduction goal in 2007 of reducing government emissions by 50% and community emissions by 30% from 2005 levels by 2030. The County also adopted a goal of transitioning operations to 80% renewable energy by 2030 and 100% by 2050. In addition, the newly adopted Durham City-County Comprehensive Plan includes a goal for all of Durham to be carbon-neutral by 2050.
City of Greensboro	Adopted a resolution establishing the goals of: reducing GHGs in city operations by 40% from 2005 levels by 2025, reducing energy consumption in city-owned buildings by 40% from 2005 levels by 2025, and transitioning to 100% renewable energy in city operations by 2040. In addition, Greensboro's adopted comprehensive plan, GSO2040, contains high-level goals for prioritizing sustainability through environmental stewardship, social equity, and economic resilience.

Town of Hillsborough	Adopted a resolution in 2017 establishing a transition from fossil fuel-powered operations to 100% clean and renewable energy by December 31, 2050, or sooner and 80% clean and renewable energy by 2030.
Orange County	Adopted a resolution in 2017 to transition to 100% renewable energy by 2050 and a resolution to proportionally uphold the Paris Climate Agreement to reduce greenhouse gas emissions between 26 and 28 percent by 2025 from 2005 levels. Orange County’s Climate Action Plan, adopted in November 2023, further committed to reducing greenhouse gas emissions by 50% by 2030 and 100% by 2050.
City of Raleigh	Adopted a goal in 2019 of reducing community GHG emissions by 80% by 2050. In 2021, the City released Raleigh’s Community Climate Action Plan (CCAP) that prioritized strategies in the areas of buildings and energy, transportation and land use, and resilience and cross-cutting in order to meet GHG reduction, social advancement, and resilience goals. The Office of Sustainability has since reported on climate action progress to Raleigh City Council and in its CCAP implementation report and online CCAP data dashboard. In addition, the City’s Comprehensive Plan and Strategic Plan include policies and goals that focus on GHG reductions, utilizing alternative and renewable energy, improving energy efficiency, creating community benefit and resilience, and improving energy security.

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	Mark Bell

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RESOLUTION

Approving Traffic Calming for Lakeshore Drive and

WHEREAS, the Town of Hillsborough has a Traffic Calming Policy; and

WHEREAS, the Lakeshore Drive residents petitioned for consideration of Traffic Calming in August 2025; and

WHEREAS, traffic data was collected and analyzed and revealed that the 85th percentile speeds on the road were 35 miles per hour and 10 miles per hour over the posted speed limit; and

WHEREAS, town staff has recommended that Traffic Calming Measures be considered, including increased speed enforcement, installation of digital speed indicator signs and additional speed limit signs; and

WHEREAS, staff further recommends that speed data be analyzed again six months after the installation of Traffic Calming Measures and review of any additional treatment needed at that time;

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

- 1) The board approves the installation of the recommended Traffic Calming Measures.
- 2) Section B.2.4 of the Traffic Calming Policy be amended as follows to correct a scrivener's error:
 - a. "Vehicle speeds (~~for at least 85%~~ for the top 15% (85th percentile) of the vehicles, established by radar or equivalent method) must exceed 35 MPH (+10 MPH over posted speed limit.)"

Approved this 9th day of March of the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough

Attestation:

Sarah E. Kimrey

Sarah Kimrey, Town Clerk

Bond Order and Series Resolution authorizing the issuance of up to \$8,500,000 in water and sewer revenue bonds for the Thompson Building Renovation and Expansion Project

Introduction --

The Town has committed to renovate and expand the Adron F. Thompson Building. This project is planned to include a new welding shop, stockroom for inventory, additional office space, storage and restrooms.

By a resolution adopted on February 9, 2026, the Town made a preliminary determination to issue revenue bonds to finance some of the project costs. Revenue bonds are not secured by the Town's taxing power or any physical collateral, but instead by a pledge of the net operating revenues of the Town's water and sewer system. The Town has issued revenue bonds before to fund water and sewer projects.

The Town has applied to the North Carolina Local Government Commission for its approval of the revenue bonds, and the Commission has approved the Town's application. The Board now desires to adopt a bond order to authorize formally the issuance of Town revenue bonds for the projects, and to approve by resolution substantially final financing documents and other details of the financing.

BE IT ORDERED by the Board of Commissioners of the Town of Hillsborough, North Carolina, as follows:

1. There are hereby ordered to be issued by the Town, pursuant to the North Carolina Local Government Revenue Bond Act, a series of combined utility systems revenue bonds (the "2026 Bonds") in an amount not to exceed \$8,500,000 to pay capital costs of water and sewer system improvements, and in particular costs of the Thompson Building project, together with related financing and other necessary or incidental project costs.

2. The 2026 Bonds will be special obligations of the Town, secured by a pledge of the net receipts of the Town's water and sewer system. The principal of, and interest and any premium on, the 2026 Bonds shall be payable solely from the sources pledged to the payment. Neither the faith and credit nor the taxing power of the Town

or any other governmental entity shall be pledged for the payment of the principal of, or interest or any premium on, the 2026 Bonds, and no owner of the 2026 Bonds shall have the right to compel the exercise of the taxing power of any governmental entity in connection with any default on the 2026 Bonds.

3. The Town will issue the 2026 Bonds as “Additional Bonds” as provided in the Town’s existing Master Trust Agreement (the “Master Agreement”) for revenue bonds dated May 1, 2018. The Master Agreement sets the overall legal framework for all Town revenue bonds, including prior revenue bonds, the 2026 Bonds and any future revenue bonds.

BE IT RESOLVED by the Board as follows:

A. Sale of the 2026 Bonds – Webster Public Finance Corporation (the "Lender") has submitted a proposal to purchase the proposed 2026 Bonds. Town staff recommends that the Board accept the proposal, and the Board accepts the proposal. The Town asks the LGC to sell the 2026 Bonds to the Lender at a private sale, substantially in accordance with this resolution and the Lender's financing proposal dated January 29, 2026.

B. Approval of Supplemental Agreement; Direction To Execute Agreement – The Town will issue the 2026 Bonds to the Lender pursuant to a Third Supplemental Trust Agreement (the “Supplemental Agreement”) in substantially the form of the draft dated February 24, 2026 presented to this meeting, to be entered into by and between the Town and U.S. Bank Trust Company, National Association, as trustee. The Supplemental Agreement sets the terms specifically applicable to the 2026 Bonds, including the interest rate and the payment and prepayment provisions. The Supplemental Agreement will be dated, for identification purposes, as of March 1, 2026.

The Board authorizes the Mayor and the Town Manager, or either of them, to execute and deliver the Supplemental Agreement in its final form. The Supplemental Agreement in its final form must be in substantially the form presented, with such changes as the Mayor or the Town Manager may approve. The execution and delivery by an authorized Town officer will be conclusive evidence of that officer’s approval of any changes.

The Supplemental Agreement in its final form, however, must be consistent with the financing plan described in this resolution and must provide (a) for the principal amount of the 2026 Bonds not to exceed \$8,500,000, (b) for the 2026 Bonds to be issued initially as a single, fully registered bond, (c) for an annual interest rate not to exceed 4.38% (in the absence of a default or a change in tax status, substantially as described in the draft Supplemental Agreement), and (d) for a financing term not to extend beyond December 31, 2046.

C. Officers To Complete Closing - The Board authorizes the Town Manager, the Finance Director and all other Town officers and employees to take all proper steps to complete the financing in cooperation with the Lender and in accordance with this resolution.

The Board authorizes the Town Manager to hold executed copies of all financing documents authorized or permitted by this resolution in escrow on the Town's behalf until the conditions for their delivery have been completed to that officer's satisfaction, and then to release the executed copies of the documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the foregoing, the Board specifically authorizes the Town Manager to (a) to approve and enter into additional agreements to carry out the financing contemplated by this resolution, including agreements for the custody of proceeds of the 2026 Bonds and agreements for appropriate professional services, and (b) to approve changes to any documents previously signed by Town officers or employees, provided that the changes do not conflict with this resolution or substantially alter the intent from that expressed in the form originally signed. The Town Manager's authorization of the release of any document for delivery will constitute conclusive evidence of that officer's approval of any changes.

In addition, the Board authorizes the Town Manager and the Finance Director to take all appropriate steps for the efficient and convenient carrying out of the Town's on-going responsibilities with respect to the financing. This authorization includes, without limitation, contracting with third parties for reports and calculations that may be required under this resolution or otherwise with respect to the Master Agreement, the Supplemental Agreement or the 2026 Bonds.

D. Resolutions as to Tax Matters -- The Town will not take or omit to take any action the taking or omission of which will cause the 2026 Bonds to be "arbitrage bonds," within the meaning of Section 148 of the "Code" (as defined below), or "private activity bonds" within the meaning of Code Section 141, or otherwise cause interest on the 2026 Bonds to be includable in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the Town will comply with any Code provision that may require the Town at any time to pay to the United States any part of the earnings derived from the investment of the financing proceeds. In this resolution, "Code" means the United States Internal Revenue Code of 1986, as amended, and includes applicable Treasury regulations.

E. Additional Provisions -- The Board authorizes all Town officers and employees to take all further action as they may consider necessary or desirable in furtherance of the purposes of this resolution. The Board ratifies all prior actions of Town officers and employees to this end. Upon the absence, unavailability or refusal to act of the Town Manager, the Mayor or the Finance Director, any other of those officers may assume any responsibility or carry out any function assigned in this resolution. In addition, the Mayor Pro Tem or any Deputy or Assistant Town Clerk may in any event assume any responsibility or carry out any function assigned in this resolution to the Mayor or the Clerk, respectively. All other Board proceedings, or parts thereof, in conflict with this resolution are repealed, to the extent of the conflict. This resolution takes effect immediately.

Approved this 9th day of March of the year 2026.



Mark Bell

Mark Bell, Mayor

Town of Hillsborough

Attestation:

Sarah E. Kimrey

Sarah Kimrey, Town Clerk



Minutes

Board of Commissioners Work Session

7 p.m. March 23, 2026

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

Present: Mayor Mark Bell and commissioners Meaghun Darab, Robb English, Kathleen Ferguson and Matt Hughes

Absent: Commissioner Evelyn Lloyd

Staff: Planning and Economic Development Manager Shannan Campbell, Assistant Town Manager and Community Services Director Matt Efird, Stormwater Program Coordinator Heather Fisher, Engineering Services Manager Bryant Green, Stormwater and Environmental Services Manager Terry Hackett, Stormwater Technician Claire Hansen, Town Attorney Bob Hornik, Town Clerk and Human Resources Technician Sarah Kimrey, Communications Specialist JC Leser-McMinn, Town Manager Eric Peterson and Chief of Police Jason Winn

1. Opening of the work session

Mayor Mark Bell called the meeting to order at 7 p.m.

2. Agenda changes and approval

Motion: Commissioner Matt Hughes moved to approve the agenda as presented. Commissioner Kathleen Ferguson seconded.

Vote: 4-0.

3. Appointments

- A. Planning Board – Appointment of Megan Kimball as a town representative for a partial term ending June 30, 2027

Motion: Ferguson moved to approve the appointment. Commissioner Robb English seconded.

Vote: 4-0.

4. Items for decision – consent agenda

- A. Miscellaneous budget amendments and transfers
- B. Proclamation Recognizing April 2026 as Native Plant Month
- C. Proclamation Recognizing April 2026 as Sexual Assault Awareness Month
- D. Proclamation Recognizing March 2026 as American Red Cross Month
- E. Special Event Permit – 2026 Last Fridays and Art Walk Series
- F. Tourism Board and Tourism Development Authority Fiscal Year 2026 Budget Amendments
- G. Authorize a plat signature and accept a donation of land from 2340 Turner End Dr.

Motion: Ferguson moved to approve all items on the consent agenda. Hughes seconded.

Vote: 4-0. Nays: 0.

5. In-depth discussion and topics

A. Special Event Permit – Wooden Nickel Pub’s Zwanze Day

Planning and Economic Development Manager Shannan Campbell presented a special event permit request from the Wooden Nickel Pub for “Zwanze Day,” a rare beer event involving 28 U.S. bars participating in a global simultaneous toast. The proposal includes temporarily closing a portion of the public parking lot behind the pub. During the presentation, concerns were raised about potential traffic impacts on Churton Street, police and EMS access, and the overall effect on downtown activity.

Commissioners discussed traffic management, emergency access, and the precedent such an event might set. They emphasized the need for careful logistical planning, adherence to sound regulations, and coordination with nearby businesses to minimize disruptions and support downtown vitality.

Staff recommend approval with the following conditions:

- Event organizers obtain written approval from all parking-lot property owners.
- Event organizers obtain an ABC permit premises extension for the event area.
- Event organizers obtain an event insurance certificate.
- Event organizers notify all businesses adjacent to the parking lot of the closure date and time(s).

The board added the following conditions:

- Event organizers work with local hotel and motel providers to create a package and encourage overnight stays in town.
- Event organizers explore options for providing off-site parking and shuttle service to the event site.
- Staff work with the event organizer to identify nearby private parking lots where they may request property-owner permission for event parking.
- Staff share amplified-music regulations with the event organizer due to nearby residential properties.

Motion: Commissioner Meaghun Darab moved to approve the special event permit with staff-recommended conditions and those discussed during the meeting. Ferguson seconded.

Vote: 4-0.

B. Annexation interest letter for 211 and 214 Rencher Street (voluntary, non-contiguous request)

The planning and economic development manager presented a voluntary annexation request for properties at the end of Rencher Street. The applicant seeks to establish a small subdivision necessitating water and sewer services through annexation.

Applicant representative Chris Rurkowski outlined a plan for creating up to 12 lots for workforce housing priced between \$300,000-\$400,000. The property is zoned R-10 and lies within the urban service boundary.

Staff had concerns about the annexation's non-contiguous nature since it would remain non-contiguous for a long time and consume limited satellite annexation capacity. Other issues included shared road maintenance responsibilities between the North Carolina Department of Transportation and the town, and the costs related to providing municipal services to an isolated area.

Commissioners opposed annexation due to its non-contiguous location and service delivery issues but were open to considering water and sewer extensions only. Commissioner Ferguson expressed concerns about the proposed home prices potentially driving up property values and favored smaller, affordable housing.

Engineering Services Manager Bryant Green clarified that the town could provide water and sewer services without annexation, yet residents would incur out-of-town rates and lack other municipal services.

Motion: Hughes moved to decline the annexation request and directed the applicant to pursue water and sewer extension without annexation. English seconded.

Vote: 3-1. Nay: Ferguson.

C. Stormwater Program Update

Stormwater and Environmental Services Manager Terry Hackett celebrated the 20th anniversary of the stormwater program, noting its growth from an \$85,000 annual contract to a \$1.1 million budget with three full-time staff. He shared key achievements such as educating over 4,600 adults and 11,000 students, planting nearly 6,500 plants, removing 139 tons of trash and debris, completing 21 watershed projects, and managing 165 stormwater control measures.

Stormwater Program Coordinator Heather Fisher discussed the Odie Street stream stabilization project, turning a degraded ditch into a stream, and mentioned future projects like potential Eno River dam removal and watershed restoration planning.

Stormwater Technician Claire Hansen addressed illicit discharges, highlighting recent incidents at Circle K and a car wash that caused green-colored water in the town cemetery.

Commissioners praised the program's significant environmental impact over two decades.

D. Settlement agreement for KEPSC Hillsborough LLC v. Town of Hillsborough

Town Attorney Bob Hornik presented the settlement agreement that has been under discussion for several months. He explained that approval would release both parties from all claims and avoid potential seven-figure damages and six-figure legal costs.

The Planning Board recommended approval of the associated rezoning and development agreement at their recent meeting. Following board approval, the settlement would go to court for a judge's order before returning to the board for final consideration of the development agreement.

Motion: Darab moved to adopt the resolution to approve the settlement agreement. Hughes seconded.

Vote: 4-0.

6. **Committee updates and reports**

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

7. **Adjournment**

Motion: Hughes moved to adjourn at 9:08 p.m. Ferguson seconded.

Vote: 4-0.

Respectfully submitted,

Sarah Kimrey
Town Clerk
Staff support to the Board of Commissioners

Budget Adjustment Report

Adjustment Detail

For Date Range: 03/23/2026 - 03/23/2026

Town of Hillsborough, NC

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 10 - GENERAL						
Department: 3900 - FUND BALANCE APPROPRIATION						
10-00-3900-3900000	FUND BALANCE APPROPRIATION			-207,819.00	-15,000.00	-222,819.00
BA0000330	Cover legal fees for Governing Body	GLPKT02950	03/23/2026		-15,000.00	
Department 3900 Total:				-207,819.00	-15,000.00	-222,819.00
Department: 4100 - GOVERNING BODY						
10-10-4100-5300041	ATTORNEY FEES			90,000.00	15,000.00	105,000.00
BA0000330	Cover legal fees for Governing Body	GLPKT02950	03/23/2026		15,000.00	
Department 4100 Total:				90,000.00	15,000.00	105,000.00
Department: 5000 - FACILITY MANAGEMENT						
10-10-5000-5300130	UTILITIES			31,680.00	-800.00	30,880.00
BA0000341	Cover Facilities Mgmt Copier Lease	GLPKT03086	03/23/2026		-800.00	
10-10-5000-5300447	CS - COPIER			11,000.00	2,800.00	13,800.00
BA0000341	Cover Facilities Mgmt Copier Lease	GLPKT03086	03/23/2026		2,800.00	
10-10-5000-5300570	MISCELLANEOUS			2,000.00	-2,000.00	0.00
BA0000341	Cover Facilities Mgmt Copier Lease	GLPKT03086	03/23/2026		-2,000.00	
Department 5000 Total:				44,680.00	0.00	44,680.00
Department: 5400 - ENGINEERING SERVICES						
10-30-5400-5300330	SUPPLIES - DEPARTMENTAL			300.00	500.00	800.00
BA0000339	Cover department supplies through year-end	GLPKT03041	03/23/2026		500.00	
10-30-5400-5300570	MISCELLANEOUS			500.00	-500.00	0.00
BA0000339	Cover department supplies through year-end	GLPKT03041	03/23/2026		-500.00	
Department 5400 Total:				800.00	0.00	800.00
Department: 6300 - PUBLIC SPACE						
10-10-6300-5300154	MAINT - GROUNDS			253,556.00	4,000.00	257,556.00
BA0000331	Cover grounds maintenance costs	GLPKT03000	03/23/2026		4,000.00	
10-10-6300-5300330	SUPPLIES - DEPARTMENTAL			44,000.00	-4,000.00	40,000.00
BA0000331	Cover grounds maintenance costs	GLPKT03000	03/23/2026		-4,000.00	
Department 6300 Total:				297,556.00	0.00	297,556.00
Department: 6600 - SAFETY & RISK MANAGEMENT						
10-10-6600-5300330	SUPPLIES - DEPARTMENTAL			11,000.00	-2,000.00	9,000.00
BA0000332	Cover FastMed vendor services through year...	GLPKT03018	03/23/2026		-2,000.00	
10-10-6600-5300570	MISCELLANEOUS			1,500.00	2,000.00	3,500.00
BA0000332	Cover FastMed vendor services through year...	GLPKT03018	03/23/2026		2,000.00	
Department 6600 Total:				12,500.00	0.00	12,500.00
Fund 10 Total:				237,717.00	0.00	237,717.00
Fund: 30 - WATER/SEWER						
Department: 8140 - WATER DISTRIBUTION						
30-80-8140-5300165	MAINT - INFRASTRUCTURE			190,000.00	-18,000.00	172,000.00
BA0000338	Move meters to road ROW and close galvani...	GLPKT03024	03/23/2026		-18,000.00	
30-80-8140-5300505	CS - PLUMBING			45,000.00	43,000.00	88,000.00
BA0000329	Cover on-call plumbing service: Water Distri...	GLPKT02948	03/23/2026		25,000.00	
BA0000338	Move meters to road ROW and close galvani...	GLPKT03024	03/23/2026		18,000.00	
30-80-8140-5300530	DUES & SUBSCRIPTIONS			3,000.00	-50.00	2,950.00

Budget Adjustment Report

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
BA0000340	Cover dues and subscriptions for WW Collect...	GLPKT03060	03/23/2026		-50.00	
Department 8140 Total:				238,000.00	24,950.00	262,950.00
Department: 8200 - WASTEWATER COLLECTION						
30-80-8200-5300505	CS - PLUMBING			45,000.00	-25,000.00	20,000.00
BA0000329	Cover on-call plumbing service: Water Distri...	GLPKT02948	03/23/2026		-25,000.00	
30-80-8200-5300530	DUES & SUBSCRIPTIONS			2,500.00	50.00	2,550.00
BA0000340	Cover dues and subscriptions for WW Collect...	GLPKT03060	03/23/2026		50.00	
Department 8200 Total:				47,500.00	-24,950.00	22,550.00
Fund 30 Total:				285,500.00	0.00	285,500.00
Budget Code 2025-2026 Total:				523,217.00	0.00	523,217.00

APPROVED: 4/0

DATE: 3/23/26

VERIFIED: _____

Sharon E. Kimrey

DRAFT

Budget Adjustment Report

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026				
	10	237,717.00	0.00	237,717.00
	30	285,500.00	0.00	285,500.00
Budget Code 2025-2026 Total:		523,217.00	0.00	523,217.00

DRAFT



PROCLAMATION Native Plant Month April 2026

WHEREAS, native plants are indigenous species that have evolved and occur naturally in a particular region, ecosystem, and habitat; and

WHEREAS, native plants are vital for maintaining and restoring the healthy ecosystem needed to sustain our environment, including seed dispersal; pollination of crops and natural vegetation; prevention of flooding, drought, and erosion; regulation of disease-carrying organisms; and moderation of weather extremes; and

WHEREAS, North Carolina is home to more than 3,900 native plant species, including trees, shrubs, vines, grasses, and wildflowers, making it one of the most diverse states for native plants in the Southeast; and

WHEREAS, native plants provide shelter as well as nectar, pollen, and seeds that serve as food for native butterflies, insects, birds, amphibians and other wildlife in ways that non-native plants cannot; and

WHEREAS, 969 of the native plant species in North Carolina have been designated as significantly rare and/or in decline and may be in danger of extinction; and

WHEREAS, 94 of those 969 imperiled plants have been found in Orange County;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim April 2026 as Native Plant Month to recognize the many benefits of native plants to the environment and economy of the Town of Hillsborough.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 23rd day of March in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough



PROCLAMATION

Recognizing April 2026 as Sexual Assault Awareness Month

WHEREAS, the nonprofit Orange County Rape Crisis Center provides support to survivors of sexual violence, their loved ones, and community professionals and has served Hillsborough, Chapel Hill, Carrboro, and surrounding areas since 1974; and

WHEREAS, the Hillsborough Police Department partners with the Orange County Rape Crisis Center as a resource for residents who have fallen victim to rape or sexual assault; and

WHEREAS, the Orange County Rape Crisis Center works with the county's two school systems and other groups to provide students with age-appropriate information about violence prevention, reaching over 10,000 youth and adults each year; and

WHEREAS, the Orange County Domestic Violence and Sexual Assault Response Committee is bringing together members of law enforcement, the medical community, the legal system and other community advocates to improve services for survivors of sexual assault who come forward; and

WHEREAS, one in five American women have been sexually assaulted at some point in their lives; and

WHEREAS, rape is the costliest crime to its survivors in the United States, totaling over \$3 trillion in lifetime costs considering factors such as medical cost, lost earnings, pain, suffering and lost quality of life; and

WHEREAS, 81% of women and 24% of men in the United States have experienced some form of sexual or physical violence committed by an intimate partner; and

WHEREAS, trans and gender non-conforming people, people with disabilities and children face the highest rates of sexual violence in our country; and

WHEREAS, victim-blaming continues to be an enormous problem in instances of rape and sexual assault; and

WHEREAS, the Orange County Rape Crisis Center is working to stop sexual violence and its impact through support, education and advocacy;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim April 2026 as Sexual Assault Awareness Month in the Town of Hillsborough and encourage all residents to speak out against sexual violence and to support their local community's efforts to prevent and respond to these appalling crimes.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 23rd day of March in the year 2026.

Mark Bell

Mark Bell, Mayor

Town of Hillsborough



PROCLAMATION

American Red Cross Month 2026

WHEREAS, in March, we celebrate American Red Cross Month by honoring our neighbors who make its humanitarian mission possible in Hillsborough, North Carolina. Every day, their acts of kindness change lives, bringing relief, comfort and hope when help can't wait. This compassionate spirit runs deep in our community, just as it has for 145 years through the American Red Cross; and

WHEREAS, today, those who serve with the emergency disaster response for local fires and hurricanes, blood donor services, and safety training light the way during emergencies — whether it's delivering shelter, food and comfort after disasters; providing a safe, lifesaving blood supply for patients facing conditions like cancer treatments, childbirth complications and traumatic injuries; assisting military members, veterans and their families with 24/7 global support; or empowering individuals with skills like first aid and CPR that save lives; and

WHEREAS, these collective efforts are a powerful reminder that the strength of our community lies in our shared commitment to one another. Here in Orange County this past year the Red Cross collected 3,765 units of blood and blood products at 129 blood drives; trained 1,761 individuals in First Aid, CPR & AED; assisted 46 military members, veterans and their families; installed 56 smoke alarms making nearly 30 homes safer; assisted 23 people after home fires; and provided shelter, food and support after Tropical Storm Chantal flooded nearby areas in Chapel Hill and Carrboro. As we mark Red Cross Month, let's celebrate our local heroes and resolve to continue lifting each other up, so no one faces an emergency alone;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim March 2026 as American Red Cross Month in the Town of Hillsborough and I encourage all residents to reach out and support its humanitarian mission.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 23rd day of March in the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough

Budget Adjustment Register

Packet: GLPKT03019 - Auto Process - GL Budget Adjustment

Budget Code Summary

Budget	Budget Description	Account	Account Description	Before	Adjustment	After
2025-2026	Budget 2025-2026	74-00-3900-3900000	FUND BALANCE APPROPRIATION	-100,779.00	-12,500.00	-113,279.00
		74-51-6250-5300731	SPECIAL PROJ/PARTNERSHIPS	6,000.00	12,500.00	18,500.00
			2025-2026 Total:	-94,779.00	0.00	-94,779.00
			Grand Total:	-94,779.00	0.00	-94,779.00

DRAFT

Budget Adjustment Register

Fund Summary

Fund	Before	Adjustment	After
Budget Code:2025-2026 - Budget 2025-2026 Fiscal: 2025-2026			
74	-94,779.00	0.00	-94,779.00
Budget Code 2025-2026 Total:	-94,779.00	0.00	-94,779.00
Grand Total:	-94,779.00	0.00	-94,779.00

DRAFT



RESOLUTION

Approving a Settlement Agreement and Consent Order For Resolution of Pending Litigation

WHEREAS, the Town of Hillsborough was named as a Defendant in the litigation styled KEPSC Hillsborough, LLC, Plaintiff, v. Town of Hillsborough, Defendant, Orange County Superior Court, Case No. 24CV003340-670, which made certain allegations concerning the Plaintiff's planned development of property on statutory and constitutional grounds, and the town has denied any wrongdoing or liability; and

WHEREAS, the parties have reached an agreement to settle the litigation after a court-mandated mediated settlement conference; and

WHEREAS, the proposed development has been made the subject of a rezoning application and proposed development agreement that were presented to the Hillsborough Board of Commissioners and the Hillsborough Planning Board at a joint public hearing of those bodies on February 18, 2026, where public comment was received; and

WHEREAS, the Hillsborough Board of Commissioners wishes to enter into the Settlement Agreement attached to this Resolution as Exhibit A and to request that an Orange County Superior Court Judge enter the Consent Order attached to this Resolution as Exhibit B, with the intention of fully and finally resolving the litigation;

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

1. The Settlement Agreement attached to this Resolution as Exhibit A is approved and the Assistant Town Manager is hereby authorized and directed to execute the Settlement Agreement on behalf of the Town of Hillsborough.
2. The Consent Order attached to this Resolution as Exhibit B is approved and counsel for the Town of Hillsborough is authorized and directed to present the Consent Order to a judge of the Orange County Superior Court for consideration.
3. Upon execution of the Settlement Agreement and entry of the Consent Order, the Town of Hillsborough Board of Commissioners shall undertake all necessary steps to carry out the duties agreed to in the Settlement Agreement and required by the Court in the Consent Order.

