



# Agenda

## Board of Commissioners FY2025-27 Budget Retreat

9:00 AM February 17, 2024

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

1. **8:30 a.m. – Doors open** (light breakfast and beverages available)
2. **9 a.m. – Welcome, introductions, and ground rules** (*Town Manager Eric Peterson*)
3. **9:15 a.m. – Icebreaker and team building exercise** (*LFNC Fellow Marshall Grayson – Admin. Dept.*)
4. **9:45 a.m. – Community Survey Follow Up and Strategic Plan** (*Admin. Services Director Jen Della Valle*)
  - A. Community Survey Follow Up and Strategic Plan
5. **10:30 a.m. – Break**
6. **10:45 a.m. – Affordable Housing** (*Assistant Town Manager/Community Services Director Matt Efird*)
  - A. Review the Affordable Housing “Ramp-up” Plan adopted by the Town Board in June as part of the FY24-26 Budget, confirm, or consider refinements
  - B. Identify key points, how, and what to discuss at 2024 workshops that allows the town board to take a “deep dive” into affordable housing
7. **11:30 a.m. – Climate and Sustainability** (*Efird and Peterson*)
  - A. Continue discussion from Jan. 22 workshop update for additional thoughts or questions
  - B. 2030 goal of reducing carbon emissions by 80%: There are only five years before this threshold is reached, does the board want to take additional action or change strategy?
  - C. Gap in carbon reduction funding in the Water & Sewer Fund. The General Fund dedicates the equivalent of two cents on the tax rate, there is no comparable funding source or earmarking in the Water & Sewer Fund to pay for carbon reduction efforts. Discuss and provide directions to staff.
8. **12 p.m. – Lunch**
9. **12:45 p.m. – Major decision points: CIP, personnel, and programs** (*Budget Director Emily Bradford and Management & Budget Analyst Josh Fernandez*)
  - A. Updates and Q&A regarding the requests
    - General Fund
    - Water/Sewer Fund
    - Stormwater Fund
10. **2 p.m. – Break**
11. **2:15 p.m. – Employee Benefits Study: update and Q&A** (*HR Manager Haley Thore*)
  - A. Employee Benefits Study

101 E. Orange St., PO Box 429, Hillsborough, NC 27278  
919-732-1270 | [www.hillsboroughnc.gov](http://www.hillsboroughnc.gov) | @HillsboroughGov

**12. 3 p.m. – Closing** *(Peterson)*

- A. – Review key directives
- Consider manager requests for "green light" to proceed on time sensitive needs
- Final comments by Mayor Bell and Board
- Exercise to evaluate the day

**13. 3:15 p.m. – Adjournment**

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



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date:	Feb. 17, 2024
Department:	Administrative Services
Agenda Section:	Regular
Public hearing:	No
Date of public hearing:	N/A

#### PRESENTER/INFORMATION CONTACT

Administrative Services Director Jen Della Valle

#### ITEM TO BE CONSIDERED

**Subject:** Community Survey Follow Up and Strategic Plan

##### Attachments:

1. Survey Results Slides
2. Strategic Plan – Quarter 2 Updates
3. Departmental Priorities
4. “Parking Lot” List
5. Strategic Plan Schedule – Quarterly Update

##### Summary:

###### Community Survey

For the fourth time, the Town of Hillsborough contracted with ETC Institute of Olathe, Kansas to survey residents about their level of satisfaction and priorities on a wide range of community services, including public safety, parks and recreation, code enforcement, public works, communication and customer service.

Surveys were mailed to all Hillsborough residents in late October. The town received 457, which was over the targeted sample size of 400.

Staff will present a preview of the survey results, with the full report anticipated to be available in late February/early March.

###### Strategic Plan

The town board adopted the FY24-26 Strategic Plan this past June, a big milestone for the town after having discontinued the Balanced Scorecard. The strategic plan outlines the town’s strategic direction for a three-year period and is an action-oriented road map that aligns the town’s resources with priorities. Now that the strategic plan has been adopted, we are now in the plan implementation phase. This is our second quarterly check-in with the town board, providing an opportunity to discuss progress made on initiatives that were identified for the current fiscal year and to check in on other competing priorities.

The second attachment includes an update for initiatives across each focus area that were identified to be worked on during FY24. A stop light system is included for a quick visual on the status of each initiative. Below are the definitions for the flag colors:

- Green = In progress and going as planned or awaiting anticipated start.

- Yellow = Facing some minor challenges (such as capacity) or haven't started but should have enough resources to accomplish the initiative.
- Red = Facing significant challenges, such as not having started due to capacity and may not be able to get started quickly or easily.

In addition to updating the board on progress made on strategic plan initiatives and other active requests, another purpose of this quarterly strategic plan update is to check in with the board if there have been other topics or priorities arise that the board would like to discuss. Depending on that discussion, items may be included in the strategic plan, a department's work plan depending on the nature of the request and departmental capacity, or the "parking lot" list to keep it on everyone's radar for when there is capacity, resources, etc.

Departments have identified their departmental priorities for FY24-26, which are also included as an attachment. These are included for informational purposes and we're not planning to discuss them specifically at this work session. These documents represent a snapshot of priorities in the fall and thus are subject to change in the future. The purpose of these documents is for the town board to have a fuller picture of a department's workload. These priorities should be referenced if the board or staff consider adding strategic plan initiatives or priorities in FY24-26.

**Financial impacts:**

No financial impacts at this time.