Approved this 23rd day of March of the year 2026.



Mark Bell

Mark Bell, Mayor
Town of Hillsborough

Attestation:

Sarah E. Kimrey

Sarah Kimrey, Town Clerk



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
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 budget 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.

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 10 - GENERAL						
Revenue						
Department: 3100 - TAX LEVY						
10-00-3100-3101216	2016 TAX LEVY			0.00	-546.00	-546.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-546.00	
10-00-3100-3101217	2017 TAX LEVY			0.00	-529.00	-529.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-529.00	
10-00-3100-3101218	2018 TAX LEVY			0.00	-2,139.00	-2,139.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-2,139.00	
10-00-3100-3101219	2019 TAX LEVY			0.00	-2,027.00	-2,027.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-2,027.00	
10-00-3100-3101220	2020 TAX LEVY			0.00	-1,897.00	-1,897.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-1,897.00	
10-00-3100-3101221	2021 TAX LEVY			0.00	-3,204.00	-3,204.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-3,204.00	
10-00-3100-3101222	2022 TAX LEVY			0.00	-1,852.00	-1,852.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-1,852.00	
10-00-3100-3101223	2023 TAX LEVY			0.00	-6,729.00	-6,729.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-6,729.00	
10-00-3100-3101224	2024 TAX LEVY			-40,000.00	16,554.00	-23,446.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		16,554.00	
10-00-3100-3101225	2025 TAX LEVY			-10,899,000.00	-10,450.00	-10,909,450.00
BA0000349	Adj per actual	GLPKT03208	04/13/2026		-10,450.00	
Department 3100 Total:				-10,939,000.00	-12,819.00	-10,951,819.00
Department: 3300 - RESTRICTED REVENUES						
10-30-3300-3301000	POWELL BILL TAX			-330,000.00	-8,553.00	-338,553.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-8,553.00	
Department 3300 Total:				-330,000.00	-8,553.00	-338,553.00
Department: 3400 - FEE REVENUES						
10-30-3400-3401200	ENGINEERING SERVICES FEES			0.00	-55,000.00	-55,000.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-55,000.00	
Department 3400 Total:				0.00	-55,000.00	-55,000.00
Department: 3800 - NON-DEPARTMENTAL						
10-00-3800-3800510	NR FINGERPRINTING FEE			0.00	-360.00	-360.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-360.00	
Department 3800 Total:				0.00	-360.00	-360.00
Department: 3880 - NON-DEPARTMENTAL						
10-80-3880-3887000	INSURANCE PROCEEDS			0.00	-710,165.57	-710,165.57
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-710,165.57	
Department 3880 Total:				0.00	-710,165.57	-710,165.57
Department: 3900 - FUND BALANCE APPROPRIATION						
10-00-3900-3900000	FUND BALANCE APPROPRIATION			-207,819.00	733,816.57	525,997.57
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		736,316.57	
BA0000364	A250 Banners	GLPKT03317	04/13/2026		-2,500.00	
Department 3900 Total:				-207,819.00	733,816.57	525,997.57

Budget Adjustment Report

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Department: 3980 - DEBT ISSUANCE PROCEEDS						
10-30-3980-3900100	POWELL BILL FUND BALANCE APPROPRIATION			0.00	4,000.00	4,000.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		4,000.00	
Department 3980 Total:				0.00	4,000.00	4,000.00
Revenue Total:				-11,476,819.00	-49,081.00	-11,525,900.00
Expense						
Department: 4000 - DISASTER						
10-10-4000-5120050	FICA			0.00	15.00	15.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		15.00	
10-10-4000-5300161	MAINT - VEHICLES			0.00	367.00	367.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		367.00	
10-10-4000-5300570	MISCELLANEOUS			0.00	-382.00	-382.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		-382.00	
Department 4000 Total:				0.00	0.00	0.00
Department: 4100 - GOVERNING BODY						
10-10-4100-5100031	SALARIES - MAYOR			8,400.00	1,045.00	9,445.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,045.00	
10-10-4100-5110010	SALARIES - COMMISSIONERS			36,000.00	5,000.00	41,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		5,000.00	
Department 4100 Total:				44,400.00	6,045.00	50,445.00
Department: 4200 - ADMINISTRATION						
10-10-4200-5100020	SALARIES			633,343.00	21,657.00	655,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		21,657.00	
10-10-4200-5120050	FICA			44,836.00	1,164.00	46,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,164.00	
10-10-4200-5127070	RETIREMENT			90,361.00	3,639.00	94,000.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		3,639.00	
10-10-4200-5127071	401(K) RETIREMENT SUPP			31,398.00	1,302.00	32,700.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,302.00	
Department 4200 Total:				799,938.00	27,762.00	827,700.00
Department: 4400 - ACCOUNTING						
10-10-4400-5100020	SALARIES			499,835.00	19,265.00	519,100.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		19,265.00	
10-10-4400-5127070	RETIREMENT			67,276.00	2,624.00	69,900.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		2,624.00	
10-10-4400-5127071	401(K) RETIREMENT SUPP			23,376.00	924.00	24,300.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		924.00	
10-10-4400-5300110	TELEPHONE/INTERNET			2,760.00	1,080.00	3,840.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,080.00	
10-10-4400-5300112	POSTAGE			2,500.00	142.00	2,642.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		142.00	
10-10-4400-5300338	SUPPLIES - DATA PROCESSING			500.00	73.00	573.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		73.00	
10-10-4400-5300570	MISCELLANEOUS			10,210.00	-215.00	9,995.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		-215.00	
Department 4400 Total:				606,457.00	23,893.00	630,350.00
Department: 4500 - HUMAN RESOURCES						
10-10-4500-5100020	SALARIES			241,757.00	14,743.00	256,500.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		14,743.00	
10-10-4500-5120050	FICA			18,495.00	855.00	19,350.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		855.00	

Budget Adjustment Report

For Date Range: **04/13/2026 - 04/13/2026**

Account Number	Account Name			Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date	Amount		
10-10-4500-5125060	INSURANCE - HEALTH			24,828.00	772.00	25,600.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		772.00	
10-10-4500-5125062	INSURANCE - DENTAL			836.00	19.00	855.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		19.00	
10-10-4500-5127070	RETIREMENT			32,832.00	2,923.00	35,755.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		2,923.00	
10-10-4500-5127071	401(K) RETIREMENT SUPP			11,408.00	1,007.00	12,415.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		1,007.00	
Department 4500 Total:				330,156.00	20,319.00	350,475.00
Department: 4600 - COMMUNICATIONS						
10-10-4600-5100020	SALARIES			282,876.00	14,724.00	297,600.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		14,724.00	
10-10-4600-5120050	FICA			21,640.00	960.00	22,600.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		960.00	
10-10-4600-5127070	RETIREMENT			40,275.00	2,330.00	42,605.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		2,330.00	
10-10-4600-5127071	401(K) RETIREMENT SUPP			13,994.00	806.00	14,800.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026		806.00	
Department 4600 Total:				358,785.00	18,820.00	377,605.00
Department: 4900 - PLANNING						
10-10-4900-5100020	SALARIES			587,602.00	34,898.00	622,500.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		34,898.00	
10-10-4900-5120050	FICA			44,952.00	648.00	45,600.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		648.00	
10-10-4900-5125060	INSURANCE - HEALTH			68,512.00	2,388.00	70,900.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		2,388.00	
10-10-4900-5127070	RETIREMENT			84,125.00	5,375.00	89,500.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		5,375.00	
10-10-4900-5127071	401(K) RETIREMENT SUPP			29,231.00	1,894.00	31,125.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		1,894.00	
10-10-4900-5300467	CS - MINUTES PREPARER			6,500.00	-6,500.00	0.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		-6,500.00	
Department 4900 Total:				820,922.00	38,703.00	859,625.00
Department: 5000 - FACILITY MANAGEMENT						
10-10-5000-5100020	SALARIES			91,450.00	520.00	91,970.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		520.00	
10-10-5000-5120050	FICA			6,996.00	34.00	7,030.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		34.00	
10-10-5000-5125061	INSURANCE - LIFE/DISABILITY/VISION			150.00	5.00	155.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		5.00	
10-10-5000-5127070	RETIREMENT			13,160.00	65.00	13,225.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		65.00	
10-10-5000-5127071	401(K) RETIREMENT SUPP			4,573.00	27.00	4,600.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026		27.00	
10-10-5000-5300145	MAINT - BUILDINGS			275,809.00	18,450.00	294,259.00
BA0000342	Move expense to Maintenance - Building ac...	GLPKT03132	04/13/2026		18,450.00	
10-10-5000-5700735	CAPITAL - BUILDINGS & IMPROVEMENTS			67,800.00	-18,450.00	49,350.00
BA0000342	Move expense to Maintenance - Building ac...	GLPKT03132	04/13/2026		-18,450.00	
Department 5000 Total:				459,938.00	651.00	460,589.00

Budget Adjustment Report

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date	Amount
Department: 5100 - POLICE				
10-20-5100-5100020	SALARIES			2,834,502.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	55,918.00
10-20-5100-5127070	RETIREMENT			441,985.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	22,015.00
10-20-5100-5127071	401(K) RETIREMENT SUPP			138,827.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	6,823.00
10-20-5100-5127075	SEPARATION ALLOWANCE			117,128.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	11,872.00
10-20-5100-5300161	MAINT - VEHICLES			3,000.00
BA0000344	Move non-capitalized expense	GLPKT03177	04/13/2026	8,491.00
10-20-5100-5300310	GASOLINE			65,000.00
BA0000352	Cover HPD vest purchases	GLPKT03244	04/13/2026	-5,000.00
10-20-5100-5300350	UNIFORMS			24,000.00
BA0000352	Cover HPD vest purchases	GLPKT03244	04/13/2026	5,000.00
10-20-5100-5700740	CAPITAL - VEHICLES			180,000.00
BA0000344	Move non-capitalized expense	GLPKT03177	04/13/2026	-8,491.00
Department 5100 Total:				3,804,442.00
				96,628.00
				3,901,070.00
Department: 5400 - ENGINEERING SERVICES				
10-30-5400-5100020	SALARIES			274,860.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	13,490.00
10-30-5400-5120050	FICA			21,027.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	1,298.00
10-30-5400-5127070	RETIREMENT			39,553.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	1,992.00
10-30-5400-5127071	401(K) RETIREMENT SUPP			13,743.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	707.00
Department 5400 Total:				349,183.00
				17,487.00
				366,670.00
Department: 5550 - FLEET MAINTENANCE				
10-30-5550-5100020	SALARIES			276,065.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	16,560.00
10-30-5550-5120050	FICA			21,119.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	266.00
10-30-5550-5127070	RETIREMENT			39,079.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	4,421.00
10-30-5550-5127071	401(K) RETIREMENT SUPP			13,579.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	1,271.00
10-30-5550-5300110	TELEPHONE/INTERNET			840.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	480.00
Department 5550 Total:				350,682.00
				22,998.00
				373,680.00
Department: 5600 - STREETS				
10-30-5600-5100010	OVERTIME COMPENSATION			3,000.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	10.00
10-30-5600-5100020	SALARIES			232,997.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	28,063.00
10-30-5600-5120050	FICA			17,825.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	975.00
10-30-5600-5125060	INSURANCE - HEALTH			42,446.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	3,954.00
10-30-5600-5125062	INSURANCE - DENTAL			1,253.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	232.00

Section 5, Item B.

Budget Adjustment Report

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
10-30-5600-5127070	RETIREMENT			30,356.00	7,944.00	38,300.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		7,944.00	
10-30-5600-5127071	401(K) RETIREMENT SUPP			10,548.00	2,712.00	13,260.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		2,712.00	
10-30-5600-5300110	TELEPHONE/INTERNET			1,608.00	42.00	1,650.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		42.00	
10-30-5600-5300583	MISC - TAX, TAGS, ETC			0.00	25.00	25.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		25.00	
10-30-5600-5300760	POWELL BILL			330,000.00	4,553.00	334,553.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		4,553.00	
10-30-5600-5700741	CAPITAL - EQUIPMENT			45,000.00	10,450.00	55,450.00
BA0000349	Radar Speed Signs	GLPKT03208	04/13/2026		10,450.00	
Department 5600 Total:				715,033.00	58,960.00	773,993.00
Department: 5800 - SOLID WASTE						
10-30-5800-5100020	SALARIES			317,225.00	-47.00	317,178.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		-47.00	
10-30-5800-5120050	FICA			24,268.00	22.00	24,290.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		22.00	
Department 5800 Total:				341,493.00	-25.00	341,468.00
Department: 6300 - PUBLIC SPACE						
10-10-6300-5300080	TRAINING/CONF/CONV			1,000.00	400.00	1,400.00
BA0000360	Cover training expense	GLPKT03275	04/13/2026		400.00	
10-10-6300-5300330	SUPPLIES - DEPARTMENTAL			44,000.00	-400.00	43,600.00
BA0000360	Cover training expense	GLPKT03275	04/13/2026		-400.00	
Department 6300 Total:				45,000.00	0.00	45,000.00
Department: 6510 - RAIL STATION						
10-71-6510-5982006	TRANSFER TO FUND 60 - GEN CAP IMPROV			50,000.00	-50,000.00	0.00
BA0000347	Adj per FY26 Budget	GLPKT03192	04/13/2026		-50,000.00	
Department 6510 Total:				50,000.00	-50,000.00	0.00
Department: 6600 - SAFETY & RISK MANAGEMENT						
10-10-6600-5100020	SALARIES			105,040.00	3,510.00	108,550.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		3,510.00	
10-10-6600-5125060	INSURANCE - HEALTH			10,548.00	157.00	10,705.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		157.00	
10-10-6600-5127070	RETIREMENT			15,116.00	494.00	15,610.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		494.00	
10-10-6600-5127071	401(K) RETIREMENT SUPP			5,252.00	178.00	5,430.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026		178.00	
Department 6600 Total:				135,956.00	4,339.00	140,295.00
Department: 6610 - INFORMATION TECHNOLOGY						
10-71-6610-5982006	TRANSFER TO FUND 60 - GEN CAP IMPROV			0.00	50,000.00	50,000.00
BA0000347	Adj per FY26 Budget	GLPKT03192	04/13/2026		50,000.00	
Department 6610 Total:				0.00	50,000.00	50,000.00

Budget Adjustment Report

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date	Amount
Department: 6900 - SPECIAL APPROPRIATIONS				
10-60-6900-5300570	MISCELLANEOUS	637,500.00	-287,499.00	350,001.00
BA0000343	Yr-end Adj	GLPKT03158	04/13/2026	-96,839.00
BA0000344	Yr-End Adj	GLPKT03177	04/13/2026	-135,982.00
BA0000345	Yr-end Adj	GLPKT03179	04/13/2026	-57,178.00
BA0000364	A250 Banners	GLPKT03317	04/13/2026	2,500.00
Department 6900 Total:		637,500.00	-287,499.00	350,001.00
Expense Total:		9,849,885.00	49,081.00	9,898,966.00
Fund 10 Total:		-1,626,934.00	0.00	-1,626,934.00
Fund: 30 - WATER/SEWER				
Revenue				
Department: 3500 - NON-DEPARTMENTAL				
30-80-3500-3528000	ENGINEERING REVIEW FEES	-5,000.00	-120,000.00	-125,000.00
BA0000351	Recognize developer contribution	GLPKT03242	04/13/2026	-120,000.00
30-80-3500-3528001	WATER & SEWER INSPECTION FEES	-500.00	-56,986.00	-57,486.00
BA0000357	Adj per actual	GLPKT03264	04/13/2026	-56,986.00
Department 3500 Total:		-5,500.00	-176,986.00	-182,486.00
Department: 3850 - INTEREST EARNED				
30-00-3850-3850000	INTEREST EARNED	-300,000.00	-52,004.00	-352,004.00
BA0000357	Adj per actual	GLPKT03264	04/13/2026	-52,004.00
Department 3850 Total:		-300,000.00	-52,004.00	-352,004.00
Department: 3870 - TRANSFER FROM				
30-71-3870-3870010	TRANSFER FROM UTILITIES CAPITAL IMP	-252,884.00	-795,600.00	-1,048,484.00
BA0000358	Refund WSF for Adron Thompson Design Cos...	GLPKT03265	04/13/2026	-795,600.00
Department 3870 Total:		-252,884.00	-795,600.00	-1,048,484.00
Department: 3880 - NON-DEPARTMENTAL				
30-80-3880-3887000	INSURANCE PROCEEDS	0.00	-205,609.00	-205,609.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	-64,599.00
BA0000357	Adj per actual	GLPKT03264	04/13/2026	-141,010.00
Department 3880 Total:		0.00	-205,609.00	-205,609.00
Department: 3900 - FUND BALANCE APPROPRIATION				
30-80-3900-3900000	FUND BALANCE APPROPRIATION	-675,666.00	795,600.00	119,934.00
BA0000358	Refund WSF for Adron Thompson Design Cos...	GLPKT03265	04/13/2026	795,600.00
Department 3900 Total:		-675,666.00	795,600.00	119,934.00
Revenue Total:		-1,234,050.00	-434,599.00	-1,668,649.00
Expense				
Department: 7200 - ADMINISTRATION OF ENTERPRISE				
30-80-7200-5300570	MISCELLANEOUS	145,000.00	-144,949.00	51.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	-144,949.00
Department 7200 Total:		145,000.00	-144,949.00	51.00
Department: 7220 - UTILITIES ADMINISTRATION				
30-80-7220-5100020	SALARIES	217,547.00	12,453.00	230,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	12,453.00
30-80-7220-5120050	FICA	16,643.00	957.00	17,600.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	957.00
30-80-7220-5125061	INSURANCE - LIFE/DISABILITY/VISION	347.00	10.00	357.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	10.00
30-80-7220-5127070	RETIREMENT	31,090.00	2,010.00	33,100.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	2,010.00
30-80-7220-5127071	401(K) RETIREMENT SUPP	10,803.00	2,727.00	13,530.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	2,727.00
Department 7220 Total:		276,430.00	18,157.00	294,587.00

Budget Adjustment Report

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description	Packet Number	Post Date	Amount
Department: 7240 - BILLING AND COLLECTIONS				
30-80-7240-5100020	SALARIES	350,581.00	10,564.00	361,145.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	10,564.00
30-80-7240-5120050	FICA	26,820.00	540.00	27,360.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	540.00
30-80-7240-5125060	INSURANCE - HEALTH	52,347.00	883.00	53,230.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	883.00
30-80-7240-5127070	RETIREMENT	47,282.00	4,368.00	51,650.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	4,368.00
30-80-7240-5127071	401(K) RETIREMENT SUPP	16,429.00	1,571.00	18,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	1,571.00
30-80-7240-5300411	CS - SOUTH DATA	40,000.00	4,500.00	44,500.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	4,500.00
30-80-7240-5300585	ELECTRONIC PAYMENT FEES	188,000.00	17,000.00	205,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	17,000.00
Department 7240 Total:		721,459.00	39,426.00	760,885.00
Department: 8120 - WATER TREATMENT PLANT				
30-80-8120-5100010	OVERTIME COMPENSATION	25,000.00	16,000.00	41,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	16,000.00
30-80-8120-5100020	SALARIES	599,103.00	16,497.00	615,600.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	16,497.00
30-80-8120-5120050	FICA	45,832.00	4,818.00	50,650.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	4,818.00
30-80-8120-5127070	RETIREMENT	78,039.00	5,671.00	83,710.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	5,671.00
30-80-8120-5127071	401(K) RETIREMENT SUPP	27,116.00	1,999.00	29,115.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	1,999.00
Department 8120 Total:		775,090.00	44,985.00	820,075.00
Department: 8140 - WATER DISTRIBUTION				
30-80-8140-5100020	SALARIES	588,148.00	15,852.00	604,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	15,852.00
30-80-8140-5120050	FICA	44,994.00	1,506.00	46,500.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	1,506.00
30-80-8140-5127070	RETIREMENT	82,865.00	11,135.00	94,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	11,135.00
30-80-8140-5127071	401(K) RETIREMENT SUPP	28,793.00	5,607.00	34,400.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	5,607.00
Department 8140 Total:		744,800.00	34,100.00	778,900.00
Department: 8200 - WASTEWATER COLLECTION				
30-71-8200-5982001	TRANSFER TO FUND 69 - UTIL CAP IMPROV	75,000.00	370,000.00	445,000.00
BA0000351	Recognize developer contribution	GLPKT03242	04/13/2026	120,000.00
BA0000357	Apply Developer Contribution to Elizabeth B...	GLPKT03264	04/13/2026	250,000.00
30-80-8200-5100010	OVERTIME COMPENSATION	12,000.00	2,000.00	14,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	2,000.00
Department 8200 Total:		87,000.00	372,000.00	459,000.00
Department: 8220 - WASTEWATER TREATMENT PLANT				
30-80-8220-5100010	OVERTIME COMPENSATION	5,000.00	3,478.00	8,478.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	3,478.00
30-80-8220-5100020	SALARIES	576,124.00	45,676.00	621,800.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026	45,676.00
30-80-8220-5120050	FICA	44,074.00	5,426.00	49,500.00

Budget Adjustment Report

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments	Current Budget
Adjustment Number	Adjustment Description				Amount	
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		5,426.00	
30-80-8220-5125060	INSURANCE - HEALTH			72,520.00	2,480.00	75,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		2,480.00	
30-80-8220-5127070	RETIREMENT			81,620.00	10,180.00	91,800.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		10,180.00	
30-80-8220-5127071	401(K) RETIREMENT SUPP			28,360.00	3,640.00	32,000.00
BA0000350	Yr-end Adj	GLPKT03237	04/13/2026		3,640.00	
30-80-8220-5300145	MAINT - BUILDINGS			14,200.00	560.00	14,760.00
BA0000362	Cover plumbing repairs at WWTP	GLPKT03296	04/13/2026		560.00	
30-80-8220-5300158	MAINT - EQUIPMENT			130,380.00	-3,200.00	127,180.00
BA0000363	Replace gate fence	GLPKT03310	04/13/2026		-3,200.00	
30-80-8220-5300165	MAINT - INFRASTRUCTURE			38,630.00	3,200.00	41,830.00
BA0000363	Replace gate fence	GLPKT03310	04/13/2026		3,200.00	
30-80-8220-5300323	SUPPLIES - CHEMICALS			102,090.00	-560.00	101,530.00
BA0000362	Cover plumbing repairs at WWTP	GLPKT03296	04/13/2026		-560.00	
Department 8220 Total:				1,092,998.00	70,880.00	1,163,878.00
Expense Total:				3,842,777.00	434,599.00	4,277,376.00
Fund 30 Total:				2,608,727.00	0.00	2,608,727.00

Fund: 60 - GENERAL CAPITAL IMPROVEMENTS

Expense

Department: 5600 - STREETS

60-05-5600-5700570	MISCELLANEOUS			0.00	49.66	49.66
BA0000348	Adj per actual	GLPKT03193	04/13/2026		49.66	
60-05-5600-5700774	NC86 - DESIGN			325,982.00	-49.66	325,932.34
BA0000348	Adj per actual	GLPKT03193	04/13/2026		-49.66	
Department 5600 Total:				325,982.00	0.00	325,982.00
Expense Total:				325,982.00	0.00	325,982.00
Fund 60 Total:				325,982.00	0.00	325,982.00

Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS

Expense

Department: 8120 - WATER TREATMENT PLANT

69-45-8120-5700863	WTP PAVING & CURBING			90,000.00	-29,987.60	60,012.40
BA0000359	Apply remaining funds to other needs	GLPKT03269	04/13/2026		-29,987.60	
69-45-8120-5970920	TRANSFER TO FUND 30 - WATER & SEWER			0.00	29,987.60	29,987.60
BA0000359	Apply remaining funds to other needs	GLPKT03269	04/13/2026		29,987.60	
Department 8120 Total:				90,000.00	0.00	90,000.00
Expense Total:				90,000.00	0.00	90,000.00
Fund 69 Total:				90,000.00	0.00	90,000.00

Fund: 78 - COMMITTED FUNDS - GENERAL FUND

Revenue

Department: 3870 - TRANSFER FROM

78-71-3870-3870402	TRANSFER FROM GF - CONNECTIVITY			-40,000.00	-40,103.00	-80,103.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		-40,103.00	
78-71-3870-3870410	TRANSFER FROM GF - SUSTAINABILITY			-647,000.00	-519,500.00	-1,166,500.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		-519,500.00	
Department 3870 Total:				-687,000.00	-559,603.00	-1,246,603.00
Revenue Total:				-687,000.00	-559,603.00	-1,246,603.00

Expense

Department: 6300 - PUBLIC SPACE

78-71-6300-5970911	TRANSFER TO GF - SUSTAINABILITY			647,000.00	519,500.00	1,166,500.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		519,500.00	

Budget Adjustment Report

For Date Range: 04/13/2026 - 04/13/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
78-71-6300-5970917	TRANSFER TO GF - CONNECTIVITY			40,000.00	40,103.00	80,103.00
BA0000346	Adj per FY26 Budget	GLPKT03190	04/13/2026		40,103.00	
Department 6300 Total:				687,000.00	559,603.00	1,246,603.00
Expense Total:				687,000.00	559,603.00	1,246,603.00
Fund 78 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				1,397,775.00	0.00	1,397,775.00

Section 5, Item B.

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026				
	10	-1,626,934.00	0.00	-1,626,934.00
	30	2,608,727.00	0.00	2,608,727.00
	60	325,982.00	0.00	325,982.00
	69	90,000.00	0.00	90,000.00
	78	0.00	0.00	0.00
Budget Code 2025-2026 Total:		1,397,775.00	0.00	1,397,775.00

Section 5, Item B.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Governing Body
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Mayor Mark Bell

ITEM TO BE CONSIDERED

Subject: Proclamation – Volunteer Appreciation Week

Attachments:

Proclamation

Summary:

Each year a special week in April is designated in our nation to recognize the impact of volunteer service and the power of volunteers to tackle society's greatest challenges, to build stronger communities and be a force that transforms the world. In Hillsborough, we also recognize the people and causes that inspire us to serve, recognizing and thanking volunteers who lend their time, talent and voice to make a difference in our town.

Financial impacts:

N/A

Staff recommendation and comments:

N/A

Action requested:

Approve proclamation recognizing April 19-25, 2026, as Volunteer Appreciation Week in the Town of Hillsborough.



PROCLAMATION
Recognizing Volunteer Appreciation Week
April 19-25, 2026

WHEREAS, National Volunteer Week is an opportunity to recognize and honor the countless individuals who selflessly invest in the lives of others in our nation and in Hillsborough; and

WHEREAS, volunteers are finding unique and innovative ways to spread joy and meet the emotional, physical, and educational needs of others; and

WHEREAS, volunteering one's time, talents and resources has been an integral part of our heritage since the early days of our nation and it is essential that we continue this tradition of giving and sharing to preserve and improve the quality of life for all members of our community; and

WHEREAS, Hillsborough is home to a multitude of volunteer opportunities that serve our residents, visitors, and businesses and raise the overall quality of life in Hillsborough; and

WHEREAS, since 1974 a special week in April each year is designated in our nation for the dual purpose of recognizing those who give of themselves and of encouraging all to become involved in volunteer work; and it is fitting at this time that we say, "THANK YOU!" to all individuals, groups, boards and committees, and businesses who have given time, energy, and resources in the Town of Hillsborough through volunteer service;

NOW, THEREFORE, I, Mark Bell, mayor of the Town of Hillsborough, do hereby proclaim April 19-25, 2026 as Volunteer Appreciation Week in the Town of Hillsborough.

IN WITNESS WHEREOF, I have hereunto set my hand and caused this seal of the Town of Hillsborough to be affixed this 13th day of April in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Police
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Chief of Police Jason Winn

ITEM TO BE CONSIDERED

Subject: Resolution declaring surplus property and donation

Attachments:

1. Public Notice – Donation of Surplus Property 031926
2. Resolution declaring surplus property and donation
3. Surplus Resolution Exhibit A
4. Surplus Resolution Exhibit B

Summary:

North Carolina General Statute §160A-280 allows the Town of Hillsborough to donate to another governmental unit within the United States or to an incorporated nonprofit organization after providing public notice and Board of Commissioners approval. The Hillsborough Police Department desires to donate a surplus vehicle to Alamance Community College.

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

Approval of resolution.

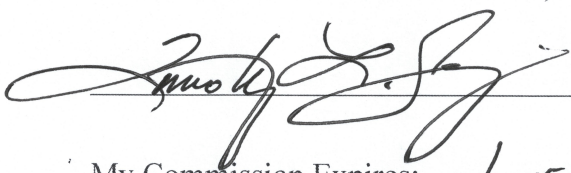
AFFIDAVIT OF PUBLICATION

Before the undersigned, a Notary Public of Orange County, North Carolina, duly commissioned, qualified, and authorized by law to administer oaths and affirmations, personally appeared Melanie Davis who, being duly sworn or affirmed, according to law, doth depose and say that they are an authorized employee of The News of Orange County Newspaper, engaged in the publication of a newspaper known as The News of Orange County Newspaper, issued and entered as second class mail in the Town of Hillsborough in said County and State; that they are authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto was published in the News of Orange County on the following dates:

March 25, 2026; That the said newspapers in which such notice, paper, document, or legal advertisement was published at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section I-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section I-597 of the General Statutes of North Carolina.

Melanie Davis

Sworn to and subscribed before me, this 26 day of MARCH, 2026



Notary Public

My Commission Expires: JUNE 19, 2027

TIMOTHY L SIMPSON
Notary Public
Alamance Co., North Carolina
My Commission Expires June 19, 2027

The Town of Hillsborough plans to declare a Hillsborough Police Department motor vehicle as surplus and authorize its donation to the Alamance Community College Basic Law Enforcement Training Program. North Carolina General Statute §160A-280 allows the Town of Hillsborough to donate to another governmental unit within the United States or to an incorporated non-profit organization after providing public notice and Board of Commissioners approval. The Town of Hillsborough has determined that a 2015 Ford Explorer sport utility vehicle, Vehicle Identification Number 1FM5K8AR4FGC68007, is surplus and obsolete. The Hillsborough Board of Commissioners will consider a resolution approving the conveyance of the motor vehicle to a governmental unit at its regular meeting on April 13, 2026.

Notice given this 24th day of March 2026.



RESOLUTION

Declaring Surplus Property and Donation

WHEREAS, it has been determined by the Board of Commissioners that certain personal property described on Exhibit A attached hereto and owned by the Town of Hillsborough is obsolete, unused or surplus; and

WHEREAS, it has been determined that the property can be utilized by Alamance Community College; and

WHEREAS, the Board of Commissioners approves the donation of the property to Alamance Community College; and

WHEREAS, North Carolina General Statute 160A-280 authorizes municipalities to donate personal property to nonprofit organizations and governmental units; and

WHEREAS, pursuant to North Carolina General Statute 160A-280, the town published notice of this resolution at least five days prior to the board's adoption;

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

- The property is hereby declared surplus.
- The property shall be donated to Alamance Community College in accordance with a Donated Assets Indemnification Agreement attached hereto as Exhibit B.
- The town manager is hereby authorized to take steps necessary to donate said items to the Alamance Community College in accordance with this resolution.

Approved this 13th day of April of the year 2026.

Mark Bell, Mayor
Town of Hillsborough

Attestation:

Sarah Kimrey, Town Clerk

REFERENCE SURPLUS VEHICLE:

The vehicle determined to be surplus is described as follows:

2015 Ford Explorer SUV, VIN 1FM5K8AR4FGC68007, with approximately 86,970 miles. The vehicle is being donated and equipped as is.

DONATION, WAIVER OF LIABILITY, AND INDEMNIFICATION FOR RECEIPT OF DONATED ASSETS

Please fill out the following information

Organization Name (RECIPIENT):	Alamance Community College
Organization Address:	1247 Jimmie Kerr Rd. Graham, NC 27253
Organization Contact Name:	Matthew Banko
Organization Contact Phone:	336-506-4414

RECIPIENT acknowledges receipt from the Town of Hillsborough of the items described in the attached document (“Donated Assets”) as of the date noted below. The Town of Hillsborough is an incorporated municipality in the state of North Carolina and is providing the donated assets to not-for-profit/governmental unit RECIPIENT in such capacity and at no charge and pursuant to authority granted the town under NCGS § 160A-280. RECIPIENT voluntarily accepts the donated assets “As-Is.”

In consideration for accepting the donated assets, RECIPIENT agrees to the following waiver of liability and indemnity provisions:

- 1. Receipt of Assets.** The RECIPIENT acknowledges receipt of the following assets donated by the town to the RECIPIENT. (Attachment A – Donated assets)
- 2. No Warranties.** The town, including its officers, employees, and agents, make no representations whatsoever, extend no warranties of any kind, either express or implied, including but not limited to the implied warranties of merchantability or fitness for a particular purpose, and assumes no responsibilities whatsoever with respect to design, development, manufacture, or use of the donated assets. Furthermore, in no event shall the town be liable for direct, indirect, special, consequential, incidental or punitive loss, damage or expenses arising out of or in connection with this agreement, including but not limited to recipient's use of the assets or removal of the assets from the town's premises.
- 3. Waiver of Liability.** RECIPIENT does hereby waive, release and discharge any and all claims for damages for personal injury, death, property damage, any claim in tort, or any other claim, regardless of legal theory, that may hereafter accrue as a result of the use of the donated assets. The entire risk as to the performance of the donated assets is assumed by Alamance Community College. In no event shall the town or its officers, employees or agents, be responsible or liable for any direct, indirect, special, incidental, consequential damages, lost profits, or any other economic or physical loss or damage to any individual regardless of legal theory resulting from use of the donated assets. The above limitations on liability apply even though the town may have been advised of the possibility of such damage.

4. **Indemnification.** RECIPIENT agrees to indemnify and hold harmless the town from any and all claims, liability and damages, arising from the use of the donated assets except those arising from the sole negligence or willful misconduct of the town.

THE UNDERSIGNED, WHO IS AUTHORIZED TO REPRESENT THE RECIPIENT HAS CAREFULLY READ THIS WAIVER OF LIABILITY AND INDEMNIFICATION AGREEMENT AND UNDERSTANDS ITS CONTENTS. RECIPIENT IS AWARE THAT THIS IS A COMPLETE RELEASE OF LIABILITY OF THE TOWN BY RECIPIENT.

Signature of Authorized Representative: _____ Date: _____



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
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 adopting the Principles of Universal Design for Public Spaces

Attachments:

Resolution

Summary:

On March 17, 2026, the Parks and Recreation Board received a presentation about the benefits of Universal Design from Girl Scouts Magnolia Brown and Sophia Myers, who are studying the topic for their Silver Award project. Universal Design is defined by NC State University, College of Design, Center for Universal Design as “the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design.”

The 7 principles of Universal Design are:

1. Equitable Use: Useful for people with diverse abilities
2. Flexibility in Use: Accommodates a wide range of preferences and abilities
3. Simple and Intuitive Use: Easy to understand regardless of user experience
4. Perceptible Information: Communicates information effectively regardless of sensory abilities
5. Tolerance for Error: Minimizes hazards and adverse consequences
6. Low Physical Effort: Can be used comfortably with minimum fatigue
7. Size and Space: Appropriate size/space for access, regardless of user's body size or mobility

After receiving and discussing the presentation, the Parks and Recreation Board voted unanimously to recommend to the Board of Commissioners the approval of a resolution adopting the principles of Universal Design as a standard for all future planning, and construction of public spaces. The adoption of Universal Design principles is a recommendation in the Comprehensive Sustainability Plan.

Financial impacts:

Retrofitting public spaces to incorporate Universal Design would carry significant costs but the principles can be integrated, without adding a lot of cost, to future public space plans.

Staff recommendation and comments:

None

Action requested:

Approve resolution.



RESOLUTION

Adopting the Principles of Universal Design for Public Spaces

WHEREAS, Universal Design is a philosophy that advocates for the creation and composition of environments that can be accessed, understood, and used by all people, to the greatest extent possible, without the need for adaptation or specialized features; and

WHEREAS, Universal Design creates inclusive solutions and promotes accessibility and usability, allowing people with all levels of ability to live independently; and

WHEREAS, this approach seeks to proactively remove barriers that could limit participation in social, economic, and cultural life; and

WHEREAS, the implementation of universal design principles—including equitable use, flexibility, simplicity, and safety—enhances accessibility for all individuals regardless of their age, size, ability or disability, and the general public; and

WHEREAS, designing for accessibility from the outset reduces the need for costly, reactive retrofitting of public spaces; and

WHEREAS, incorporating universal design principles improves the quality of life, fosters independence, and supports inclusion in community life;

NOW, THEREFORE, be it resolved that the Hillsborough Board of Commissioners hereby adopts the principles of Universal Design as a standard for all future planning, and construction of public spaces.

Approved this 13th day of April in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Governing Body
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Commissioner Matt Hughes

ITEM TO BE CONSIDERED

Subject: Resolution Opposing a Proposed Constitutional Amendment Limiting Local Property Tax Authority

Attachments:

Resolution

Summary:

There are currently four proposals being considered by the North Carolina House Select Committee on Property Tax Reduction and Reform that pose a threat to the primary source of revenue for municipalities and counties. The committee is scheduled to vote on April 15 regarding their recommendations. Reductions in property tax revenue could necessitate reductions in services across all departments and force increases to other charges and fees. Property tax is one of the few revenue sources that generates substantive revenue that local governments have control. Many other sources are redistributions through the State of North Carolina. Changes and restrictions will likely make it harder for local governments to provide services to their communities.

Financial impacts:

N/A

Staff recommendation and comments:

None.

Action requested:

Adopt resolution.



RESOLUTION

Opposing a Proposed Constitutional Amendment Limiting Local Property Tax Authority

WHEREAS, property taxes are the primary source of revenue for Hillsborough and municipalities in North Carolina and are essential to funding core public services, including police, fire protection, roads, solid waste, and transportation; and

WHEREAS, in North Carolina cities and towns, property tax revenues fund, on average, approximately 50% of municipal budgets for police and fire protection and approximately 20% for streets and transportation infrastructure; fire and police services in Hillsborough comprise 41.% of the General Fund budget; streets make up nearly 10% of the budget and when combined with public works, operations total 20%; and

WHEREAS, these services are fundamental to public safety, economic stability, and quality of life for residents, businesses, and visitors; and

WHEREAS, the House Select Committee on Property Tax Reduction and Reform is advancing a potential constitutional amendment that would impose rigid and inflexible constraints on local property tax authority; and

WHEREAS, such constraints would undermine local fiscal stability by increasing borrowing costs through reduced bond ratings, limiting the town's ability to respond to rising costs, and restricting the capacity to recover from natural disasters and other emergencies; and

WHEREAS, municipalities across North Carolina are already facing substantial cost increases in delivering essential services, including approximately an 80% increase in street resurfacing costs, a 33% increase in entry-level police officer market-rate salaries, and a 50% increase in the cost of fire trucks and other public safety vehicles over the past five years; Hillsborough has also experienced significant increases similar to other North Carolina local governments; and

WHEREAS, these fiscal pressures require local governments to retain flexibility to responsibly manage revenues in order to maintain service levels and meet community expectations; and

WHEREAS, property taxes fund the basic services and infrastructure that support businesses, attract investment, and sustain economic growth across North Carolina; and

WHEREAS, undermining local revenue authority risks shifting costs, reducing service quality, and weakening the economic competitiveness of North Carolina communities;

NOW, THEREFORE, be it resolved that the Hillsborough Board of Commissioners strongly opposes any open-ended constitutional amendment that lacks clear parameters and would significantly restrict local government revenue authority and the ability to provide essential services; and

BE IT FURTHER RESOLVED that the Hillsborough Board of Commissioners calls on the North Carolina General Assembly to reject proposals that would impose inflexible and subjective constraints on municipal property tax authority and instead work in partnership with local governments to support sustainable economic growth and service delivery; and

BE IT FURTHER RESOLVED should a constitutional amendment be placed on the November 2026 ballot, the Town of Hillsborough urges voters to vote against the amendment; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be transmitted to the Chapel Hill Town Council, the Carrboro Town Council, the Mebane City Council, and the Orange County Board of Commissioners; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be transmitted to Senator Jonah Garson and Representative Renee Price; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be provided to the House Select Committee on Property Tax Reduction and Reform.

Approved this 13th day of April in the year 2026.

Mark Bell, Mayor
Town of Hillsborough



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Budget Director Emily Bradford

ITEM TO BE CONSIDERED

Subject: Capital Project Ordinance Amendment – Sodium Hypochlorite Conversion

Attachments:

1. Capital Project Ordinance Amendment – Sodium Hypochlorite Conversion
2. Budget Adjustment Report

Summary:

The amended budget reflects applying the balance of closed out projects to the sodium hypochlorite conversion project. The application of these funds was identified in the Fiscal Year 2026 Capital Improvement Plan.

Financial impacts:

This update will increase the current project budget by \$79,453.

Staff recommendation and comments:

Adopt the project ordinance amendment and associated budget amendments.

Action requested:

Adopt the project ordinance amendment and associated budget amendments.



ORDINANCE
Capital Project Amendment
Sodium Hypochlorite Conversion

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 adopted:

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

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Sodium Hypochlorite Conversion	\$375,000	\$79,453	\$454,453

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

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Sodium Hypochlorite Conversion	\$375,000	\$79,453	\$454,453

Section 3. This ordinance shall be amended in any manner to add additional appropriations, modify or eliminate existing capital projects, and/or add new capital project, so long as it continues to fulfill the requirements of G.S. 159-13.2 and other applicable laws.

Section 4. This capital project will close automatically upon projection completion.

Section 5. 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 13th day of April in the year 2026.

Ayes:

Noes:

Absent or excused:

Sarah E. Kimrey, Town Clerk

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/13/2026 - 04/14/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS						
Revenue						
69-47-3870-3870522	TRANSFER FROM WSF SODIUM HYPOCHLORITE			0.00	-79,453.00	-79,453.00
BA0000353	Apply remaining project funds	GLPKT03259	04/14/2026		-79,453.00	
Revenue Total:				0.00	-79,453.00	-79,453.00
Expense						
69-00-8100-5700720	CONSTRUCTION			0.00	79,453.00	79,453.00
BA0000353	Apply remaining project funds	GLPKT03259	04/14/2026		79,453.00	
Expense Total:				0.00	79,453.00	79,453.00
Fund 69 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				0.00	0.00	0.00



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Budget Director Emily Bradford

ITEM TO BE CONSIDERED

Subject: Capital Project Ordinance Amendment – Cates Creek Outfall Upgrade

Attachments:

1. Capital Project Ordinance Amendment – Cates Creek Outfall Upgrade
2. Budget Adjustment Report

Summary:

The amended budget reflects applying a developer contribution toward design costs.

Financial impacts:

This update will increase the current project budget by \$120,000.

Staff recommendation and comments:

Adopt the project ordinance amendment and associated budget amendments.

Action requested:

Adopt the project ordinance amendment and associated budget amendments.



ORDINANCE
Capital Project Amendment
Cates Creek Outfall Upgrade

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 adopted:

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

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Cates Creek Outfall Upgrade	\$75,000	\$120,000	\$195,000

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

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Cates Creek Outfall Upgrade	\$75,000	\$120,000	\$195,000

Section 3. This ordinance shall be amended in any manner to add additional appropriations, modify or eliminate existing capital projects, and/or add new capital project, so long as it continues to fulfill the requirements of G.S. 159-13.2 and other applicable laws.

Section 4. This capital project will close automatically upon projection completion.

Section 5. 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 13th day of April in the year 2026.

Ayes:
 Noes:
 Absent or excused:

Sarah E. Kimrey, Town Clerk

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/15/2026 - 04/15/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS						
Revenue						
69-48-3870-3870523	TRANSFER FROM WSF - CATES CREEK OUTFALL UPGRADE			0.00	-120,000.00	-120,000.00
BA0000354	Apply Developer Contribution	GLPKT03262	04/15/2026		-120,000.00	
Revenue Total:				0.00	-120,000.00	-120,000.00
Expense						
69-00-8100-5700745	DESIGN			0.00	120,000.00	120,000.00
BA0000354	Apply Developer Contribution	GLPKT03262	04/15/2026		120,000.00	
Expense Total:				0.00	120,000.00	120,000.00
Fund 69 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				0.00	0.00	0.00

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026		Fiscal: 2025-2026		
	69	0.00	0.00	0.00
Budget Code 2025-2026 Total:		0.00	0.00	0.00



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Budget Director Emily Bradford

ITEM TO BE CONSIDERED

Subject: Capital Project Ordinance Amendment – Elizabeth Brady Pump Station Upgrade

Attachments:

1. Capital Project Ordinance Amendment – Elizabeth Brady Pump Station Upgrade
2. Budget Adjustment Report

Summary:

The amended budget reflects applying a developer contribution toward project costs.

Financial impacts:

This update will increase the current project budget by \$250,000.

Staff recommendation and comments:

Adopt the project ordinance amendment and associated budget amendments.

Action requested:

Adopt the project ordinance amendment and associated budget amendments.



ORDINANCE

Capital Project Amendment

Elizabeth Brady Pump Station and Force Main Upgrade

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>Amended Budget</i>
Elizabeth Brady Pump Station and Force Main Upgrade	\$750,000	\$250,000	\$1,000,000

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

	<i>Current Budget</i>	+/-	<i>Amended Budget</i>
Elizabeth Brady Pump Station and Force Main Upgrade	\$750,000	\$250,000	\$1,000,000

Section 3. This ordinance shall be amended in any manner to add additional appropriations, modify or eliminate existing capital projects, and/or add new capital project, so long as it continues to fulfill the requirements of G.S. 159-13.2 and other applicable laws.

Section 4. This capital project will close automatically upon projection completion.

Section 5. 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 13th day of April in the year 2026.

Ayes:
Noes:
Absent or excused:

Sarah E. Kimrey, Town Clerk

Budget Adjustment Report

Adjustment Detail

For Date Range: 04/16/2026 - 04/16/2026

Account Number	Account Name	Packet Number	Post Date	Original Budget	Budget Adjustments Amount	Current Budget
Adjustment Number	Adjustment Description					
Budget Code: 2025-2026 - Budget 2025-2026 Fiscal: 2025-2026						
Fund: 69 - UTILITIES CAPITAL IMPROVEMENTS						
Revenue						
69-36-3870-3870524	TRANSFER FROM WSF - ELIZABETH BRADY PS UPGRADE			0.00	-250,000.00	-250,000.00
BA0000356	Apply Developer Contribution	GLPKT03263	04/16/2026		-250,000.00	
Revenue Total:				0.00	-250,000.00	-250,000.00
Expense						
69-00-8100-5700720	CONSTRUCTION			0.00	250,000.00	250,000.00
BA0000356	Apply Developer Contribution	GLPKT03263	04/16/2026		250,000.00	
Expense Total:				0.00	250,000.00	250,000.00
Fund 69 Total:				0.00	0.00	0.00
Budget Code 2025-2026 Total:				0.00	0.00	0.00

Description

Fund Summary

Description	Fund	Original Budget	Budget Adjustments	Current Budget
Budget Code: 2025-2026 - Budget 2025-2026		Fiscal: 2025-2026		
	69	0.00	0.00	0.00
Budget Code 2025-2026 Total:		0.00	0.00	0.00



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Finance
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Finance Director Dave McCole

ITEM TO BE CONSIDERED

Subject: Contract for year-end audit services in connection with fiscal year ending June 30, 2026

Attachments:

Audit Contract

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. The contract agreement is to have S. Preston Douglas & Associates, LLP perform the audit of the town's financials.

Financial impacts:

The contract is in the amount of \$65,000. Funds have been budgeted in Fiscal Year 2026-27 to cover the contract.

Staff recommendation and comments:

The finance director recommends that the board authorize approval of the contract agreement with S. Preston Douglas & Associates, LLP.

Action requested:

Approve contract for audit services with S. Preston Douglas & Associates, LLP.

The	Governing Board MAYOR AND BOARD OF COMMISSIONERS
of	Primary Government Unit TOWN OF HILLSBOROUGH
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name S. PRESTON DOUGLAS & ASSOCIATES, LLP
	Auditor Address 6649 BEACH DRIVE SW, SUITE 1, OCEAN ISLE BEACH, NC 28468

Hereinafter referred to as Auditor

for	Fiscal Year Ending 6/30/26	Date Audit Will Be Submitted to LGC 12/31/26
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Must be within six months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by “U.S. Auditing Standards – AICPA (Clarified),” referred to as generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). Budgetary comparison information shall be prepared in accordance with applicable GASB standards. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented as required supplementary information and shall not be included in the basic financial statements. Any other budgetary comparison information shall be presented only as supplementary information for funds required to be budgeted under NCGS Chapter 159, Article 3.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. If the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period, the Auditor shall perform the audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS). The Governmental Unit is subject to federal single audit requirements in accordance with Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F (*Uniform Guidance*) and the State Single Audit Implementation Act. Currently the threshold is \$1,000,000 for federal and state single audits, or such other threshold as applicable for the fiscal year under audit. This audit and all associated audit documentation may be subject to review by federal and State agencies in accordance with federal and State laws, including the staff of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501) the Auditor and Governmental Unit(s) should discuss, in advance of the execution of this contract, the responsibility for submission of the audit and the accompanying data collection form (form SF-FAC) to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512) to ensure proper submission.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards* (2018 revision or subsequent revisions, as applicable) issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he or she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and to the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon the Auditor's receipt of an updated peer review report. If the audit firm receives a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed, and the report of audit submitted to LGC Staff, within six months of fiscal year end. At the time of the execution of this contract, if the parties know that the anticipated submission date of the audit exceeds six months after fiscal year end, a written explanation shall be provided to the Secretary of the LGC on this contract form (see the space provided on Page 7). If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as they relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth the Auditor's findings, together with his or her recommendations for improvement. That written report shall include all matters determined to be "significant deficiencies and material weaknesses" in accordance with AU-C §265 "Communicating Internal Control Related Matters Identified in an Audit" of GAAS. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an Auditor issues an AU-C §260 report, "Auditor's Communication With Those Charged With Governance," commonly referred to as a "Governance Letter," LGC staff does not require the report to be submitted unless the Auditor cites significant findings or issues from the audit, as defined in AU-C §260 paragraphs 12 - 14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious for which the Auditor consulted outside the engagement team and, in the Auditor's judgment, are significant and relevant to those charged with governance, and other findings or issues that the Auditor believes are significant and relevant. If matters identified during the audit were required to be reported as described in AU-C §260 paragraphs 12 - 14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.
10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal Single Audit Act and the State Single Audit Act. This does not include fees for any pre-issuance reviews that may be required by the North Carolina Association of Certified Public Accountants (NCACPA) Peer Review Committee or North Carolina State Board of CPA Examiners (see Paragraph 13).
11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.
12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.
13. If the audit firm is required by the Secretary of the Local Government Commission to obtain a pre-issuance review or take corrective action as a result of peer review findings or quality control deficiencies, such corrective action shall be consistent with the authority and requirements of the North Carolina State Board of Certified Public Accountant Examiners, the AICPA Peer Review Program, and established Local Government Commission practice, including the use of report addenda or other remedial measures, as appropriate.

14. In accordance with G.S. 159-34, the Finance Officer of the Unit is responsible for filing the audited financial statements with the Secretary of the Local Government Commission.

The Auditor may upload the audit report and related documents through the LGC's electronic submission system; however, submission shall not be deemed complete until the Finance Officer has reviewed and certified the submission.

The Auditor, Finance Officer, other Unit staff member designated by the Finance Officer, or a third party approved by the Unit may enter all Data Input Report information except the information on the "transmittal doc info" tab. The "transmittal doc info" tab must be completed by the Auditor.

The Finance Officer shall review, approve, and certify the accuracy and completeness of the Data Input Report (DIR) in the LGC's LOGOS system prior to LGC review, regardless of whether the DIR is prepared by the Auditor or the Unit.

Finance Officer certification is required for any corrected or revised submissions.

Finance Officer certification of the DIR shall be completed in a timely manner following notification that the DIR is ready for review and within time frames prescribed by the LGC. Failure to complete certification in a timely manner may result in the audit being considered late due to unit action rather than auditor performance.

The Auditor shall conduct the audit in accordance with generally accepted auditing standards and shall ensure that the financial statements are prepared in accordance with generally accepted accounting principles as of the fiscal year end. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented in required supplementary information, separate from the basic financial statements, and shall not be included in the audit opinion. The Auditor shall confirm that such information reconciles to the financial statements and is consistent with applicable accounting guidance and any LGC reporting requirements.

The Finance Officer shall certify in a timely manner that all data inputted in LOGOS used for preparation of the financial statements and required supplementary information is complete and accurate.

For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and preaudited if the change includes a change in audit fee (preaudit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.
17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Paragraph 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.
18. Special provisions should be limited. Please list any special provisions in an attachment.
19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in The Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and Finance Officer also shall be included on this contract.
20. The contract shall be executed, preaudited (preaudit requirement does not apply to hospitals) and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.
21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.
24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.
25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
26. E-Verify. The Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if the Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 or 2024 Revision* (as applicable). Preparing financial statements in their entirety shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, the Auditor must document and include in the audit workpapers how the Auditor reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The Auditor shall present the audited financial statements including any compliance reports to the Government Unit's Governing Board or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary of the LGC. The Auditor's presentation to the Governing Board or audit committee shall include:
- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the Auditor, and any other issues related to the internal controls or fiscal health of the Government Unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the Auditor regarding internal controls as required by current auditing standards;
 - b) the status of the prior year audit findings;
 - c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
 - d) notification to the Governing Board that the Governing Board shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under Rule 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary of the LGC through the LGC's LOGOS system, including completion of the Data Input Report (DIR). Submission is not complete and shall not be accepted by the LGC until the Finance Officer has reviewed and certified the DIR in accordance with Paragraph 14 of this contract.

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Paragraph 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and Units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>.

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. **Applicable to audits with fiscal year ends of June 30, 2025, and later.** The Unit authorizes the LGC to grant access to the LGC's LOGOS system, including the Data Input Report (DIR), to employees of the contracted audit firm who are associated with and acting on behalf of the firm for purposes of performing audit and reporting services under this contract. Such access shall be limited to the scope necessary to perform contracted services and shall not relieve the Auditor or the Unit of their respective responsibilities under this contract.

34. Changes or edits to the text of this contract form are not permitted, except for the Secretary's authority to revise or update this contract form pursuant to LGC Rule 20 NCAC 03. 0502.

For contracts with an anticipated audit submission date exceeding six months after fiscal year end, please use this space to explain the reason for the late submission, as required by Paragraph 6 of this contract form:

FEEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards, 2018 Revision*. Refer to Paragraph 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: The individual at the Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	Title and Unit / Company:	Email Address:
David McCole	Finance Officer	dave.mccole@hillsboroughnc.gov

OR Not Applicable (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Paragraphs 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit firm for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the Unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in Rule 20 NCAC .0503 shall be submitted to the Secretary of the LGC for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	TOWN OF HILLSBOROUGH
Audit Fee (financial and compliance if applicable)	\$ 65,000
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$ 65000

Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	\$
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* S. PRESTON DOUGLAS & ASSOCIATES, LLP	
Authorized Firm Representative (typed or printed)* Lee Grissom, CISA, CFE, CPA	Signature*
Date*	Email Address* lgrissom@spdouglas.com

GOVERNMENTAL UNIT

Governmental Unit* TOWN OF HILLSBOROUGH	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	
Mayor/Chairperson (typed or printed)* Mark Bell	Signature*
Date	Email Address*

Chair of Audit Committee (typed or printed, or "NA") N/A	Signature
Date	Email Address

GOVERNMENTAL UNIT – PREAUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by The School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	\$ 65000
Primary Governmental Unit Finance Officer* (typed or printed) David McCole	Signature*
Date of Preaudit Certificate*	Email Address*



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Town Manager Eric Peterson

ITEM TO BE CONSIDERED

Subject: Town Attorney Legal Services Memorandum of Understanding with The Brough Law Firm

Attachments:

Memorandum of Understanding including hourly rates for senior attorney, associate attorney, and legal assistant per fiscal year for through June 30, 2029

Summary:

The town contracts with The Brough Law Firm for the town attorney position. Small local governments rarely have a full-time attorney and contract with an individual or firm to fill this statutorily required position. Bob Hornik primarily serves in this role but other attorneys in the firm fill in when he's not available. In addition, tasks may be assigned within the firm to other attorneys and staff who have expertise in certain areas. The memorandum outlines the scope of services, services, compensation or per hour rate for the various services for Fiscal Years 2027, 2028, and 2029, and duration of the agreement.

Financial impacts:

The agreement provides for hourly increases each fiscal year that are specifically listed on page three of the memorandum. Depending on position and year increases range from \$10 to \$20/per hour.

Staff recommendation and comments:

The Brough Law Firm has served as the town attorney for approximately 35 years. They are highly familiar with the unique issues Hillsborough encounters, know all town staff, and are well versed in municipal law, especially zoning and development related legal processes. The town manager recommends approval of the Memorandum of Understanding extending services for an additional three years.

Action requested:

Please consider approval of the agreement.

MEMORANDUM OF UNDERSTANDING

1. Parties. The parties to this Memorandum of Understanding (the “MOU”) are the Town of Hillsborough (the “Town”) and The Brough Law Firm, PLLC (“Firm”).

2. Purpose. The purpose of this MOU is to set forth the understanding between the parties concerning the nature of the relationship under which the Firm shall serve as the Town Attorney. The Town and the Firm recognize and understand that at all times during the performance of services pursuant to this MOU the Firm shall be acting as an independent contractor and that nothing herein shall be deemed as establishing an employer/employee relationship between the parties.

3. Scope of Service. In consideration of the compensation set forth below, the Firm shall continue to perform for the Town all of the legal services required by the Town as set forth herein. Such services shall include, without limitation, consultation with the Board of Commissioners and town staff, attendance upon request at the Board of Commissioners’ meetings, and the meetings of other boards, drafting and/or review of ordinances and other documents, and representation of the Town in litigation. Not included within the scope of covered services are services customarily performed by outside bond counsel.

4. Services Performed Principally by Robert E. Hornik, Jr. The parties acknowledge and agree that the services covered under this MOU shall generally be performed by Robert E. Hornik, Jr. However, the full resources of the Firm shall be available to the Town, and other members of the Firm may assist the Town when requested to do so by the Town or when Mr. Hornik is unavailable. In addition, the Firm may subcontract with other firms or individuals to have certain services performed for the Town, such as title searches and real estate closings, but the Firm shall remain responsible to the Town for the quality and timeliness of these services. Payment for these subcontracted services shall be made by the Firm and shall be charged to the Town on the Firm's monthly invoice.

5. Compensation. The Town shall pay a fee to the Firm for legal services rendered during the Term of this MOU on a monthly basis according to the services performed during each month. Monthly invoices shall indicate the number of hours worked and the fees shall be calculated pursuant to the attached Compensation for Services schedule. Ordinary office expenses shall continue to be charged in accordance with the attached statement.

6. Duration, Termination. This MOU shall govern the relationship between the parties for the period July 1, 2026, through June 30, 2029, following which the terms of this MOU shall continue in effect from month to month. The relationship established under this memorandum may be terminated upon ten (10) days written notice by either party. Payment shall be made for services rendered through the date of termination.

[the remainder of this page is intentionally left blank]

This Memorandum of Understanding is executed by the parties this _____ day of _____, 2026.

TOWN OF HILLSBOROUGH

THE BROUGH LAW FIRM, PLLC

BY: _____
Eric Peterson, Manager

BY: _____
Robert E. Hornik, Jr.

ATTEST:

Sarah Kimrey, Clerk

Provision for payment has been made by an appropriation duly made or bonds or notes duly authorized, pursuant to the Local Government Budget and Fiscal Control Act.

Finance Officer



COMPENSATION FOR SERVICES

Statements for services rendered by The Brough Law Firm, PLLC will be prepared at the end of each calendar month for the work performed during the previous month. Your monthly statement will consist of two parts: an itemized breakdown of professional services and a list of expenses and costs advanced. The professional services portion of your statement will be based upon the following hourly rates for the attorneys and other staff who work on your case:

Attorney	Current Rate	Effective July 1, 2026	Effective July 1, 2027	Effective July 1, 2028
Senior Attorney	\$245.00	\$255.00	\$265.00	\$280.00
Associate	\$210.00	\$225.00	\$240.00	\$255.00
Legal Assistant	\$130.00	\$150.00	\$170.00	\$185.00

Your statement will indicate the services performed and the date, the attorney performing the services, the hourly rate, and the total. It will also include an itemized list of additional expenses and costs advanced. These include:

- Photocopy charges for non-routine copying done for the client outside the office.
- Private express mail carriers such as Federal Express.
- Mileage and travel expenses outside Brunswick, Cabarrus, Chatham, Davie, Durham, Granville, Guilford, Orange, Person, Union, and Wake counties.
- Filing, service of process, and other fees associated with litigation.
- Fees for recording deeds and other instruments.

The Firm shall attend meetings of the Board of Commissioners, Planning Board, Board of Adjustment, Historic District Commission, and any other appointed boards upon request. The Firm shall bill the Town for one (1) hour of time per meeting of the Board of Commissioners, Planning Board, Board of Adjustment, and Historic District Commission to reserve availability on the Firm’s calendar. If the Town requests the Firm’s attendance at any meeting of the Board of Commissioners, Planning Board, Board of Adjustment, or Historic District Commission, the one (1) hour charge shall be credited toward the Firm’s attendance at the meeting. The Firm reserves the right to charge a reasonable administrative fee for work involving significant administrative time related, but not limited, to: printing, copying, collating, and document preparation performed by the Firm’s administrative staff using the Firm’s resources.

Statements will be mailed by the 10th of each month and are overdue if payment is not received by the end of that month. Interest at the rate of 1 ½% per month shall accumulate on balances not paid within thirty days after the date such balances become overdue. Any retainer received from you will be deposited in our trust account and used to pay your monthly statements. To the extent our statements exceed the retainer amount, payment will be expected as indicated above. If payment in full is not received by the 15th of the month following the month in which a statement is issued, no additional services will be performed on your behalf and thereafter services will be performed only if and to the extent that additional funds are deposited in our trust account to ensure payment of our statements as they become due or unless the Law Firm determines, in the Law Firm’s sole discretion, that adequate assurances of prompt payment of any outstanding balance and future statements.

Payments can be made by check, credit card, or “e-check.” We will add a processing fee of 1.95% for Visa, Mastercard, and Discover payments and a processing fee of 2.95% for other cards, including American Express. E-check payments are limited to \$5,000 per payment.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Community Services
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Matt Efird, Assistant Town Manager
Stephanie Trueblood, Public Space and Sustainability Manager
Shannan Campbell, Planning and Economic Development Manager

ITEM TO BE CONSIDERED

Subject: Updates on East Corbin Street Parking

Attachments:

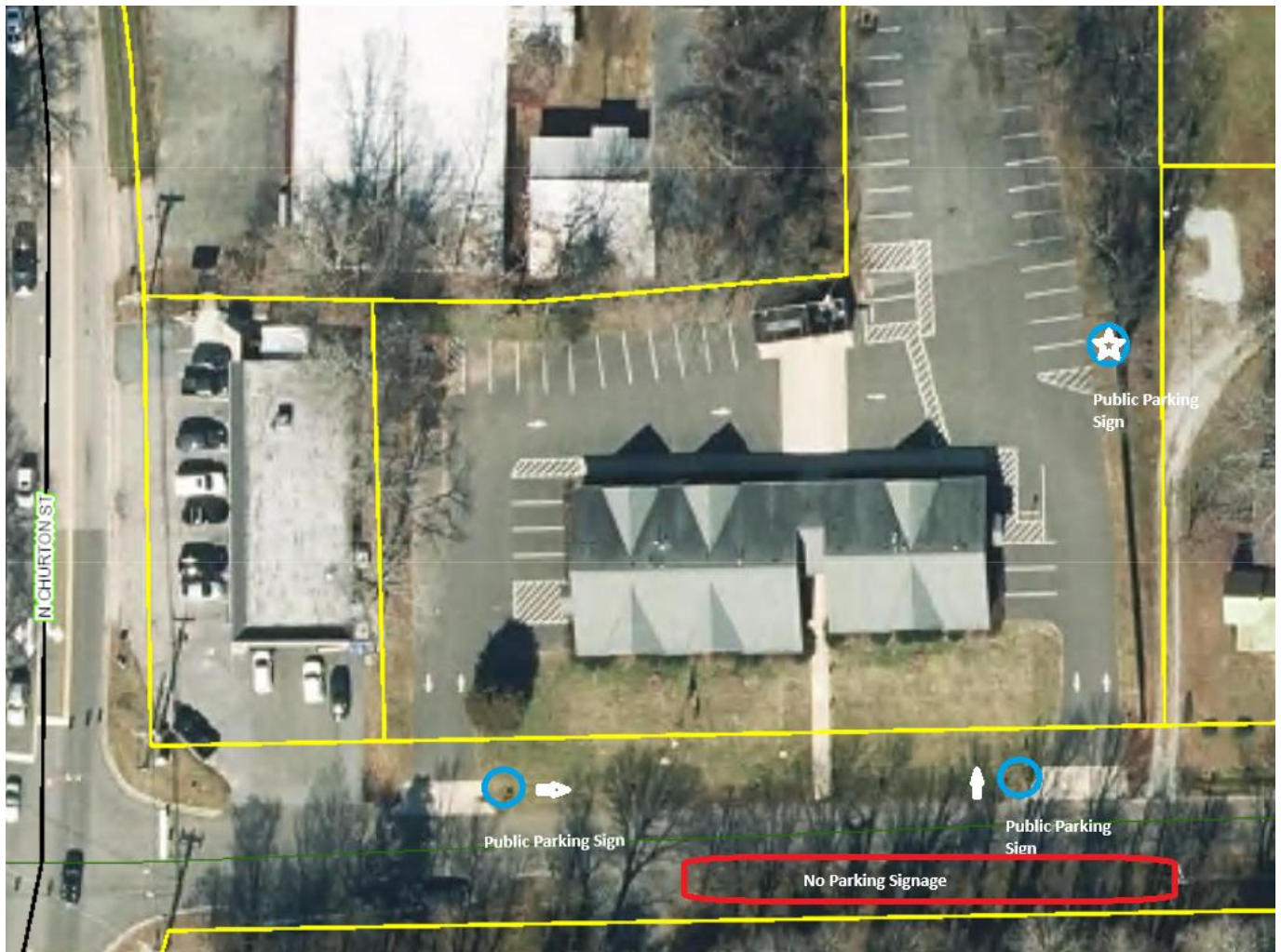
None

Summary:

Over the past several months, there has been a significant increase in parking issues on East Corbin Street around the Town Hall Campus and Town Hall Annex due to the success of a neighboring business. Patrons are parking in the middle of the street, blocking travel lanes and sight lines to the entrances of both town buildings. This is creating an unsafe situation for vehicles, pedestrians and emergency vehicles using Corbin Street.

Town code Section 6-23 already prohibits parking within 30 feet of any intersection with a traffic control device (such as a stop sign) and in any portion of the roadway intended to carry traffic. No signage is required for the enforcement of these prohibitions, but a visual reminder would be helpful in redirecting the public to a suitable parking area.

There is excess parking available at the Town Hall Annex in the rear parking lot where public parking is already allowed. Adding signage on East Corbin Street to direct traffic there, in addition to "No Parking" signage on Corbin Street should help direct the public to an appropriate parking area, preserving both the safety of those driving and walking on Corbin Street and access to the neighboring business. The image below is illustrative of the proposed signage.



Financial impacts:

The purchase and installation of “No Parking” and “Public Parking” signs should cost no more than \$1,000.

Staff recommendation and comments:

Staff recommends installation of “No Parking” signs on the south side of East Corbin Street, east of the entrance to the Town Hall Campus. Public Parking wayfinding signage should be added to the entrances of the Town Hall Annex and the rear parking lot to direct traffic there.

Action requested:

Provide feedback on staff’s proposed signage installation on East Corbin Street and the Town Hall Annex.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Police
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

HYAA President Patrick Cummings
Chief of Police Jason Winn

ITEM TO BE CONSIDERED

Subject: Trespassing issues with the unhoused community at the Hillsborough Youth Athletic Association field

Attachments:

Agenda item request form and attachments

Summary:

The president of the Hillsborough Youth Athletic Association seeks support for keeping the baseball field safe from drugs, weapons, vandalism, and harassment from the unhoused population.

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

Requesting support for the Hillsborough Youth Athletic Association's pursuit of stricter trespassing penalties.

Submission # 4669556
IP Address [REDACTED]
Submission Recorded On March 05, 2026 9:58 a.m.
Time to Take Survey 1 minute, 49 seconds

Page 1

Requests must:

- Be received at least 10 business days before a regular meeting of the Board of Commissioners.
- Be accompanied by supporting documentation.
- Pertain to town business — any item that requires board action or discussion or that the Hillsborough Board of Commissioners has statutory authority to act on.

The Board of Commissioners decides what items will be added to the agenda. Requests will be considered for regular meetings only.

*** Requester's name**

Patrick Cummings

*** Requester's address**

[REDACTED]
Hillsborough North Carolina 27878

*** Requester's phone number**

[REDACTED]

*** Detailed reason for request**

Safety and security of players and parents at HYAA Collins and Exchange fields.

*** Document attachment**

Hillsborough Youth Athletic Association Mail - Re__NEW SUBMISSION_ Contact the Board of Commissioners.pdf

*** Signature of requester**

Patrick Cummings



HYAA President <president@hyaabaseball.org>

Re: *NEW SUBMISSION* Contact the Board of Commissioners

HYAA President <president@hyaabaseball.org> Wed, Mar 4, 2026 at 4:09 PM
To: Mark Bell <Mark.Bell@hillsboroughnc.gov>
Cc: Jason Winn <Jason.Winn@hillsboroughnc.gov>, Sarah Kimrey <Sarah.Kimrey@hillsboroughnc.gov>, Eric Peterson <Eric.Peterson@hillsboroughnc.gov>, Matt Efirm <matt.efird@hillsboroughnc.gov>, Jen Della Valle <Jen.DellaValle@hillsboroughnc.gov>, Robb English <robb.english@hillsboroughnc.gov>, Kathleen Ferguson <Kathleen.Ferguson@hillsboroughnc.gov>, Meaghun Darab <meaghun.darab@hillsboroughnc.gov>, Matt Hughes <matt.hughes@hillsboroughnc.gov>, Evelyn Lloyd <Evelyn.Lloyd@hillsboroughnc.gov>, Catherine Wright <Catherine.Wright@hillsboroughnc.gov>

Thank you, Mayor Bell. I have reached out to Sarah as you've asked. Thank you for the recommendation!

Patrick Cummings
President
Hillsborough Youth Athletic Association
president@hyaabaseball.org

On Wed, Mar 4, 2026 at 3:38 PM Mark Bell <Mark.Bell@hillsboroughnc.gov> wrote:

Hi Patrick, thanks for your feedback, and FYI, we provide 3 min. for comments relating to items NOT on the agenda such as this, which may not provide the type of forum you desire for this topic. In other words, there will not be time for follow-up questions, back and forth, comments from the Chief, etc. If you would like to have this type of flexibility, please reach out to the Town Clerk, Sarah Kimrey, and she can guide you through the process to be placed on the agenda for a more detailed conversation without a specific time limit. Just a suggestion.

Mark



Mark Bell | he, him, his
Mayor
Town of Hillsborough
101 E. Orange St., Hillsborough, North Carolina
Office: 919-296-9411
+ Follow us @HillsboroughGov

See my committee assignments.

Email correspondence to and from this address may be subject to the North Carolina public records law and may be disclosed to third parties.

From: HYAA President <president@hyaabaseball.org>
Date: Wednesday, March 4, 2026 at 3:32 PM

To: Jason Winn <Jason.Winn@hillsboroughnc.gov>

Cc: Mark Bell <Mark.Bell@hillsboroughnc.gov>, Eric Peterson <Eric.Peterson@hillsboroughnc.gov>, Matt Eford <matt.efird@hillsboroughnc.gov>, Jen Della Valle <Jen.DellaValle@hillsboroughnc.gov>, Sarah Kimrey <Sarah.Kimrey@hillsboroughnc.gov>, Robb English <robb.english@hillsboroughnc.gov>, Kathleen Ferguson <Kathleen.Ferguson@hillsboroughnc.gov>, Meaghun Darab <meaghun.darab@hillsboroughnc.gov>, Matt Hughes <matt.hughes@hillsboroughnc.gov>, Evelyn Lloyd <Evelyn.Lloyd@hillsboroughnc.gov>, Catherine Wright <Catherine.Wright@hillsboroughnc.gov>

Subject: Re: *NEW SUBMISSION* Contact the Board of Commissioners

Thank you, Chief Winn. And thank you for the conversation regarding the issues we face as a league that exceed the single individual mentioned above. I intend to attend the Town board meeting on Monday to share the volume of issues we have faced on the record and make request for some sort of relief that doesn't include calling 911 everytime we face a similar challenge.

Patrick Cummings

President

Hillsborough Youth Athletic Association

president@hyaabaseball.org

On Tue, Mar 3, 2026 at 1:48 PM Jason Winn <Jason.Winn@hillsboroughnc.gov> wrote:

Good afternoon,

I want to start and say I empathize with your concerns. We want everyone in our community to feel safe and be able to move freely with their daily life without interruption. We have a special case here with an unsheltered individual who has mental health needs.

The subject in question has worked with our departmental social worker, Yazmin Washington, and now has an ACT (Assertive Community Treatment) team. This service provides him with 24/7 assistance, specifically targeting individuals in need of mental health care. This provides him with resources through UNC providing doctoral assistance and they have assigned him another social worker. Another area they work with him on is housing. He told Yazmin on Feb. 23rd that he knows that he needs to move, but the ACT team is the group that will be working with him on this.

As part of him looking for housing, he was working on getting all the information together when his tent was ransacked and he lost his birth certificate and other documents. In response to the concerns presented in your emails, Yazmin reached out to his ACT team yesterday. According to his ACT team, he is back at square one in that process. They are set to meet with him later this week. During that meeting, they plan on telling him he must work hard to get everything together for housing because he needs to leave the area as soon as possible.

We have not had any reports of him being violent to the general public, and he frequents the police department from time to time to get snacks and speak with Yazmin.

To help ease concerns, we will make continuous effort to meet with him and encourage him to get his processes moving so he can get more stable housing. We will also share the concerns presented about children/families and

100

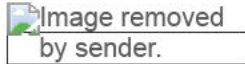
baseball practice and games.

I hope this information has been helpful and I'll be happy to answer any other questions you may have for me.

Thank you,

Jason Winn

Chief of Police
Town of Hillsborough
127 N. Churton St., Hillsborough, North Carolina
Office: 919-296-9515



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Email correspondence to and from this address may be subject to the North Carolina public records law and may be disclosed to third parties.

From: Mark Bell <Mark.Bell@hillsboroughnc.gov>
Sent: Sunday, March 1, 2026 2:12 PM
To: HYAA President <president@hyaabaseball.org>
Cc: Jason Winn <Jason.Winn@hillsboroughnc.gov>; Eric Peterson <Eric.Peterson@hillsboroughnc.gov>; Matt Efird <matt.efird@hillsboroughnc.gov>; Jen Della Valle <Jen.DellaValle@hillsboroughnc.gov>; Sarah Kimrey <Sarah.Kimrey@hillsboroughnc.gov>; Robb English <robb.english@hillsboroughnc.gov>; Kathleen Ferguson <Kathleen.Ferguson@hillsboroughnc.gov>; Meaghun Darab <meaghun.darab@hillsboroughnc.gov>; Matt Hughes <matt.hughes@hillsboroughnc.gov>; Evelyn Lloyd <Evelyn.Lloyd@hillsboroughnc.gov>; Catherine Wright <Catherine.Wright@hillsboroughnc.gov>
Subject: Re: *NEW SUBMISSION* Contact the Board of Commissioners

By all means, please share with whomever you feel would benefit. Also, I did a site visit this afternoon and saw one encampment in the woods that appears to be inhabited adjacent to the future train station site. I didn't see any activity and there could be other encampments on the town's property, but I mention it here for reference to HPD and town staff for their information.

Mark



Mark Bell | he, him, his

Mayor

Town of Hillsborough

101 E. Orange St., Hillsborough, North Carolina

Office: 919-296-9411

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See my [committee assignments](#).

Email correspondence to and from this address may be subject to the North Carolina public records law and may be disclosed to third parties.

From: HYAA President <president@hyaabaseball.org>

Date: Sunday, March 1, 2026 at 12:23 PM

To: Mark Bell <Mark.Bell@hillsboroughnc.gov>

Cc: Jason Winn <Jason.Winn@hillsboroughnc.gov>, Eric Peterson <Eric.Peterson@hillsboroughnc.gov>, Matt Efirm <matt.efird@hillsboroughnc.gov>, Jen Della Valle <Jen.DellaValle@hillsboroughnc.gov>, Sarah Kimrey <Sarah.Kimrey@hillsboroughnc.gov>, Robb English <robb.english@hillsboroughnc.gov>, Kathleen Ferguson <Kathleen.Ferguson@hillsboroughnc.gov>, Meaghun Darab <meaghun.darab@hillsboroughnc.gov>, Matt Hughes <matt.hughes@hillsboroughnc.gov>, Evelyn Lloyd <Evelyn.Lloyd@hillsboroughnc.gov>, Catherine Wright <Catherine.Wright@hillsboroughnc.gov>

Subject: Re: *NEW SUBMISSION* Contact the Board of Commissioners

Mayor Bell-

Thank you so much for the prompt response. Do you mind if I share your response with our board?

Patrick Cummings

President

Hillsborough Youth Athletic Association

president@hyaabaseball.org



On Sun, Mar 1, 2026 at 12:19 PM Mark Bell <Mark.Bell@hillsboroughnc.gov> wrote:

Hi Patrick, thanks for your message and sharing your observations and concerns. I'll ask Chief Winn to respond with feedback and guidance on this situation since this is in the town's jurisdiction, but he may need to check in with Orange County DSS and NC Railroad to get a comprehensive answer because they are parties to this situation as well. The HPD social worker will also be important to helping assess the situation and make recommendations.

In the meantime, please call 911 at any time if you or anyone feels unsafe or sees something like a machete as you describe below, which is very concerning. Thanks for bringing this to our attention and look for a response from HPD shortly.

Mark



Mark Bell | he, him, his

Mayor

Town of Hillsborough

101 E. Orange St., Hillsborough, North Carolina

Office: 919-296-9411



Follow us @HillsboroughGov

[See my committee assignments.](#)

Email correspondence to and from this address may be subject to the North Carolina public records law and may be disclosed to third parties.

From: "Town of Hillsborough, North Carolina" <no-reply@hillsboroughnc.gov>

Date: Sunday, March 1, 2026 at 11:51 AM

To: Eric Peterson <Eric.Peterson@hillsboroughnc.gov>, Matt Efirm <matt.efird@hillsboroughnc.gov>, Jen Della Valle <Jen.DellaValle@hillsboroughnc.gov>, Sarah Kimrey <Sarah.Kimrey@hillsboroughnc.gov>, Mark Bell <Mark.Bell@hillsboroughnc.gov>, Robb English <robb.english@hillsboroughnc.gov>, Kathleen Ferguson <Kathleen.Ferguson@hillsboroughnc.gov>, Meaghun Darab <meaghun.darab@hillsboroughnc.gov>, Matt Hughes <matt.hughes@hillsboroughnc.gov>, Evelyn Lloyd <Evelyn.Lloyd@hillsboroughnc.gov>, Catherine Wright <Catherine.Wright@hillsboroughnc.gov>

Subject: *NEW SUBMISSION* Contact the Board of Commissioners

Contact the Board of Commissioners

Submission #: 4660006

IP Address: [REDACTED]

Submission Date: 03/01/2026 11:51

Survey Time: 2 minutes, 11 seconds

You have a new online form submission.
Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Full name

Patrick Cummings

Address

██████████

Hillsborough, North Carolina 27278

Email

president@hyaabaseball.org

Phone number

██████████

Message

Hello commissioners! I am the president of HYAA. I am reaching out regarding the growing homeless population creating an encampment at Collins Field. I received the email below from one of our families. We really need these individuals and their encampment removed from the field where children and families spend their time. ----- Forwarded message -----

From: Brent Thomas ██████████ > Date: Sun, Feb 15, 2026 at 8:10 PM Subject: HYAA Baseball Collins Field To: <president@hyaabaseball.org> Cc: <tball@hyaabaseball.org> Dear HYAA From the discussion at the MP 30 and TBall coaches meeting today,I became aware of folks living in the woods just off collins field. The message shared by commissioner Travis was that the HYAA and the Sherrifs department are aware but it doesn't seem that much can be done as they are living on rail road property. However, one of the coaches shared his mother in law had been approached and a few other coaches have had similar experiences. Additionally it was shared these folks are using the HYAA porter johns. It was also shared that one of these individuals living there also carries a large machete. As a coach and parent- I am concerned about this. What if a kid has to use the bathroom in the middle of practice/game? What if one of these individuals confronts a kid? What happens if a young mother is confronted? I know there are a lot of what ifs.. Travis also talked about his desire to grow the HYAA, and in my opinion, things like this hinder growth and it definitely would If something bad was to happen. I'm not tryin to say these folks have ill intentions, but this a situation that needs to have proper precautions in place. Coaches need guidance, understand what HYAA directive is and how to manage if one of these what ifs arise. I appreciate your response for how this will be properly managed by the HYAA and sheriffs dept. Thank you for your time.

Thank you,
Town of Hillsborough, North Carolina

This is an automated message generated by Granicus. Please do not reply directly to this email.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
 Department: Planning and Economic Development Division
 Agenda Section: Public hearing
 Public hearing: Yes
 Date of public hearing: Feb. 19, 2026

PRESENTER/INFORMATION CONTACT

Shannan Campbell, Planning and Economic Development Manager

ITEM TO BE CONSIDERED

Subject: General use rezoning request and development agreement for 715 US HWY 70 East (PIN 9874490155); Assistive Living Neighborhood (ALN) to Multifamily (MF) – **to be tabled** (please see ‘action requested’ at the end of the abstract for more information)

Attachments:

1. Rezoning application
2. Vicinity, Zoning, and Future Land Use Maps
3. UDO Table 5.1.7, Use Table for Residential Districts (allowable uses in ALN and MF highlighted)
4. Draft development agreement and ‘Exhibit B’ concept plan
5. Adopted Planning Board Consistency statement and recommendation
6. Draft Town Board Consistency statement and decision

Summary:

715 US HWY 70 EAST – Rezoning Details	
Property owner	KEPSC LLC
Applicant	Robin Tatum, attorney for the property owner
Parcel ID Numbers (PINs)	9874490155
Location	715 US HWY 70 East
In town limits?	Yes
Acreage	Approx. 13.44
Current zoning	Assistive Living Neighborhood (ALN)
Proposed zoning	Multifamily (MF)
Future Land Use category	Mixed Residential Neighborhood (no change)

Comprehensive Sustainability Plan goals:

Land Use and Development Goal 1: Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.

Strategy: Develop and adopt plans that contribute to meeting preferred future land use and growth patterns.

Action: Analyze additional opportunities for infill and redevelopment and increased density in existing neighborhoods, focusing on the provision of water and sewer and other infrastructure and services.

Financial impacts:

Low to Moderate. Streets and trash collection will be private.

Staff recommendation and comments:

Background

This parcel was originally master planned under a Special Use Permit in the early 2000's for development with the parcel directly to the west, already constructed and commonly known as the Corbinton Commons neighborhood, a 55+ community.

The project was originally called the 'Corbinton Commons Retirement Campus' and included plans for 47-69 single family detached homes (what is now known as Corbinton Commons) and either A.) 142-unit Multi-unit Assisted Housing with Services (MAHS) facility or B.) a 275 unit Continuing Care Retirement Facility (CCRC) which included approximately 53 healthcare beds.

Original concept plan snippet for full 'Corbinton Commons Retirement Campus':



The development of either scenario A.) or B.) above did not ever come to fruition on the east side of the property and the developer would like to pivot and build something else more suited to today's current market demand.

The applicant is requesting to rezone the eastern parcel through a general use rezoning to Multifamily with a development agreement that has an accompanying exhibit and the following highlights:

- A 10-year term
- Construction of up to 67 attached dwelling units, generally consistent with the concept plan attached to the draft development agreement noted as 'Exhibit B'
- The utilization of one entrance/exit out to US 70 East
- No subdivision of lots

- A payment in lieu of \$40,000 to the town's Affordable Housing Fund
- Construction of private streets, with curb, gutter, and stormwater facilities serving the project
- Construction of sidewalks along the property's frontage on U.S. HWY 70 East and a walking trail on the perimeter of the property to connect with an existing walking trail in Corbinton Commons
- Necessary repairs to the pedestrian bridge located at the southeast corner of the property
- Town water and sewer service to the project as soon as it is available, but no later than June 30, 2028
- Water infrastructure developed with two (2) points of water line connection
- Future connection to the Corbinton Commons pump station

'Exhibit B' Concept Plan snippet from the draft Development Agreement:



Zoning designation

The applicant requests to rezone the parcel from Assitive Living Neighborhood (ALN) to Multifamily (MF). The allowable land uses in both districts are mostly comparable, as demonstrated in Attachment #3, with both districts being intended for a mix of residential and residential type uses. One key difference is that every allowable use in the Assitive Living Neighborhood (ALN) district requires a Special Use Permit. Only some uses in the Multifamily (MF) district require a Special Use Permit.

Note that the North Carolina General Assembly deauthorized special use zoning districts, like the Assitive Living Neighborhood district, in 2021 with Chapter 160D of the General Statutes. However, properties zoned as special use districts before 2021, are still zoned that way until a town or applicant initiated rezoning process.

Future Land Use Plan designation

The rezoning request is compatible with the Future Land Use Plan’s recommended Future Land Use designation of ‘Mixed Use Residential’. The Future Land Use Plan is available on the town’s website at <https://www.hillsboroughnc.gov/about-us/departments/community-services/planning/future-land-use-plan>.

Water and sewer availability

Engineering/Utilities determine if the town can serve a project when development plans are submitted. Since this is a general rezoning request with only a concept plan as an exhibit to the development agreement, staff cannot fully evaluate capacity at this time. However, the town recently performed an interim upgrade the downstream pump station as part of restoration associated with Tropical Storm Chantal and is actively working on downstream pipeline upgrade requirements. The timelines for both of these projects are reflected in the availability of service outlined in the development agreement.

Staff recommendation

Staff of the Planning and Economic Development Division recommend approval of the requested rezoning based on consistency with the Unified Development Ordinance and Future Land Use Plan.

Action requested:

None. Item is recommended to be tabled to a future meeting per the town attorney’s guidance, however the April 13, 2026 meeting is when a decision would normally be made by the town board on this item based on the submittal date and public hearing, so for transparency staff thought it best to have it on the agenda and table it for the record.



TOWN OF
HILLSBOROUGH

APPLICATION
General Use Rezoning

Planning and Economic Development Division
101 E. Orange St., PO Box 429, Hillsborough, NC 27278
919-296-9470 | Fax: 919-644-2390
planning@hillsboroughnc.gov
www.hillsboroughnc.gov

This application is to rezone properties to General Use and/or Overlay Zoning Districts. If you want to rezone property to a Planned Development District, please use the Planned Development Rezoning Application.

SUBMITTAL REQUIREMENTS

- Complete application form, including signature Application fee per current Planning fee schedule

PROPERTY OWNER CONTACT

Name KEPSC Hillsborough LLC ("KEPSC")
Address 7001 Brush Hollow Rd., Ste 200, Westbury, NY 11590
Phone 919-██████████ Email ██████████@██████████

APPLICANT CONTACT

Name Robin L. Tatum as attorney for the Property Owner KEPSC
Address Post Office Box 2611, Raleigh, NC 27602
Phone 919-██████████ Email ██████████@██████████

PROPERTY DETAILS

Addresses/Location 715 US 70 East
Parcel ID Numbers 9874490155
Existing Land Uses/Structures Vacant
Total Acreage 13.44 Current Zoning ALN Proposed Zoning MF

CONSISTENCY WITH THE COMPREHENSIVE SUSTAINABILITY PLAN

Please describe how your proposed amendment is consistent with the town's Comprehensive Sustainability Plan, which is available online at <https://www.hillsboroughnc.gov/about-us/departments/community-services/public-space-and-sustainability/sustainability-initiatives>. You may include additional sheets if necessary.

The Growth Area Map (Figure 4.4) of the Town's Comprehensive Sustainability Plan designates the Property as a Potential Growth Area that the Town has deemed "ripe for additional compact and mixed-use development." Infill development on the Property is consistent with Land Use & Development Goal 1, which is to ensure that future growth and development is "aligned with smart growth principles." The proposed MF zoning is consistent with the Property's designation of Mixed Residential on the Future Land Use Plan.

GENERAL STANDARDS CONSIDERED BY THE BOARD OF COMMISSIONERS

A rezoning request is decided legislatively, meaning the Hillsborough Board of Commissioners votes whether to approve or deny the request. When considering the request, the commissioners are to consider ten factors listed in Unified Development Ordinance Sec. 3.7.2, General Standards/Findings of Fact. You can find the Unified Development Ordinance on the town’s website at <https://www.hillsboroughnc.gov/about-us/departments/community-services/planning/unified-development-ordinance>.

The ten factors are enclosed. Please describe how your proposed rezoning aligns with these factors. You may include additional sheets if necessary.

Applicant’s Responses:

1. The rezoning is consistent with the Property's designation as a Potential Grown Area in the Growth Area Map and the Property's designation of Mixed Residential on the Future Land Use Plan.
2. The rezoning will provide for more housing options, meeting a demonstrated community need.
3. The rezoning is consistent with surrounding land uses and is appropriate for the Property.
4. The rezoning will facilitate infill development, furthering a logical and orderly development pattern.
5. The rezoning will not encourage premature development.
6. The rezoning will not encourage strip or ribbon commercial development.
7. The rezoning is not spot zoning.
8. The rezoning will not result in adverse impacts on the property values of adjoining property.
9. The rezoning will not result in adverse environmental impacts.

SIGNATURES

I hereby agree to conform to all applicable laws and regulations of the Town of Hillsborough, County of Orange, and State of North Carolina as may be applicable to my request, and I certify that the information presented in this application is true and accurate to the best of my knowledge.

KEPSC Hillsborough, LLC

Printed name of owner



Signature

1-15-2026

Date

Robin L. Tatum
Attorney for KEPSC

Printed name of applicant



Signature

1-15-2026

Date

STAFF USE ONLY

Date received January 22, 2026

Received by SNC

Fee and receipt number \$1,672 (060827)

Tentative hearing date February 19, 2026

3.7 UNIFIED DEVELOPMENT ORDINANCE AND MAP AMENDMENTS

3.7.1 INTENT

It is the intent of this section to set forth the procedures for amending this Ordinance including the Official Zoning Map. Amendments shall be made by formal action of the Town Board. All proposed amendments shall be referred to the Planning Board for its consideration and recommendation. In no case shall final action be taken to amend this Ordinance until a duly advertised legislative hearing is held.

3.7.2 GENERAL STANDARDS/FINDINGS OF FACT

Before amending this Ordinance or the Official Zoning Map, the Town Board must consider, when conducting the process below, whether the request is consistent with the adopted Comprehensive Plan for the Town of Hillsborough.

Amending the Official Zoning Map (Rezoning) is a matter committed to the legislative discretion of the Town Board. In determining whether to adopt a proposed amendment, the Town Board shall consider and weigh the relevance of the following factors:

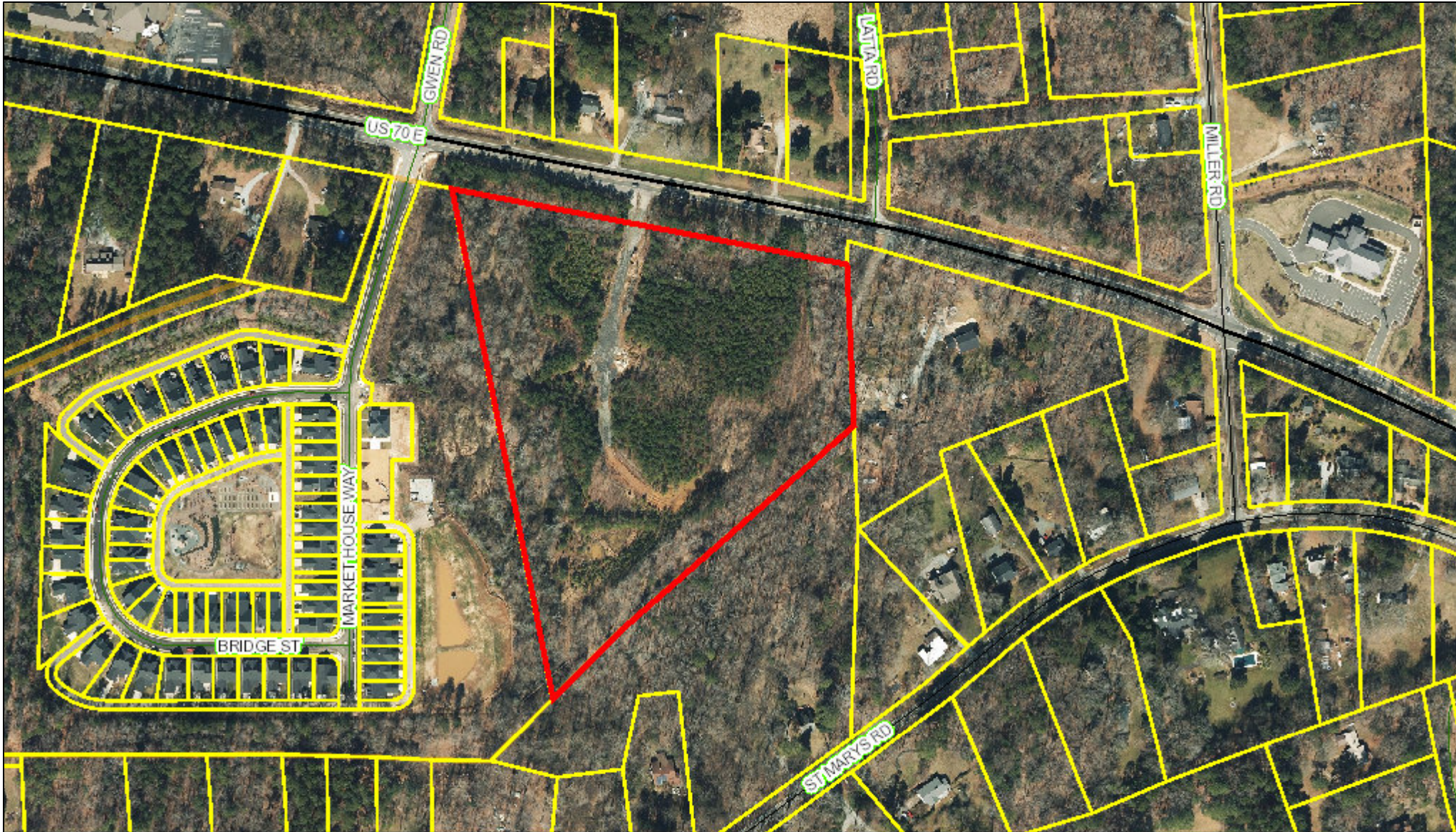
- 3.7.2.1 The extent to which the proposed amendment is consistent with all applicable Town-adopted plans.
- 3.7.2.2 The extent to which there are changed conditions that require an amendment.
- 3.7.2.3 The extent to which the proposed amendment addresses a demonstrated community need.
- 3.7.2.4 The 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.
- 3.7.2.5 The extent to which the proposed amendment would result in a logical and orderly development pattern or deviate from logical and orderly development patterns.
- 3.7.2.6 The extent to which the proposed amendment would encourage premature development.
- 3.7.2.7 The extent to which the proposed amendment would result in strip or ribbon commercial development.
- 3.7.2.8 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.
- 3.7.2.9 The extent to which the proposed amendment would result in significant adverse impacts on the property values of surrounding lands; and
- 3.7.2.10 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.

3.7.3 AUTHORITY TO APPLY

Subject to the limitations of the foregoing statement of intent, an amendment to this Ordinance, including the Official Zoning Map, may be initiated by:

- 3.7.3.1 The Town Board on its own motion.
- 3.7.3.2 The Planning Board.

Vicinity Map



January 30, 2026 This map contains parcels prepared for the inventory of real property within Orange County, and is compiled from recorded deed, plats, and other public records and data. Users of this map are hereby notified that the aforementioned public primary information sources should be consulted for verification of the information contained on this map.

The county and its mapping companies assume no legal responsibility for the information on this map.

PIN: 9874490155

OWNER 1: KEPSC HILLSBOROUGH LLC

OWNER 2:

ADDRESS 1: 7001 BRUSH HOLLOW RD

ADDRESS 2: STE 200

CITY: WESTBURY

STATE, ZIP: NY 11590

TR 1 CORBINTON COMMONS P101/67

SIZE: 13.44 A

DEED REF: 5843/457

RATECODE: 23

TOWNSHIP HILLSBOROUGH

BLDG SQFT:

YEAR BUILT:

BUILDING COUNT:

LAND VALUE: \$705,600

BLDG_VALUE: \$0

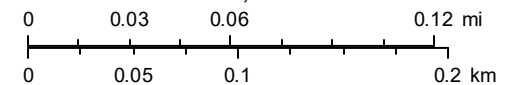
USE_VALUE: \$0

TOTAL VALUE: \$705,600

DATE SOLD: 9/8/2014

TAX STAMPS: 2600

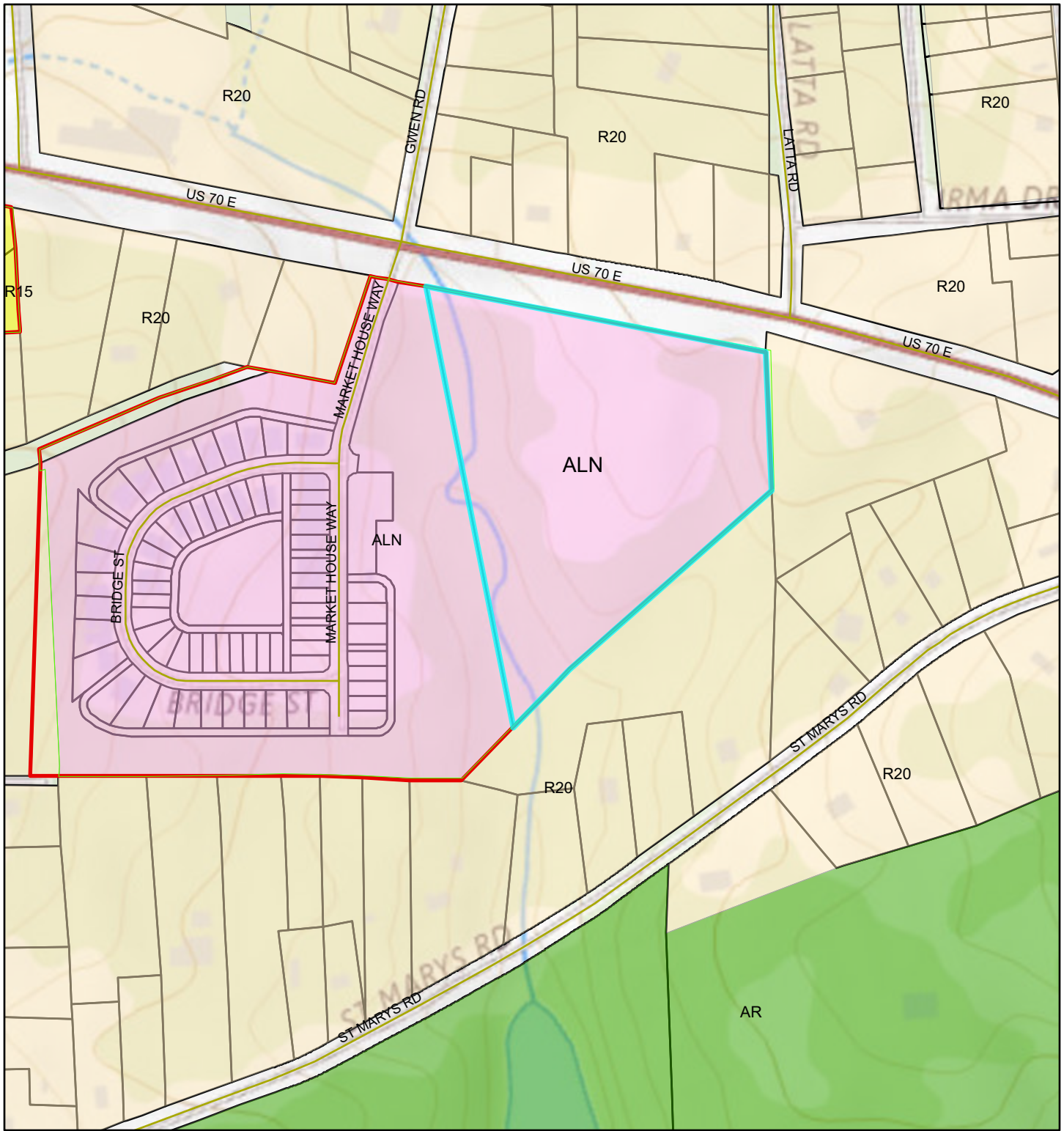
1:3,600



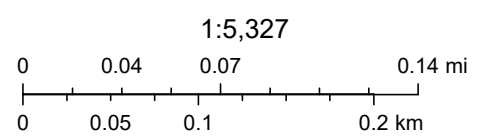
ORANGE COUNTY
NORTH CAROLINA

112

Hillsborough Zoning Map 715 US HWY 70 E



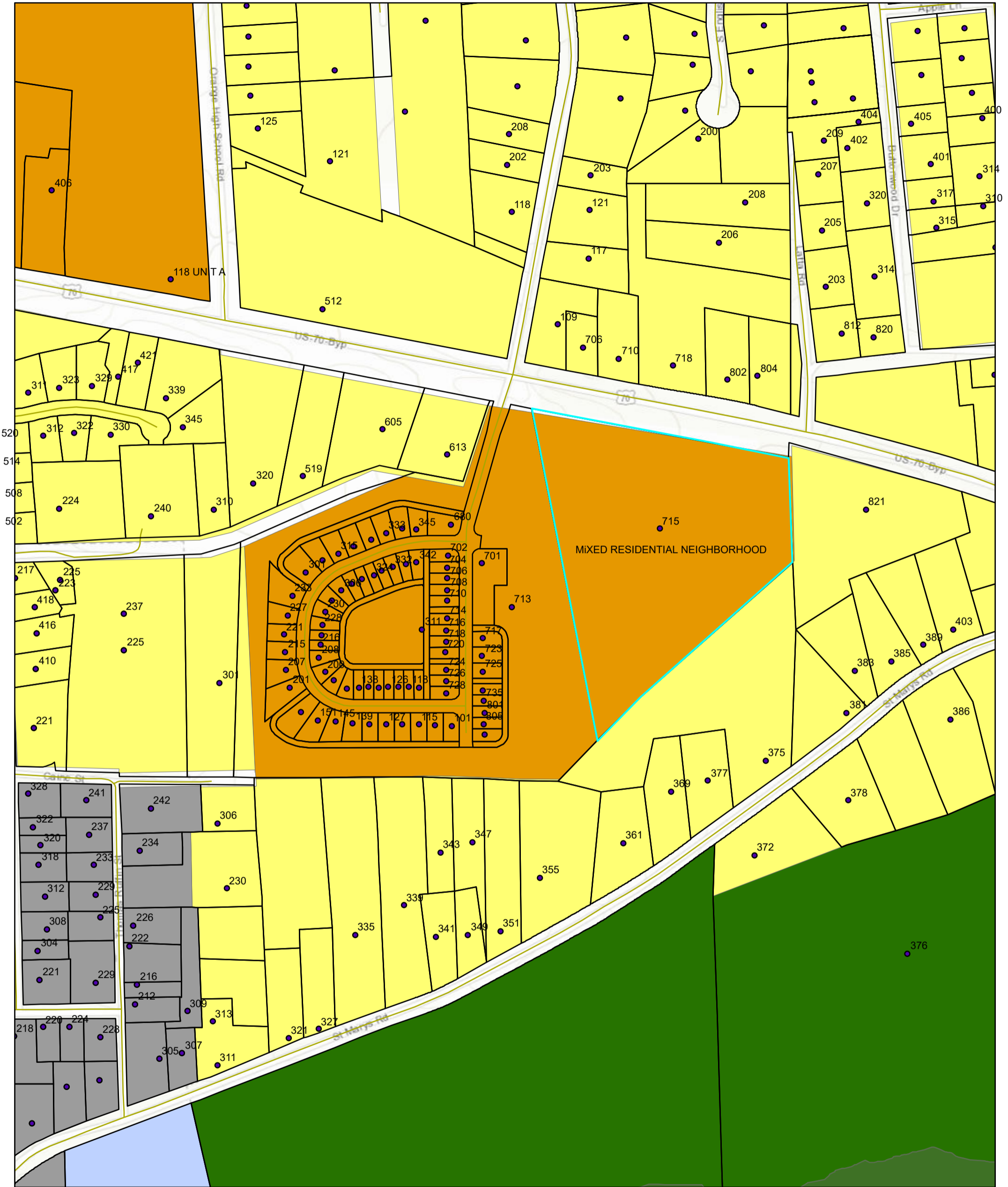
- Streets
- Hillsborough ETJ
- Hillsborough Town Limits
- Zoning**
- ALN Assistive Living Neighborhood
- AR Agricultural Residential
- R15 Residential 15,000 sf min
- R20 Residential 20,000 sf min
- Parcels
- USGSTopo**
- Red: Band_1
- Green: Band_2
- Blue: Band_3



USGS The National Map: National Boundaries Dataset, 3DEP Elevation Program, Geographic Names Information System, National Hydrography Dataset, National Land Cover Database, National Structures Dataset, and National Transportation Dataset; USGS Global Ecosystems; U.S. Census Bureau TIGER/Line data; USFS Road data; Natural Earth Data;

Section 6, Item B.

Hillsborough Future Land Use Map 715 US HWY 70 E

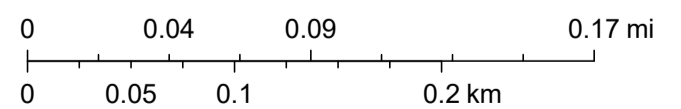


2/9/2026, 7:24:16 PM

- Addresses
- ▭ Parcels
- Streets
- Natural Resource
- ▭ Special Flood Hazard Areas
- ▭ Urban Service Area

- HillsboroughLandUse
- ▭ Education
 - ▭ Mixed Residential Neighborhood
 - ▭ Permanent Open Space
 - ▭ Small Lot Residential
 - ▭ Urban Neighborhood

1:4,514



Orange County, NC, State of North Carolina DOT, Esri, HERE, Garmin, INCREMENT P, USGS, EPA, USDA

5.1.7 TABLE: USE TABLE FOR RESIDENTIAL DISTRICTS

P = Permitted by Right

SUP = Permitted with a Special Use Permit

+ = When also in the Plus Overlay district

	AR	R-40	R-20	R-15	R-10	MF	MHP	PW	PWCA	MFSU	ALN	RSU
Adult Day Care											SUP	
Adult Use												
Artisan Studio												SUP
Bank & Financial Institution												
Bar												
Bed and Breakfast Facility	P	P	SUP	SUP	SUP							
Botanical Garden & Arboretum	P											
Building/Trade Contractor's office												
Cemetery	SUP	SUP	SUP	SUP	SUP							
Child Day Care		SUP	SUP	SUP	SUP							
Church, Place of worship	SUP	SUP	SUP	SUP	SUP			SUP	SUP	SUP	SUP	
Detention Facility												
Dwelling: Accessory	P	P	P	P	P			P	P	SUP	SUP	SUP
Dwelling: Attached (1-4 units)	P	P	P	P	P	P				SUP	SUP	SUP
Dwelling: Attached (5-19 units)			P	P	P	P				SUP	SUP	SUP
Dwelling: Attached (20+ units)	SUP	SUP	SUP	SUP	SUP	P				SUP	SUP	SUP
Dwelling: Mobile Home A	P	P	P	P	P		P					
Dwelling: Mobile Home B							P					
Dwelling: Mobile Home C							P					
Dwelling: Single-family	P	P	P	P	P	P	P	P	P	P	P	SUP
Electronic Gaming Operation												
Event Center												
Extended Care Facility											SUP	
Family Care Home	P	P	P	P	P	P	P					
Family Child Care Home	P	P	SUP	SUP	SUP							
Farm, Bona fide	P	P										
Farmer's Market												
Flex Space												

5.1.7 TABLE: USE TABLE FOR RESIDENTIAL DISTRICTS

P = Permitted by Right SUP = Permitted with a Special Use Permit + = When also in the Plus Overlay district

	AR	R-40	R-20	R-15	R-10	MF	MHP	PW	PWCA	MFSU	ALN	RSU
Food Preparation Business												
Funeral Home												
Gallery/Museum	P											SUP
Government Maintenance Yard												
Greenhouses/Nursery	P											
Group Care Facility	P	P	P	P	P							
Health Care Facility												
Health/Fitness Club												
Homeless Shelter			SUP	SUP	SUP			SUP	SUP	SUP	SUP	
Hospitals												
Hotels & Motels												
Junkyard/Outside Storage of Junked or Wrecked Motor Vehicles												
Kennels, Boarding	SUP											
Library												
Manufacturing Complex												
Meeting Facility												SUP
Mobile Home Park							P					
Motor Vehicle Fuel Station												
Motor Vehicle Maintenance, & Service												
Motor Vehicle Repair												
Motor Vehicle Sales & Rentals												
Office operations												
Offices and professional services												
Order Fulfillment Center												
Outlet sales												

5.1.7 TABLE: USE TABLE FOR RESIDENTIAL DISTRICTS

P = Permitted by Right SUP = Permitted with a Special Use Permit + = When also in the Plus Overlay district

	AR	R-40	R-20	R-15	R-10	MF	MHP	PW	PWCA	MFSU	ALN	RSU
Park, Athletic or Community	SUP	SUP	SUP	SUP	SUP							
Park, Cultural or Natural	P	P	P	P	P	P	P					
Park, Neighborhood	P	P	P	P	P	P	P					
Park and Ride Facility												
Parking as Principal Use, Surface or Structure												
Performance Facility												
Personal service business												SUP
Petroleum Products (storage & distribution)												
Pharmacy, Convenience												
Pharmacy, Retail												
Postal and Parcel Delivery Services												
Processing Facility												
Public Safety Services	P	P	P	P	P							
Public Utilities	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	
Recreational Facilities												
Research Facility												
Research Facility, Intense												
Restaurant												
Restaurant, Convenience												
Retail sales/rentals of goods with outside display/storage of merchandise												
Retail sales/rentals of goods within wholly enclosed structure												
School: Art & Music												
School: Dance, Martial Arts												

5.1.7 TABLE: USE TABLE FOR RESIDENTIAL DISTRICTS

P = Permitted by Right SUP = Permitted with a Special Use Permit + = When also in the Plus Overlay district

	AR	R-40	R-20	R-15	R-10	MF	MHP	PW	PWCA	MFSU	ALN	RSU
School: Elementary, Middle & Secondary												
School: Higher Education												
School: Vocational												
Short-term Rental	P	P	P	P	P							
Storage & Warehousing: Inside building, excluding explosives & hazardous wastes												
Storage & Warehousing: Outside												
Storage & Warehousing: Self												
Telecommunication Tower	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	
Temporary Family Health Care Structure	P	P	P	P	P							
Transit Passenger Terminal												
Transmission Lines	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	SUP	
Veterinarian/Animal Hospital												
Wholesale sales, indoor												
Wholesale sales, with outdoor storage/display												

STATE OF NORTH CAROLINA

DEVELOPMENT AGREEMENT

COUNTY OF ORANGE

This Development Agreement (the "Agreement") is made and entered into as of the ____ day of _____ by and among **KEPSC HILLSBOROUGH, LLC**, a North Carolina limited liability company (the "Developer"), and the **Town of Hillsborough**, North Carolina ("Town"), a municipal corporation of the State of North Carolina.

WITNESSETH:

WHEREAS, Developer is the owner of approximately 13.41-acre parcel within the corporate limits of the Town of Hillsborough, located at 715 U.S. Highway 70 East, with parcel identification number 9874-49-0155 (the "Property").

WHEREAS, Developer requested and the Town approved a General Use Rezoning Request to amend the Official Zoning Map of the Town to rezone the Property from ALN to MF, Ordinance ____ (the "Zoning").

WHEREAS, the Developer sought the rezoning to facilitate plans to develop the Property for attached dwellings (20+ units).

WHEREAS, the Developer desires careful integration between public and private capital facilities planning, financing, and construction, and further desires sufficient assurances that development standards, ordinances, policies and procedures remains stable throughout the extended period of development.

WHEREAS, the Town is authorized to enter into this agreement pursuant to N.C.G.S. § 160D-1001(b) and 160D-1003, and may contract with the Developer to carry out the public purposes set forth herein pursuant to N.C.G.S. §160D-1001(a) and the Town Board of Commissioners has determined that it is in the best interests of the citizens to do so.

WHEREAS, North Carolina General Statutes (“G.S.”) 160D-1001(b) and 160D-1003 expressly authorize local governments and agencies to enter into development agreements with developers pursuant to the procedures and requirements of G.S. 160D-1001 through 160D-1012 for projects that require long-term commitments of both public and private resources.

WHEREAS, the Town and Developer desire to enter into this Agreement for the purposes of furthering the Town’s and the Developer’s mutual goal of providing high-quality, attainable housing in the Town and coordinating the necessary infrastructure and other facilities to serve the Property and the community at large.

NOW, THEREFORE, based on the terms and conditions set forth herein and in consideration of the mutual promises and assurances provided herein, the parties hereby agree as follows:

1. **Recitals**. The parties agree that the foregoing recitals are true and correct and are incorporated herein by reference.
2. **Public Hearing**. Pursuant to Section 160D-1005 and Section 160D-602 of the North Carolina General Statutes, the Town conducted a public hearing on _____, to consider the approval and execution of this Agreement in accordance with the procedures set out in Section 160D-1005. Public notice was duly given, and the notice of public hearing specified, among other things, the location of the Property subject to this Agreement, the development uses proposed on the Property, and a place where a copy of the Agreement may be obtained. The Town Board approved this Agreement and the Town executed the same.
3. **Property Subject to Agreement**. The Property subject to this Agreement is described in **Exhibit A**.
4. **Term**. The term of this Agreement shall commence on the date that all parties hereto have executed this Agreement (the “Effective Date”) and shall terminate on the date that is 10 years after the Effective Date, unless sooner terminated by the mutual consent of the parties (or their successors in interest), or unless extended by the mutual consent of the parties (or their successors in interest).
5. **Development Uses**. The development uses permitted on the Property shall be all uses permitted in compliance with this Agreement, the Zoning, the Town of Hillsborough Unified Development Ordinances (“UDO”) and other applicable laws existing on the Effective Date of this Agreement.

The Town and Developer agree that this Agreement, the Zoning, and other applicable laws permit the Developer to construct up to 67 attached dwelling units on the Property generally consistent with the concept plan attached hereto as **Exhibit B** (the “Concept Plan”).

The precise location of buildings, parking areas, and interior drives will be shown on a final site plan (the “Site Plan”) to be prepared by Developer following execution of this Agreement and reviewed administratively by Town Staff.

If attached dwelling units are constructed on the Property consistent with the Concept Plan (the “Project”):

- a. Only one entrance will be required for the development, unless additional entrances are required by the North Carolina Fire Code and approved by the Fire Marshal.
- b. The Property will not be subdivided into lots.

6. **Affordability.** For the benefit of the public health, safety and welfare, and recognizing that there is a need in the Town for housing that is affordable and attainable for lower income residents, the Developer shall donate \$40,000 to the Town’s Affordable Housing Fund (the “Affordable Housing Donation”) when water and sewer service is made available to the Property. The Affordable Housing Donation will be paid to the Town of Hillsborough no later than the time a Water and Sewer Extension Contract (WSEC) is signed to provide water and sewer service to the Property. The parties acknowledge and agree that the Affordable Housing Donation is a condition of the Town providing water and sewer service to the Property, even if the development is other than that according to the Concept Plan.

7. **Law in Effect at Time of the Agreement Governs the Development; Vested Rights.**

Except as provided in G.S. 160D-1007, G.S. 160D-1010(b), and this Agreement, the Town may not apply subsequently adopted Town regulations to the Property during the Agreement Term without the written consent of Developer. During the Agreement Term, Developer shall have a vested right to develop the Property in accordance with (i) this Agreement, (ii) the Zoning, (iii) the UDO, (iv) Town regulations, and (v) any other applicable laws, all of the foregoing (i) through (v) as they exist on the Effective Date. In accordance with G.S. 160D-106, the parties agree, intend, and understand that all conditions,

terms, restrictions, or other requirements applicable to the Project and reasonably determined to be necessary by the Town for the public health, safety, or welfare of its citizens, are provided for by the foregoing (i) through (v) as they exist on the Effective Date. This Agreement does not abrogate any rights that may vest pursuant to statutory or common law or otherwise in the absence of this Agreement. If the Town adopts new, different, or amended development regulations that Developer views as more favorable to the Project than the regulations in effect at the time of adoption of this Agreement, Developer may elect to be bound by the new regulations or ordinance (the "After-Adopted Regulation") without any further agreement from the Town. In the event that Developer elects to be bound by the After-Adopted Regulation, Developer will communicate that fact to the Planning Director in writing and note such change on any future permit applications affected by the change.

8. **Development Moratoria.** Absent an imminent threat to public health or safety, no development moratorium shall apply to the Property so long as this Agreement exists; the Town recognizes that all rights established by this Agreement have vested for the Term of the Agreement.
9. **Good Faith.** The Parties acknowledge and understand that Sections 5, 7, and 8 impose a duty of good faith performance and fair dealing on all Parties and that neither Party knows as of the Effective Date any reason it or any other Party cannot perform or abide by these sections so as to confer on each Party the full benefits of this Agreement.
10. **Public Facilities.** Developer shall be responsible for installation and/or repairs of all of the items below in accordance with the UDO.
 - a. Construction of streets, with curb and gutter, within the Property reasonably necessary to serve development on the Property. All streets constructed on the Property must meet UDO requirements for private streets.
 - b. Stormwater facilities serving the Property.
 - c. Construction of utility lines within the Property to serve the Project, including water, sewer, and electric lines.
 - d. Any and all additional facilities reflected in the Water and Sewer Extension Contract, as described in paragraph 12 below.
 - e. Sidewalks along the Property's frontage with U.S. 70 East, as generally shown on the Concept Plan, including connections with the

sidewalk installed for the Corbinton Commons development and the perimeter walking trail.

- f. Walking trail on the perimeter of the Property.
- g. Necessary repairs to or restoration of the existing pedestrian bridge or construction of a new pedestrian bridge located at the southeast corner of the Property. Any repairs or restoration of the existing pedestrian bridge shall bring the bridge into compliance with the applicable provisions of the Building Code.

11. Traffic and Roadways; Emergency Access; Solid Waste Services.

Developer shall install all improvements required by the UDO, the Town of Hillsborough Street Manual, the North Carolina Building Code, the North Carolina Fire Prevention Code, and any other applicable regulations for the Project in effect on the Effective Date. Developer and the Town acknowledge and agree that if the Project is constructed, all roadways internal to the project, except any access road connecting the internal roadways to U.S. 70 E, will be private roads and alleys.

Developer and the Town further acknowledge and agree that if the Project is constructed, the Project will not receive solid waste collection services from the Town and shall be required to contract with a private provider for solid waste services.

12. Pedestrian Connectivity Construction. If the Project is constructed on the Property, Developer agrees to:

- a. build the sidewalks along the Property's frontage with U.S. 70 East and all facilities necessary to connect that sidewalk to the existing sidewalk located in front of the existing Corbinton Commons development.
- b. make the improvements on the Concept Plan, including the 6' asphalt perimeter trail and repairs to the existing wooden bridge at the SE corner of the Property.

All sidewalks will be constructed according to the standards and specifications set forth in the UDO, the Town of Hillsborough Street Manual, and Street Construction Standard Specifications set forth in Appendix A to Chapter 7 of the Town of Hillsborough Code of Ordinances in effect on the Effective Date. Pedestrian facilities constructed pursuant to this Section 10 will be completed and ready for final inspection no later than the date the application for the

twentieth certificate of occupancy (“CO”) for the Project is submitted. Notwithstanding the foregoing and except as provided in the following sentence, the Town may not withhold the approval of COs for the Project for failure to complete pedestrian facilities consistent with this Section 10. The sidewalks must be accepted for dedication by the Town, and the perimeter trail, bridge, and connections to existing facilities must be complete prior to issuance of the final five COs for the Project and will be subject to a public access easement in the final recorded plat. The parties expressly agree that the perimeter trail will be a 6-foot asphalt path available for public use and not dedicated to the Town.

13. **Water and Sewer Allocation.** Upon the availability of construction drawings and additional engineering information, the Parties shall execute a Water and Sewer Extension Contract (the “Extension Contract”) which will, govern the terms under which the Town will provide water and sewer service to the Project. The Town and Developer hereby agree that the following terms will be included in the final WSEC:

- a. The Town will reserve full water and sewer capacity for the Project, specifically for up to 67 attached dwelling units and irrigation meters and resident amenities depicted on the Concept Plan, on the Property. The Town will provide full water and sewer service as soon as it is available, but no later than June 30, 2028.
- b. The Project will be developed with two (2) master meters with backflow prevention assemblies for the development.
- c. The water infrastructure for the Project shall be developed with two (2) points of connection for water lines, with an in-line valve in between.
- d. Developer shall complete and test the water lines and sewer line connecting the Project to the Corbinton Commons pump station prior to connection.
- e. Developer shall otherwise comply with the requirements of the UDO, the Developer/Engineer Checklist for Projects Involving Town of Hillsborough Water and Sewer Utilities in effect when the Project is connected, and the standard requirements of the WSEC, a copy of which is attached as **Exhibit C**, and any applicable federal and state laws and regulations.

14. **Local Development Permits.** In accordance with G.S. 160D-1001(d), the development authorized by this Agreement shall comply with all applicable laws, including all ordinances, resolutions, regulations, permits, policies, and laws affecting the development of the Property, including laws governing permitted uses of the Property, density, intensity, design, and improvements.

The Town agrees that it shall act consistent with its rules, regulations, and common practices on any application for permits associated with the development of the Project.

15. **Good Standing.** The Developer shall pay required development fees, including system development fees, and fees-in-lieu pursuant to the applicable Town ordinances at such time as they would ordinarily become due and in the amounts set forth in the fee schedule in effect at the time the fees are due. The Town may require the payment of such fees before accepting the Developer's development permit applications for the Property for review.

16. **Amendment; Modification; Termination; or Extension of the Agreement Term.** This Agreement may be amended, modified, terminated, or extended by the mutual consent of both Parties. The modifications below shall be considered Major Modifications and require the same procedures as required by North Carolina law for the adoption of a development agreement. All other modifications shall be considered Minor Modifications and shall be reviewed and approved administratively, to the extent allowed by law, by the Town of Hillsborough Planning Director (the "Planning Director").

- a. An increase or decrease in the acreage of the Property subject to this Agreement of more than five (5) percent.
- b. A change in the Agreement Term.

17. **Recordation/Binding Effect.** Within 14 days after the Effective Date, Developer shall record this Agreement in the Orange County Register of Deeds (the "Registry"). The benefits and burdens under this Agreement shall inure to and be binding upon the parties and their successors and assigns. All of the provisions of this Agreement shall be enforceable during the Agreement Term as equitable servitudes and constitute covenants running with the land pursuant to applicable law.

18. **Force Majeure.** In addition to specific provisions of this Agreement, no party shall be responsible for any default, delay or failure to perform if such default, delay or failure to perform is due to causes beyond such party's reasonable

control, including, but not limited to, strikes, lockouts, actions or inactions of governmental authorities, epidemics, wars, embargoes, fires, hurricanes, adverse weather, acts of God, lawful work stoppages ordered by a governmental entity, interference duly caused by any other party, or the default of a common carrier. In the event of a default, delay or failure to perform due to causes beyond such party's reasonable control or due to interference by another party, any date or times by which the parties are otherwise scheduled to perform, if any, shall be extended automatically for a period of time equal in duration to the time lost by reason of the cause beyond the reasonable control of such party. If written notice of such delay is given to the other party after the commencement of such delay, an extension of time for such cause shall be deemed granted for the period of the enforced delay, or longer as may be mutually agreed to by the parties.

19. **Disclaimer of Joint Venture, Partnership and Agency.** This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between or among the parties, or to impose any partnership obligation or liability upon such parties.
20. **No Third Party Beneficiaries.** The Agreement is not intended to and does not confer any right or benefit on any third party that is not a party.
21. **Notices.** Any notice, demand, request, consent, approval or communication which a signatory party is required to or may give to another signatory party hereunder shall be in writing and shall be delivered or addressed to the other at the address below set forth or to such other address as such party may from time to time direct by written notice given in the manner herein prescribed, and such notice or communication shall be deemed to have been given or made when communicated by personal delivery or by independent courier service or if by mail on the 5th business day after the deposit thereof in the United States Mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, consents, approvals or communications to the parties shall be addressed to:

Town: Town of Hillsborough
 Attn: Shannan Campbell
 101 E. Orange St.
 Hillsborough, NC 27278
 Shannan.Campbell@hillsboroughnc.gov

w/ a copy, which shall not constitute notice, to:

Bob Hornik, Town Attorney
Town of Hillsborough
1526 E. Franklin St., Suite 200
Chapel Hill, NC 27514
hornik@broughlawfirm.com

and

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

Developer: The Kalikow Group
KEPSC Hillsborough, LLC
c/o Ed Kalikow
7001 Brush Hollow Road
Suite 200
Westbury, NY 1150

w/ a copy, which shall not constitute notice, to:

Robin Tatum
Smith Anderson
150 Fayetteville Street, Ste. 2800
Raleigh, NC 27601
rtatum@smithlaw.com

22. **Entire Agreement.** This Agreement sets forth and incorporates by reference all of the agreements, conditions and understandings between the parties relative to this Agreement and the Property. There are no promises, agreements, conditions or understandings, oral or written, expressed or implied, among the parties relative to the matters addressed herein other than as set forth or as referred to in this Agreement or as contained in the UDO or the Zoning as of the Effective Date.

23. **Assignment.** The Developer may at any time and from time to time assign its rights and responsibilities hereunder, which assignee and subsequent assigns shall retain the right to assign their respective rights and/or responsibilities hereunder or any part of all or any portion of the Property as Developer. The Developer shall provide the Town with prior written notice of any assignment and a written assignment of rights and responsibilities expressly

acknowledging the assignee's agreement to the terms of this Agreement, shall be executed by the Developer and the assignee and recorded in the Registry. A deed from Developer to a subsequent owner shall be deemed to assign the conveying Developer's rights and obligations under this Agreement to the subsequent owner and this Agreement shall be enforceable during the Agreement Term as equitable servitudes and constitute covenants running with the land pursuant to applicable law. Any violation of the terms and conditions of this Agreement occurring after such an assignment will be the responsibility of the then current Developer in violation.

24. **Governing Law; Venue.** This Agreement shall be governed by the laws of the State of North Carolina. Any reference in this Agreement to a North Carolina General Statute be deemed to include any successor or replacement statute as to the same matters subject to the statute that has been succeeded or replaced. Venue for any disputes arising from this Agreement shall be the Superior Court of Orange County, North Carolina.
25. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and such counterparts shall constitute one and the same instrument.
26. **Termination.** Unless the Agreement Term is extended by the Town and Developer, this Agreement shall terminate on the earlier of the expiration of the Agreement Term or by agreement of the parties. Notwithstanding the foregoing, the Developer shall have the unilateral right to terminate this Agreement upon any change in the Developer's plan for development that renders this Agreement inapplicable, in which case the Town shall be relieved of all obligations hereunder. Any termination other than by expiration of the Agreement Term shall be recorded in the Registry.
27. **No Deemed Waiver.** Failure of a party to exercise any right under this Agreement 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.
28. **Severability.** If any term or provision herein shall be judicially determined to be void or of no effect, such determination shall not affect the validity of the remaining terms and provisions. The parties agree that if any provision of this Agreement is judicially determined to be invalid because it is inconsistent with a provision of state or federal law, this Agreement shall be amended to the

extent necessary to make it consistent with state or federal law and the balance of the Agreement shall remain in full force and effect.

29. **Authority**. Each party represents it has undertaken all actions necessary for approval of this Agreement, and that the person signing this Agreement on behalf of such party has the authority to bind that party.
30. **Construction**. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto.
31. **Lender Protections**. Any lender of Developer (or any successor-in-title thereto) having a security interest in all or a part of the Property (a "Secured Lender") may give written notice to the Town of its security interest (a "Lender Notice"). If a Secured Lender provides a Lender Notice, then the Town shall copy the Secured Lender on any notice of default given to Developer (or any successor-in-title thereto), and the Secured Lender shall have 30 days, or such applicable longer cure period given to Developer (or any successor-in-title thereto), to cure the alleged default.
32. **Estoppel**. At any time and from time to time, Town shall deliver, to the extent accurate and permitted by law, within 45 days after Developer's (or any other owner of the Property's) written request, a written statement addressed to the requesting party, and if requested, its Secured Lender and any proposed purchaser or investor in the Property that to the best of its knowledge: (1) that this Agreement is in full force and effect; (2) that it acknowledges that this Agreement has not been amended or modified, or if so amended, acknowledges the accurateness of the amendments provided by the requestor; and (3) whether, to the knowledge of the Town, Developer (or the requesting party) is in default or claimed default in the performance of its obligation under this Agreement, and, if so, describing the nature and amount, if any, of any such default or claimed default; and (4) whether, to the knowledge of the Town, any event has occurred or failed to occur which, with the passage of time or the giving of notice, or both, would constitute default, and, if so, specifying each such event.
33. **Non-Discrimination**. To the extent permitted by North Carolina law, the Parties for themselves, their agents, officials, directors, officers, members, representatives, employees, and contractors agree not to discriminate in any manner or in any form based on actual or perceived age, mental or physical

disability, sex, religion, creed, race, color, sexual orientation, gender identity or expression, familial or marital status, economic status, veteran status or national origin in connection with this Agreement or its performance. This provision is incorporated into the Agreement for the benefit of the Town of Hillsborough and its residents and may be enforced by an action for specific performance, injunctive relief, or any other remedy available at law or equity. This section shall be binding on the successors and assigns of all parties with reference to the subject matter of the Agreement.

SIGNATURE PAGES FOLLOW.

DRAFT

IN WITNESS WHEREOF, the parties hereby set their hands and seals, effective the date first above written.

Pursuant to N.C.G.S. 160D-1005, this Development Agreement came before the Town of Hillsborough Board of Commissioners on _____, _____ for a duly noticed legislative hearing. Based on the information presented at the _____ hearing, the Town of Hillsborough Board of Commissioners determined that the Town entering into this Development Agreement is in the public interest as it provides a contribution to affordable housing and pedestrian infrastructure, approved this Development Agreement, and authorized the Town Manager to execute the same.

TOWN OF HILLSBOROUGH, NORTH CAROLINA

By: _____ (SEAL)

Name: Eric Peterson

Title: Town Manager

Date: _____

Attest: _____

Town Clerk

STATE OF NORTH CAROLINA TOWN ACKNOWLEDGEMENT
COUNTY OF ORANGE

This is to certify that on the ____ day of _____, 20____, before me personally came _____, with whom I am personally acquainted, who, being by me duly sworn, says that she is the Town Clerk, and Eric Peterson is the Town Manager of the Town of Hillsborough, the municipal corporation described herein and which voluntarily executed the foregoing; that she knows the corporate seal of said municipal corporation; that the seal affixed to the foregoing instrument is said corporate seal, and the name of the municipal corporation was subscribed thereto by said Acting Town Clerk & Treasurer and that the said seal was affixed, all by order of the governing body of said municipal corporation, and that the said instrument is the act and deed of said municipal corporation.

Witness my hand and official seal this the ____ day of _____, 20____,

Printed Name: _____

Notary Public

(Seal)

My Commission Expires:

Approval as to Form:

Town Attorney

Certificate of Town of Hillsborough Finance Officer

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

Finance Officer
KEPSC HILLSBOROUGH, LLC

Date

a North Carolina limited liability company

By: _____

[Authorized Signatory]

STATE OF _____

_____ COUNTY

I certify that the following person personally appeared before me this day and acknowledged to me that he or she voluntarily signed the foregoing document for the purpose stated therein and, in the capacity indicated: _____.

Witness my hand and official seal this the ____ day of _____, 20____,

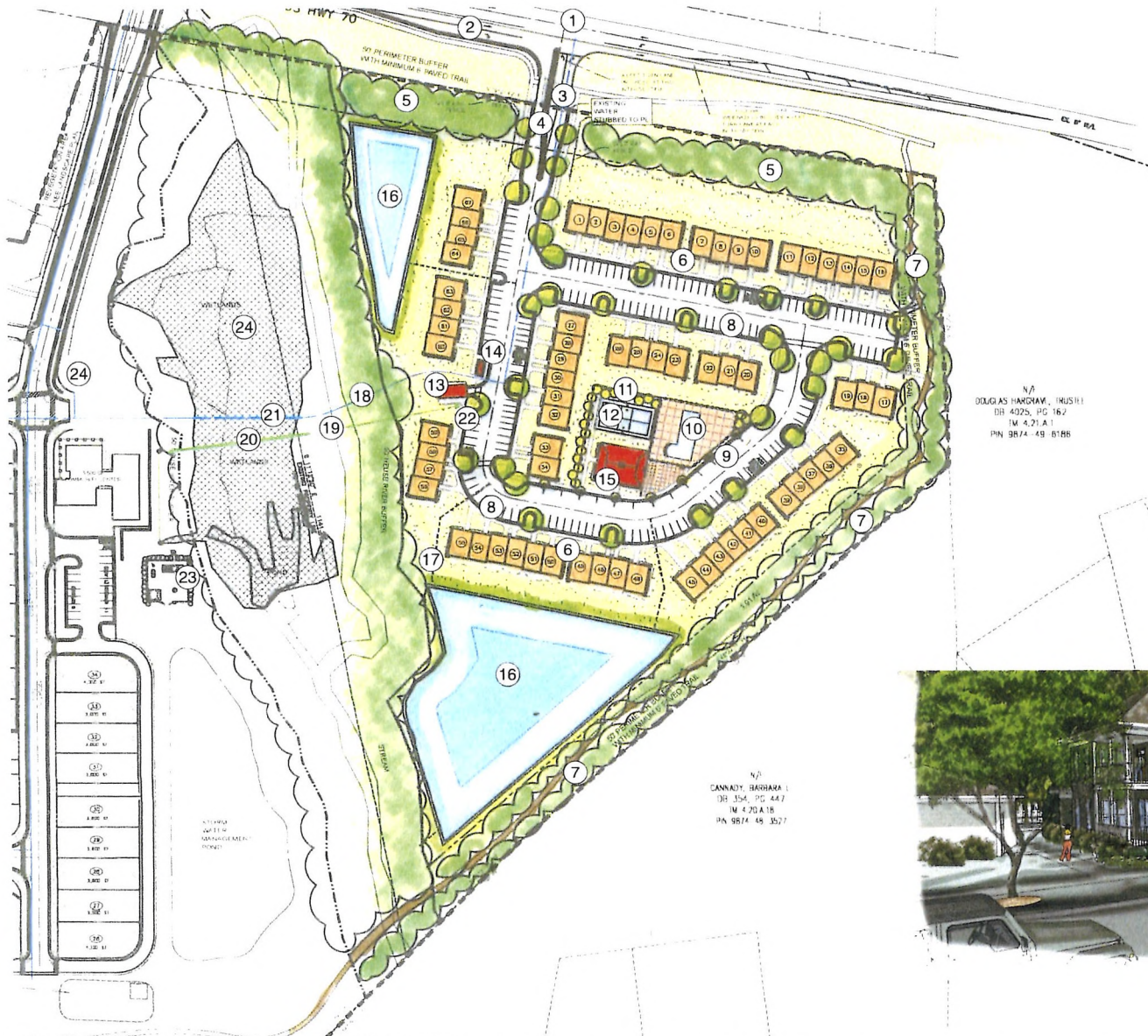
_____, Notary

Public

[Affix Notary Stamp or Seal]

My Commission Expires:

EXHIBIT B



SKETCH BREAKDOWN:

TOTAL PARCEL: +/- 13.41 AC
 TOTAL DWELLING UNITS (DU): 67
 UNIT FOOTPRINTS:
 END: 25'X38'
 INTERIOR: 22'X38'

PARKING: 180 TOTAL (7 ACCESSIBLE)
 UNIT PARKING: 134 SP
 OVERFLOW: 30 SP
 AMENITY: 16 SP

ALL STREETS PRIVATE
 TRASH PICK BY PRIVATE VENDOR VIA COMPACTOR
 WATER SYSTEM TO LOOP FROM ENTRANCE TO EXISTING WESTERN SYSTEM
 SEWER TO CONNECT TO PUMP STATION

CONCEPT KEY:

1. US HWY 70
2. EXISTING TURN LANES
3. EXISTING WATER TAP
4. PROJECT ENTRANCE
5. 50' BUFFER
6. TOWNHOME UNITS (TYP)
7. 50' BUFFER WITH WALKING TRAIL
8. RESIDENT AND OVERFLOW PARKING
9. AMENITY PARKING
10. POOL AND POOL DECK
11. ACTIVITY BUFFER
12. PICKLEBALL COURT
13. COMPACTOR
14. MAIL KIOSK
15. AMENITY PAVILION
16. STORM WATER MANAGEMENT PONDS
17. STORM WATER CONNECTIONS
18. WATERLINE LOOP TO WEST SYSTEM
19. SANITARY SEWER CONNECTION TO PUMP STATION
20. EXISTING SANITARY SEWER BORE UNDER WETLANDS
21. WATER SYSTEM BORE UNDER WETLANDS
22. EXISTING EAST SIDE RECEIVING MANHOLE
23. EXISTING PUMP STATION
24. EXISTING SUBDIVISION

N/A
 DOUGLAS HARDRAW, PLS III
 DR 4025, PG 162
 IM 4.21.A.1
 PN 9874 49 6186

N/A
 CANNADY, BARBARA I
 DR 354, PG 447
 IM 4.20.A.18
 PA 9874 48 3527



ARCHITECTURAL CONCEPT

SUBJECT TO REGULATORY AGENCY REVIEW AND APPROVAL

SCALE 1"=120' 0" 120' 240'

Front Street
 DESIGN & CONSULTING
 P.O. Box 254
 Folly Beach, SC 29439
 tel 843 588 5021
 www.frontstreetdesign.com

TOWNHOME SKETCH PLAN

**CORBINTON
 HILLSBOROUGH, NC**

PROJECT #	06/06/2024	
DATE	11/02/2020	
SCALE	1"=120'	
DESIGNER	EYC/gsk	
DATE		

1
 1



PLANNING BOARD STATEMENT OF PLAN CONSISTENCY AND RECOMMENDATION

General use rezoning request for 715 US Highway 70 East (PIN 9874490155) with development agreement
March 19, 2026

WHEREAS, the Town of Hillsborough Planning Board has received and reviewed an application from KEPSC LLC to rezone a parcel of approximately 13.44 acres in area at 715 US Highway 70 East (PIN 9874490155) from Assisted Living Neighborhood (ALN) to Multi-Family (MF); and

WHEREAS, North Carolina General Statute 160D-604 (Planning Board Review and Comment), paragraphs (b) (Zoning Amendments) and (d) (Plan Consistency), require that, when considering a proposed zoning map amendment, the Planning Board must advise and comment on whether the amendment is consistent with any adopted comprehensive or land-use plan, and any other applicable, officially adopted plan. The Planning Board must then provide a written recommendation to the Town Board of Commissioners addressing plan consistency and other matters deemed appropriate; and

WHEREAS, UDO §3.7.10 (Planning Board Recommendation) requires the written report be delivered to the Town Board of Commissioners within 30 days of the amendment's initial referral to the Planning Board; and

WHEREAS, after deliberation of the requested amendment, the Hillsborough Planning Board finds the following:

1. The proposed amendment **IS CONSISTENT** with the Town of Hillsborough Comprehensive Sustainability Plan:
 - Land Use and Development Goal 1: Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.
 - Strategy: Develop and adopt plans that contribute to meeting preferred future land use and growth patterns.

- Action: Analyze additional opportunities for infill and redevelopment and increased density in existing neighborhoods, focusing on the provision of water and sewer and other infrastructure and services.

2. The proposed map amendment **ADVANCES** identified goals and strategies found in the CSP and **PROMOTES** the public health, safety, and welfare by creating additional single-family attached housing opportunities in the Town of Hillsborough near existing amenities and resources, such as a school and a grocery store.

WHEREFORE, upon a motion by Carrie Winkler, seconded by Robert Iglesias, the foregoing was put to a vote of the Board, the results of which vote are as follows:

Ayes: 6 (Hooper Schultz, Sherra Lawrence, Jeanette Benjey, Robert Iglesias, Kimberly Landaverde, and Carrie Winkler)

Noes: 0

Absent: 1 (Sean Kehoe)

NOW, THEREFORE, the Board hereby **RECOMMENDS** that the Town Board of Commissioners **APPROVE** the requested zoning map amendment and development agreement.

Hooper Schultz

Hooper Schultz, Chair
Town of Hillsborough Planning Board

Date of signature by Chair: Mar 20, 2026

**BOARD OF COMMISSIONERS
TOWN OF HILLSBOROUGH, NORTH CAROLINA**

Statement of Plan Consistency and Reasonableness per N.C.G.S. § 160D-605

Request to Amend the Official Zoning Map for the Town of Hillsborough

715 U.S. Highway 70 East (Parcel ID Number: 9874-49-0155)

_____, 2026

The Board of Commissioners for the Town of Hillsborough has received and reviewed a request from KEPSC Hillsborough LLC to rezone the parcel identified as 715 U.S. Highway 70 East (PIN 9874-49-0155) from Assistive Living Neighborhood (ALN) to Multi-Family (MF).

The Board of Commissioners has determined the proposed action is/is not consistent with the town's Comprehensive Sustainability Plan (CSP) and is/is not reasonable because:

1. Plan Consistency

The proposed amendment is/is not consistent with the following goals, strategies and actions of the Comprehensive Sustainability Plan ("CSP").

- Goal: Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.
- Strategy: Develop and adopt plans that contribute to meeting preferred future land use and growth patterns.
- Action: Analyze additional opportunities for infill and redevelopment and increased density in existing neighborhoods, focusing on the provision of water and sewer and other infrastructure and services.

2. Reasonableness

The proposed rezoning is/is not **reasonable** because it does/does not **advance** identified goals and strategies found in the CSP, and **promotes** public health, safety, and welfare because it will create additional housing in the Town of Hillsborough.

The foregoing Statement, having been submitted to a vote, received the following vote and was duly adopted this _____ day of _____ in the year 2026.

Ayes:	
Noes:	
Absent or excused:	

DRAFT



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	April 13, 2026
Department:	Community Services
Agenda Section:	Regular Agenda
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Matt Efird, Assistant Town Manager

ITEM TO BE CONSIDERED

Subject: Proposal for Community Services Reorganization

Attachments:

1. Staff Memo
2. Powerpoint

Summary:

The resignation of the previous public works manager provided an opportunity to evaluate and adjust the structure and alignment of both the Public Works Division and the Community Services Department.

The current Community Services Department is composed of five divisions:

- Public Works
- Public Space & Sustainability
- Planning & Economic Development
- Stormwater & Environmental Services
- Engineering Services

Each division has a manager, and supervision is provided by the assistant town manager, who also serves as the department director.

Public Works is primarily responsible for:

- Maintenance of public streets and sidewalks
- Maintenance of stormwater conveyance infrastructure
- Collection of solid waste, yard waste, leaves and bulk items
- Other tasks – tree/bush trimming, banner hanging, special event cleanup, cemetery support, emergency operations (snow plowing and tree/debris clearing)

There is a high level of coordination needed between the activities of Public Works, Public Space & Sustainability, and Stormwater & Environmental Services, so it is proposed to combine those divisions into a single department named "Community Services and Sustainability". By combining resources, in those three divisions and distributing management-level tasks to other staff, the previous public works manager position can be replaced with two lower-level positions in order to address other departmental and organizational needs at a lower cost compared to adding the necessary personnel through expansion.

The identified needs for the near-term future of the department include additional public works staff to keep up with workload and community growth, and a dedicated transportation resource to focus on regional coordination, competitive funding opportunities, and project management.

The other department created in the reorganization would consist of Planning & Economic Development and Engineering Services, and be named "Planning & Development Services". The separation of the departments creates additional bandwidth for focus on affordable housing and delivery of upcoming projects.

The goals of the proposed reorganization include the following:

- Add operational staff to public works
- Add dedicated transportation resource
- Provide advancement opportunities for public works staff
- Address shifting priorities and increased demand on public works staff
- Increase alignment of time and energy on advancing and delivering town priority projects
- Retain high-level focus and accountability for sustainability and affordable housing goals
- Minimize cost impacts

Financial impacts:

Depending on the timeline for implementation, the net cost for the reorganization in FY27 would be approximately \$60,000, increasing in subsequent years. The total projected impact over the FY27-FY29 budget would be about \$220,000. In comparison, just adding the necessary staff would cost about \$175,000 in FY27, and about \$575,000 over the three year budget.

Staff recommendation and comments:

Staff recommends the proposed reorganization.

Action requested:

Provide feedback on staff's proposal.

Memorandum

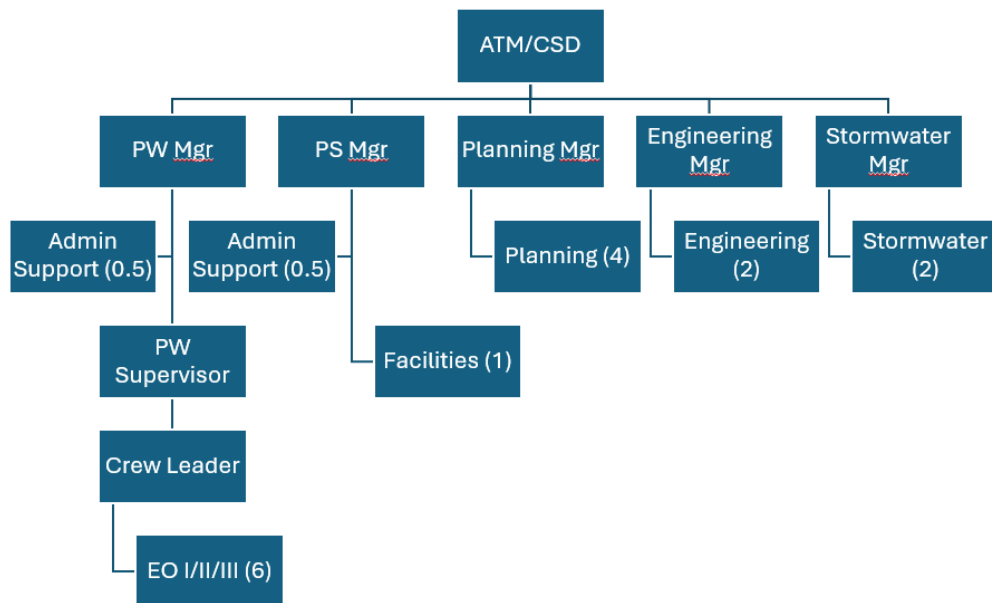


To: Eric Peterson, Town Manager
 From: Matt Efird, Assistant Town Manager
 Date: 3/1/2026
 Subject: Proposal for Community Services Reorganization

With the resignation of the Public Works Manager, there is an opportunity to evaluate and adjust the structure and alignment of both the Public Works division and the Community Services department. I am not including in this memo a number of iterations that have been reviewed but will focus on the recommended preferred alternatives. The accompanying powerpoint slide deck contains visual references for the different options.

Background

As currently situated, the Community Services Department (“CS”) consists of 24 authorized full-time equivalent (“FTE”) employees. The Community Services Director, or Department Head, role is part of the assigned responsibilities of the Assistant Town Manager. There are five operating divisions within the department, Public Works (“PW”) , Public Spaces and Sustainability (“PSS”), Planning & Economic Development (“PED”), Stormwater & Environmental Services (“SES”) and Engineering Services (“ES”). Each division is lead by a division manager. PW has an additional 8.5 FTE, PSS has 1.5, PED has 4, SES has 2 and ES has 2. See the organizational chart below.



Current Structure

- 1 Dept Head
- 5 Division Mgr
- 18 line staff
- 24 FTE total

Within PW, the Public Works Manager position supervises the Public Works Supervisor and shares supervision of a Senior Administrative Support Specialist with PSS. The Public Works Supervisor has day-to-day supervision of the Crew Leader and Equipment Operators. The daily responsibilities of the

department include collection of household trash, collection of bulk items and brush, collection of public trash in parks and public spaces, repairs to Town-maintained streets, construction and repair of sidewalks, construction/repair/maintenance of town-owned stormwater conveyance infrastructure, and maintenance to various ground elements, including tree/bush trimming, banner hanging and other needs as requested by PSS. Crew members also work various special events and serve in weather emergencies clearing debris and treating/plowing streets. Additionally, the division performs curbside leaf pickup during leaf season (November – January). All Equipment Operators are cross-trained to perform any of the above listed tasks. On a given day, 3 Equipment Operators would work on solid waste collection (under direction of the Public Works Supervisor) and 3 would work on street/sidewalk/stormwater detail. At the conclusion of their daily routes, the employees assigned to solid waste perform supplementary tasks, most often grounds maintenance related.

Needs and Opportunities

The former Public Works Manager was a unique employee. Over the span of nearly twenty years he worked his way up from an entry-level Equipment Operator to the division manager position, through the succession of crew leader, supervisor and ultimately manager. His skill set was mainly operational in nature, though over the past several years his skills in the management and administrative areas of the role had improved significantly. His major self-identified weak point was in the plan review function – reviewing engineering drawings for compliance with various public works and solid waste regulations. Because of his unique background and skill set, a one-for-one replacement will be difficult to recruit. Candidates will either be more operations-focused or more suited for higher-level administrative tasks. Public Works employees have great respect for the previous Manager having “been there and done that” and his ability and willingness to get out and perform manual tasks with the crews as needed. Having received that feedback, it does not seem like a higher-level administrative hire would be successful. They also expressed strong desire for opportunities for growth from within, at the management, supervisory and crew leader levels. Additional feedback from the current public works employees revealed a lot of concern about the quantity and differing types of work they are being tasked with on a daily basis. Another potential opportunity cost for a higher-level recruitment is that the previous Manager was an extension of the workforce. He could and would drive trash routes, work a leaf truck, and plow streets during snow events. Given the near -term budget outlook and the lack of capacity for adding additional PW staff, this would further exacerbate the concerns with workload. The final concern raised by PW staff is lack of focus or prioritization in the workload – daily needs of solid waste/streets/sidewalks vs. grounds maintenance/public space needs vs. stormwater maintenance needs.

In other divisions of Community Services, there are also growing needs for additional staff. The most frequently expressed needs are for a GIS Analyst, Economic Development Planner, and Transportation Planner¹. After evaluating our use of GIS technology within the division and the current lack of a cohesive strategy for the use of that tool, the need for a dedicated resource is not the highest priority at this time. In lieu of that, staff is currently working on a comprehensive governance strategy for GIS, consolidating licenses and consultants, and developing staff capacity across multiple departments – essentially cobbling together an “employee” out of pieces of multiple employees. The current workload for an Economic Development Planner is being borne by the Planning and Economic Development Manager, and mostly

¹ This is being used as a working title. The concept for the position would include transportation planning, greenway/trail/mobility planning, grant application and management, etc.

consists of managing the town’s tourism programs and engaging with downtown merchants and the Chamber of Commerce. The town does not have an active economic development recruitment strategy or effective incentive programs, nor is the level of commercial development at the scale that it needs a dedicated resource. Unless there is a shift in priorities in the comprehensive sustainability plan or by the town board, it does not seem that there will be a large increase in the near-term need for additional economic development resources. Transportation planning duties have been shared between the Assistant Town Manager/Community Services Director and Public Space and Sustainability Manager. The current level of engagement is significant, including serving on the Triangle West TPO technical committee and multiple ad hoc working groups, Orange County Staff Working Group, and coordinating with NCDOT on projects within and around town. Because of the lack of dedicated transportation planning staff, the town’s projects and priorities are not being effectively advocated for, we are not effectively competing for funding, and internal project coordination and management is split between multiple staff resources. Of the current identified needs, transportation planning is the area in which new, dedicated staff could immediately impact the workload.

Given the identified needs within the PW division and the CS department, it seems as if there is an opportunity in the unfortunate loss of an exemplary employee to address several needs by realigning the structure of the division and department and reallocating the funding formerly dedicated to the Public Works Manager position.

Proposal

The proposed realignment of the Community Services Department and Public Works Division is intended to address multiple current pain points:

- Need for additional PW operating staff
- Need for transportation planning resource
- Shifting priorities and increasing demands on PW staff
- Advancement opportunities for existing PW staff
- Alignment of time/energy on advancing and delivering town priority projects

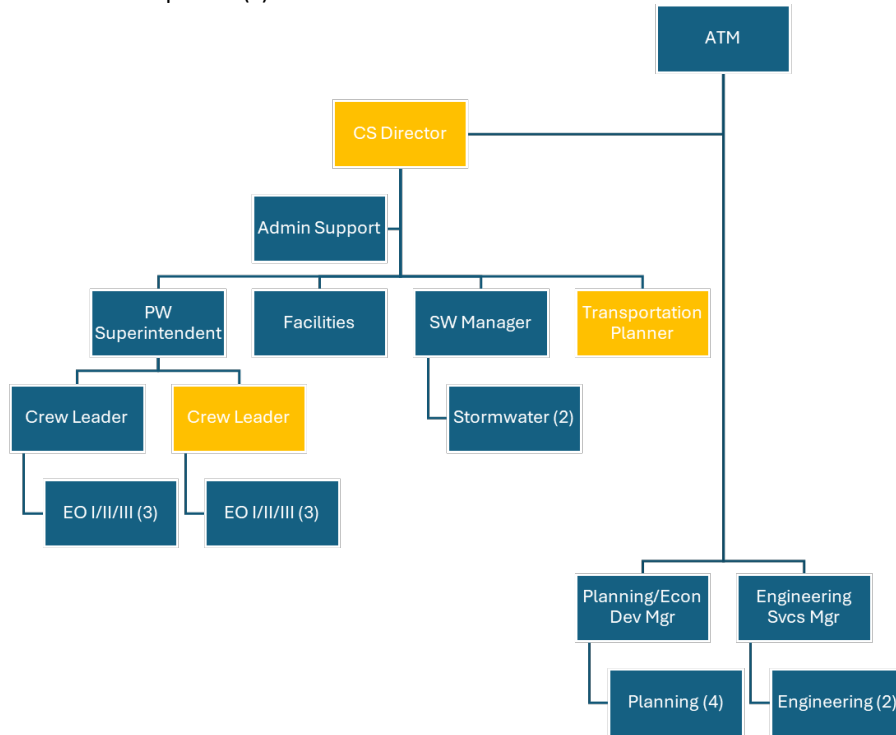
Multiple iterations and versions of the proposed realignments below were examined and the proposed structure herein addresses many of the concerns above. In the chart labeled “Option 3(c)”, the PSS, PW and SES divisions are merged, the current PW supervisor position is converted to a superintendent, and additional positions for a Crew Leader and Transportation Project Coordinator² are added (net increase of one position). This creates greater coordination between PSS, SES and PW workloads, adds additional operational staff and a transportation planning resource, provides an advancement opportunity in PW. Reducing the supervision load on the department head allows for more time to focus on other priorities – including affordable housing, train station development, and new fire station development.

The Public Space Manager would be reclassified as Community Services & Sustainability Director and become a department head, and the Assistant Town Manager would serve in a dual role with oversight of a portfolio, which would include the reconstituted CSS department, and a new Planning & Development Services Department that includes the divisions of PED and ES. This provides a very valued and long-serving division manager with a career growth opportunity to serve as a department head while leaving a

² Working title.

single control point for the related functional areas that constituted the former Community Services Department.

Chart – Option 3(c)



Action Items and Next Steps

If the reorganization plan is supported, there are a number of follow up items to address in order to move forward with putting this into action. A number of these steps are listed below, but more will probably be identified as the proposal is discussed.

- Job description needed for Transportation Project Coordinator (working title)
- Job description and organizational structure for PW supervisory position(s)
- Edits to job descriptions for PS Manager/CSS Director and Assistant Town Manager
- The PW supervisory position should be an open internal recruitment. In the event that the current PW Supervisor is not selected, there will need to be additional structural/position adjustments.

Community Services Reorganization Proposal

April 13, 2026



TOWN OF
HILLSBOROUGH

Topics

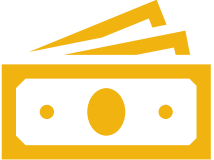


Overview

Opportunity and Needs
Reorganization Goals
Guiding Principles



Proposal



Cost Impacts

Opportunity and Needs

Resignation of Public Works Manager in February led to review of operations and near and long-term organizational needs

Near-Term Needs

- Public Works needs additional staff to keep up with current and projected workload
 - **~400 additional solid waste customers currently approved (11.5% increase)**
 - **~5.1 miles (27,000 LF) of streets, sidewalks and stormwater conveyance will be accepted for town maintenance in next 1-3 years (12.5% increase)**

Project Delivery

- In the next 5 years, the department is tasked with:
 - Highway 86 Facility (under construction)
 - Adron Thompson Facility (under construction)
 - Ridgewalk Greenway design, permitting, construction
 - Train Station permitting and construction
 - Hillsborough Station master plan and development
 - Fire Station design, permitting and construction
 - Cates Creek Park basketball court design, permitting and construction

Long-Term Needs

- Better prioritization and organization of Public Works tasks for streets/sidewalks, stormwater maintenance, and ground maintenance/public spaces
- Resources to focus on delivery of major projects and board/community priorities – sustainability, affordable housing, transportation and connectivity
- Growth and advancement opportunities for staff retention

Reorganization Goals



ADD OPERATIONAL STAFF
TO PUBLIC WORKS



ADD DEDICATED
TRANSPORTATION PROJECT
RESOURCE



PROVIDE ADVANCEMENT
OPPORTUNITIES FOR PUBLIC
WORKS STAFF



ADDRESS SHIFTING
PRIORITIES AND INCREASED
DEMANDS ON PUBLIC
WORKS STAFF



INCREASE ALIGNMENT OF
TIME AND ENERGY ON
ADVANCING AND
DELIVERING TOWN
PRIORITY PROJECTS



RETAIN HIGH-LEVEL FOCUS
ON SUSTAINABILITY AND
AFFORDABLE HOUSING



MINIMIZE COST IMPACT

Guiding Principles

- Department operations involve all 8 focus areas of Comprehensive Sustainability Plan (right) and 4/5 of the focus areas of Strategic Plan (below)

FOCUS AREAS



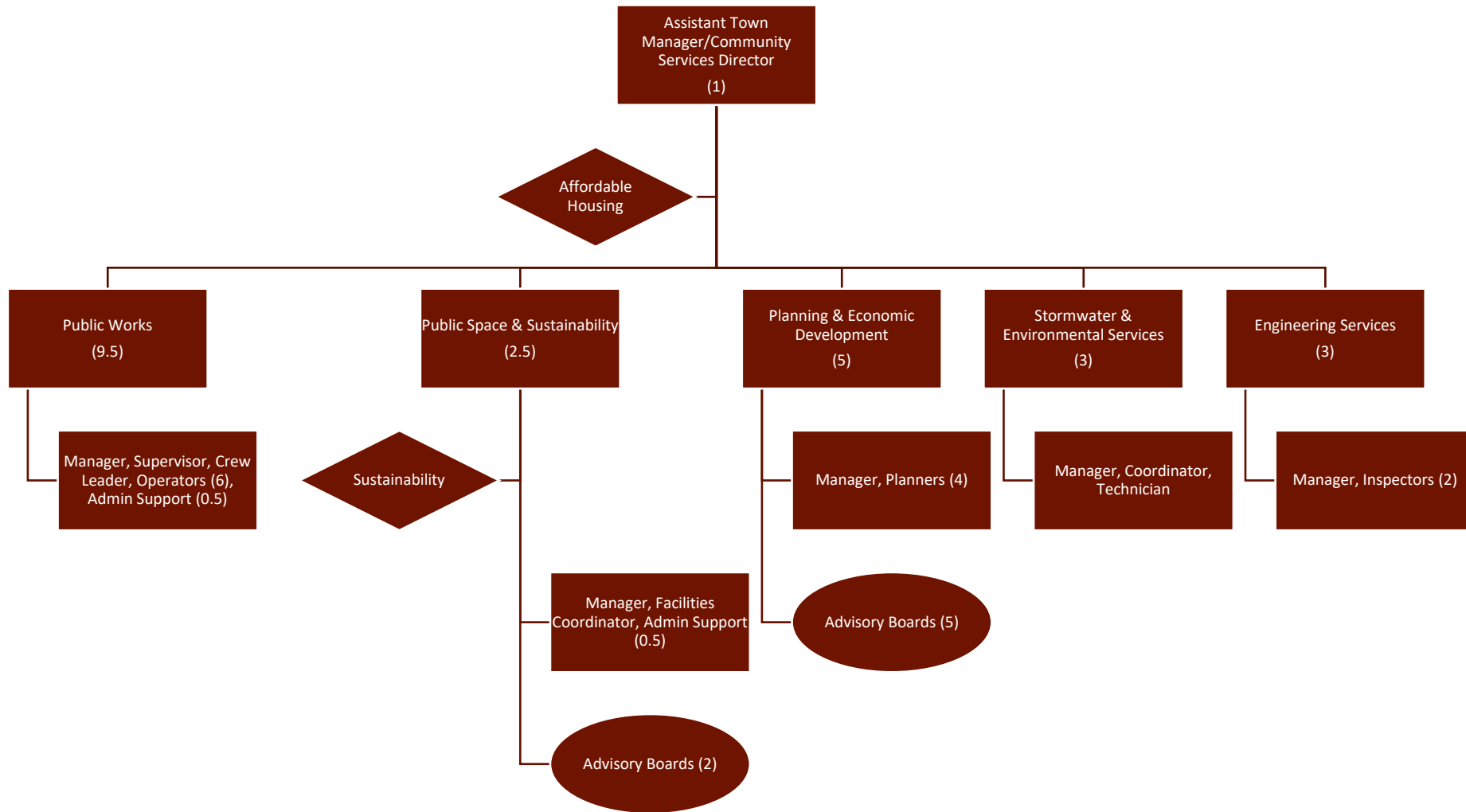
Proposal

Split Community Services into two departments under leadership of Assistant Town Manager

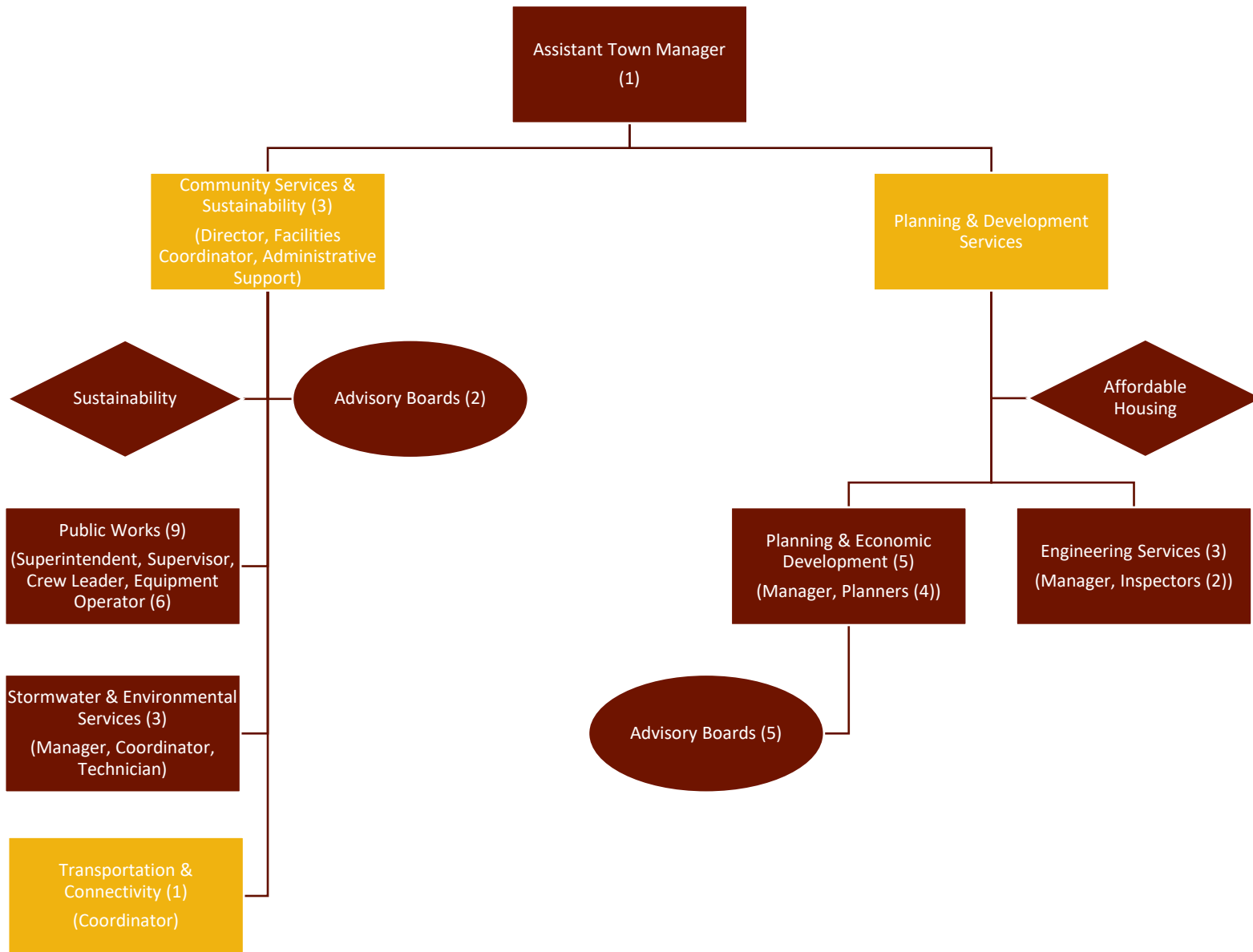
- Community Services and Sustainability Department
 - Public Works, Public Spaces, Stormwater divisions
 - Responsible for Sustainability, Transportation and Connectivity focus
- Planning & Development Services Department
 - Planning & Economic Development, Engineering Services divisions
 - Responsible for Affordable Housing focus

Convert Public Works Manager position to two new positions (+1 FTE)

- Additional Equipment Operator (allowing for creation of a 2nd work crew with Crew Leader)
- Transportation Project Coordinator (working title)



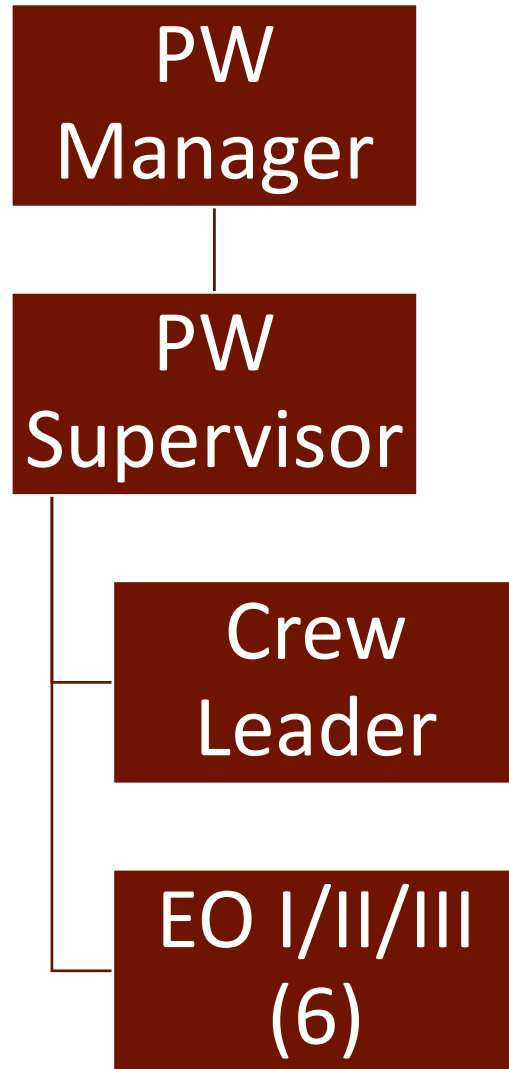
- Current Structure
- 1 Dept Head
- 5 Division Managers
- 18 staff
- 24 FTE total



• Proposed Structure

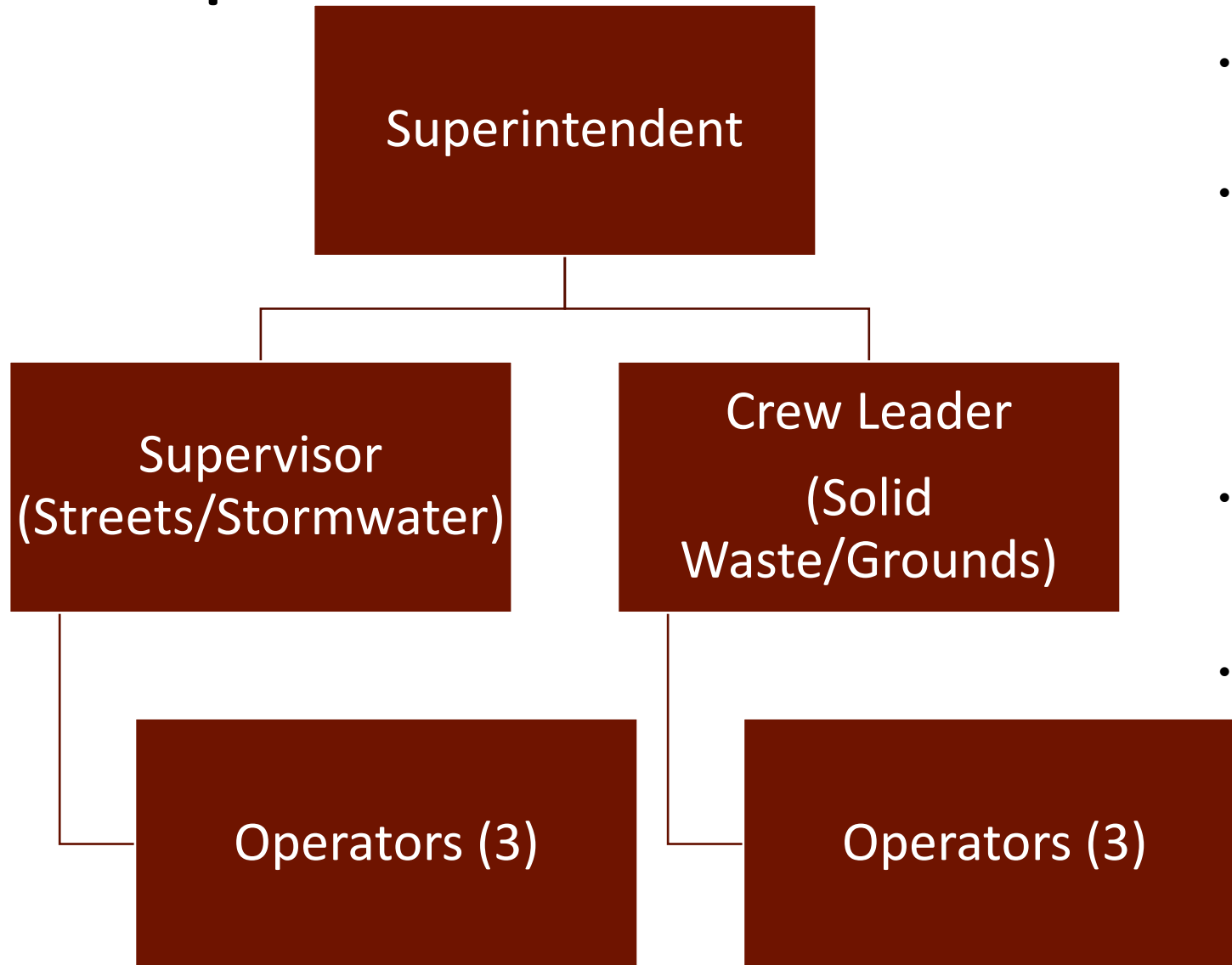
- 1 Portfolio Manager/Dept. Head
- 1 Dept Head
- 4 Division Managers
- 19 staff
- 25 FTE total

Current Structure – Public Works



- Manager
 - Plan review, project management, budget development, overall supervision
- Supervisor
 - Supervise solid waste operations and crew leader, inspections and acceptance, permitting
- Crew Leader
 - Works with and supervises streets/stormwater crew
- Operators
 - 2 run daily solid waste (trash and yard waste)
 - +1 during bulk pickup week and during leaf season
 - 3 work on streets/stormwater crew
 - When solid waste routes are done – address grounds, public space, other needs
 - Staff rotates between crews periodically

Proposed Structure – Public Works



- Superintendent
 - Permitting, overall supervision of two crews
- Supervisor
 - Work with and supervise streets/stormwater crew
 - Greater technical skill and tenure of potential candidates differentiates from Crew Leader
- Crew Leader
 - Work with and supervise solid waste/grounds crew)
- Operators
 - 3 work on streets/stormwater crew
 - 3 work on solid waste/grounds crew
 - Continue to rotate periodically

Proposed Improvements

Transportation Project Coordinator

- Dedicated resource for Triangle West Transportation Planning Organization, Orange Staff Working Group, NCDOT Local Project Administration
- Advance town's transportation and connectivity priorities – seek and manage grant funding, manage small project implementation (traffic calming, Traffic Impact Analysis reviews, sidewalk construction, etc.), assist with large projects (Ridgewalk, Train Station, NCDOT projects)

Public Works

- Superintendent responsible for day-to-day operations
- Manager-level tasks reassigned to other departments (plan review, project management, inspection and acceptance)
- Two crews – Streets/Sidewalks/Stormwater and Solid Waste/Grounds
 - Allows for greater focus and prioritization of numerous tasks, provides growth capacity for solid waste customers
 - Operators will continue to rotate crews, ensuring cross training in all positions
 - Grounds maintenance contractor moves from Public Space to Public Works for additional coordination

Proposed Improvements



Sustainability

More emphasis for the “Environmental Services” branch of Stormwater division – increase involvement with Tree Board, sustainability projects

Floodplain management moves from Planning to Stormwater



Big Picture

Creating capacity for large initiatives

- UDO rewrite implementation
- Affordable Housing Plan implementation
- Project Delivery

Cost Impacts

- Even though we are replacing a higher-level position with two lower-level positions, there will be additional personnel costs compared to the current structure
 - Year 1 cost \$60,000, 3 year cost \$219,000 (lower for December implementation)
- The reorganization proposal is more cost effective than keeping the current structure and adding the needed staff resources
 - Year 1 cost \$175,000, 3 year cost \$575,000 (lower for December implementation)
- Mitigation – delay hiring of new Transportation Project Coordinator until December 2026 – FY26 audit numbers will be near completion, allows for pause if economy continues to degrade

Next Steps

- If approved
 - Finalize job description updates
 - Board approve position classifications
 - Hire Equipment Operator
 - Crew Leader/Supervisor and Superintendent selection processes
 - Department split effective July 1, 2026
 - Transportation Project Coordinator hiring decision – October 2026 for December start date



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
Department: Governing Body
Agenda Section: Regular
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Mayor Mark Bell

ITEM TO BE CONSIDERED

Subject: Appointment of a voting delegate for the North Carolina League of Municipalities Board of Directors Election

Attachments:

None

Summary:

The nomination period for the 2026–2027 North Carolina League of Municipalities Board of Directors will open on April 13 and remain open through April 21, 2026. Each member municipality will vote on the slate of candidates electronically. Voting will take place prior to the business meeting at the CityVision Annual Conference, and the results will be presented during the meeting.

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

Appoint a board member to serve as the Town of Hillsborough voting delegate for the North Carolina League of Municipalities Board of Directors 2026-2027 election.



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
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 April 27, 2026

Attachments:

None

Summary:

Possible topics for the upcoming April 27, 2026 work session include:

- Quick budget update from the town manager.
- Consider nonprofit partnership applications.
- Fiber project update (tentative).

Financial impacts:

None

Staff recommendation and comments:

None

Action requested:

None



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: April 13, 2026
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

March 2026

Budget

- Nonprofit Program funding requests were due March 31, 2026.
- Continued FY27 budget balancing.

Communications

- Website — Added updated policy for nonprofit partnerships. Updated pages for the projects that were to receive funds from the FEMA Building Resilient Infrastructure and Communities program. Added maps from DriveNC and National Weather Service’s Raleigh office to the Emergency Alerts page.
- Engagement — Assisting Police Department with Community Police Academy needs. Assisting Orange County Arts Commission with promotional needs for Independence Day celebration. Delivered newcomer brochures to apartment complexes and real estate agents.

Fleet Maintenance

- No updates.

Human Resources/Town Clerk

- Biweekly payrolls.
- Innovation and Service Excellence awards review 3/26.

RECRUITMENT AND SELECTION	
Position	Status
Customer Service Representative (Part-Time)	Closes 4/6.
Equipment Operator	Closes 4/15.
Police Officer	Continuous recruitment.
Utility Maintenance Technician	Started 3/23.
Water Plant Operator (night shift)	Closed 3/30.

Information Technology

- AI Memo moved to Board for review
- Fiber Rollout Memo moved to Board for review
- Physical Security vendor identification for Hillsborough Town Hall Campus (Admin, Barn, Stormwater, Cemetery), Police Department (HQ, Annex)
- Network Equipment refresh rollout – 5 of 7 sites
- Password Manager Rollout wrap up
- Tech Survey - 62 results gathered from 114 employees – great feedback on areas to improve
- Department, Division, Building mailing groups created – Additional cleanup of existing environment to come (Board, TownBoard, Board of Commissioners already complete)
- Rewiring tech closets for identification, labeling, and ease of support – Town Hall Annex complete

Safety and Risk Management

- 20 employees were trained in CPR/AED/First Aid during the month.



Public Works Report: March 2026

Work Orders

52 Completed

Public Spaces

32 Staff hours

Stormwater Maintenance

89 Storm Drains cleaned, 120 Linear Feet and 35 Staff Hours

Inspections

0 Utility inspections, 6 sidewalk inspections, and 0 Driveway Inspections

Special Events

None

Asphalt Patches

9 Utility cut patches

Training

7 Staff completed training through NEOGOV

Cemetery

1 Grave marked and 1 Monument

Asphalt Repairs

2 Potholes

Leaf Collection

None



TOWN OF
HILLSBOROUGH

Utilities Department Status Report for Apr. 2026 (covering Mar. 2026)

PROJECT/ CATEGORY	STATUS
WTP	<ul style="list-style-type: none"> • Staff is working on the formal application to USDA-RD for the chlorine disinfection conversion project. • The USDA-RD program reps for the \$1M award for the chlorine change over project are allowing the town to move forward with the same engineer for the design phase as who was selected by quals-based selection for the feasibility study. A scope and fee are being prepared. • Several citizens, including two BOCC members, toured the plant during the public tour. Questions about PFAS, data centers and fluoride were posed. • Several cybersecurity bulletins have been issued from
WWTP	<ul style="list-style-type: none"> • The spring public tour was successful, with five citizens attending. As always, it's super fun to show folks the wastewater plant. • The River Pump Station work continues with upgrades for safety and security. In March, we installed a new air louver that opens automatically when the exhaust fan comes on. The exhaust fan now comes on automatically when the light is turned on. These are features we did not have before, but very much needed for employee safety. We also upgraded the safety exit lights so that the inside of the pump station will have lots of light in the event of a power outage. Navigating the spiral stairs in the dark was a daunting experience. Next month we plan to install new safety rail, have the security system put back on-line, and complete some needed housekeeping issues. • The state came to the wastewater plant for an inspection. I believe the inspectors were very impressed with our plant and operations.
West Fork of the Eno Reservoir	<ul style="list-style-type: none"> • The reservoir is at 49.07' as of 4/2/26. Normal Phase 2 pool elevation is approximately 53'. • A scope and fee from Schnabel Engineering to evaluate spillway and drainage concerns has been received and we are working to get Phase 1 of their scope under contract. • An updated Emergency Action Plan is almost finalized as required by the state. This will be distributed to key stakeholders when complete and accepted by the state. • A request has been received by the Association of State Dam Safety Officials, Inc. to tour the reservoir in September 2026 as part of their annual conference.
Misc	<ul style="list-style-type: none"> • The Lawndale sewer rehabilitation has begun starting with cleaning and televising the sewers. Next will be mainline sewer lining and then lateral work. • The USDA-RD program reps for the \$1M award for the chlorine change over project are allowing the town to move forward with the same engineer for the design phase as who was selected by quals-based selection for the feasibility study. A scope and fee are being prepared. • The BRIC program has been reinstated at least for our Phase 1 work (design and permits). Meetings are being coordinated for the property owners and stakeholders impacted or having interest in the two BRIC projects. Utilities Director Strandwitz met with the Starfield HOA members and is answering follow up questions. She also left a message with the school board Chief Operations Officer and is awaiting a call back. A meeting is scheduled with River pumping station stakeholders on April 24. We are continuing as planned at the moment and receive frequent updates from our state contact. • A Community Project Funding request for FY27 through Valerie Foushee's office was submitted for the Hasell St. Water Tank Replacement and Expansion. No word yet on status. • Staff welcomed Representative Renee Price for a tour of the WFER and water plant. Mayor Bell accompanied. • Hydrant flushing will continue through April 15 and it is going well.



TOWN OF
HILLSBOROUGH

Staffing	<ul style="list-style-type: none">• We are fully staffed except for a night water plant operator. Interviews with 5 – 6 applicants are underway.• New employee Jacob Butler started on Monday 3/23/2026 with Lacy's team. The C&D division is again fully staffed.• Staff is assisting with updating the town's emergency response plan where needed.• Staff is working on budget and grant/loan paperwork requirements.
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