**Staff recommendation and comments:**

N/A

**Action requested:**

Provide brief statement of requested action here.

# Community Survey Results Preview

Budget Retreat

February 17, 2024

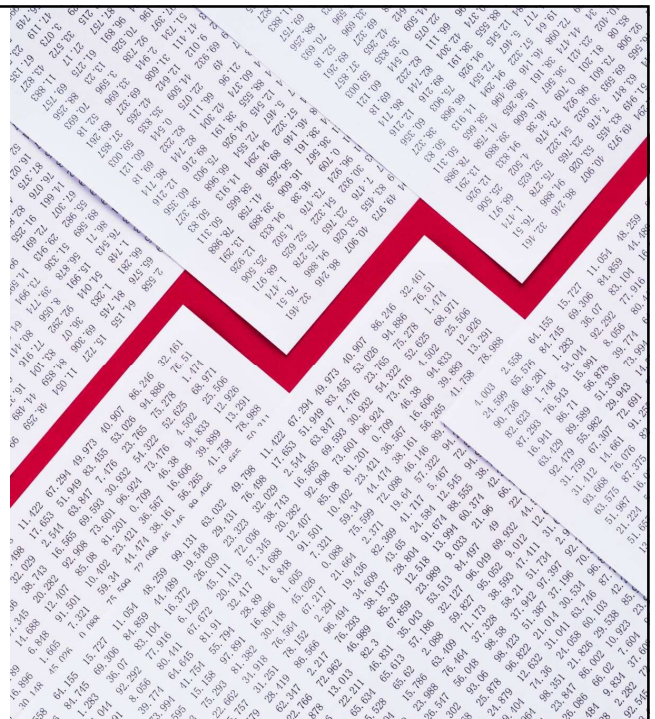


HILLSBOROUGH  
NORTH CAROLINA

1

## Background


- 4<sup>th</sup> time ETC conducts survey
  - 2017, 2019, 2021 and 2023
  - Trends data
- Survey conducted from October to December.
- Mailed to all households in-town
- 457 responses (target of 400)



2

## 2023 Changes

- Cover letter included survey information in Spanish
- Expanded Options for Spanish
  - ✓ Online
  - ✓ Paper copy
- Survey advertisement on Facebook



October 2023/Octubre 2023

Dear Hillsborough Resident/Querido residente de Hillsborough:

Please participate in an important survey about community priorities and the quality of town programs and services. Participe en una encuesta importante sobre las prioridades de la comunidad y la calidad de los programas y servicios de la ciudad. Instrucciones adicionales en español se encuentran al final de esta carta.


We love Hillsborough, and that means working to maintain what's special about our community. We strive to provide the infrastructure, resources, and services that enhance the quality of life here. Getting your views on what the town can do better is critical.


The town will use survey results to assess how we are doing in developing, monitoring, and evaluating priorities. Your opinions will affect whether priorities are continued or modified and will influence future decisions, including the level and timing of support for priorities in the budget. Later this fiscal year, the Board of Commissioners and staff will discuss the survey results and provide direction on changes to be considered. The survey results also will be available on the town's website.

Please take some time to answer the questions attached, and please return your survey as soon as possible. The survey will take about 15 minutes to complete. Your responses will remain confidential. You can return the completed survey in the enclosed postage-paid envelope addressed to ETC Institute, 725 W. Frontier Circle, Olathe, KS 66061. Or you may complete the survey online at [hillsboroughsurvey.org](https://hillsboroughsurvey.org).


If you have any questions, please contact Budget and Management Analyst Josh Fernandez by phone at 919-296-9428 or by email at [josh.fernandez@hillsboroughnc.gov](mailto:josh.fernandez@hillsboroughnc.gov). Thank you for helping to evaluate the town's operations and to find ways to make Hillsborough an even better place to live, work, play, and visit.

Para realizar la encuesta en español por teléfono, llame al 1-844-811-0411. También puede completar la encuesta en línea en [hillsboroughsurvey.org](https://hillsboroughsurvey.org). Para recibir una versión impresa de la encuesta en español, visite el Edificio de Administración en el campus del Ayuntamiento de Hillsborough, ubicado en 101 E. Orange St. Gracias.

  
Jenn Weaver  
Mayor

  
Eric Peterson  
Town Manager

101 E. Orange St., Hillsborough, NC 27278  
919-732-1270 | [www.hillsboroughnc.gov](http://www.hillsboroughnc.gov) | [@HillsboroughGov](https://twitter.com/HillsboroughGov)



HILLSBOROUGH

3

## Rating of the Community

Communication	2023	2021	2019
As a place to live	95%	95%	93%
As a place to raise children	89%	88%	86%
As a place to retire	84%	81%	78%
As a place to visit	83%	82%	81%
As a place to play	80%	78%	77%
As a town moving in the right direction	65%	62%	64%
As a partner with its residents	64%	66%	66%
As a place to work	58%	65%	55%
As a place to start a business	44%	47%	42%

Note:  
- Differences of 4.5% or more is considered significant.


HILLSBOROUGH

4

## Satisfaction with Town Services

Town Service	2023	2021	2019
Fire Services	94%	90%	89%
Town Parks	91%	92%	86%
Police Protection	90%	87%	87%
Quality of customer service from town employees	87%	83%	81%
Maintenance of town buildings and facilities	86%	87%	80%
Maintenance of town streets	82%	80%	74%
Effectiveness of communications with public	81%	79%	77%
Quality of water and sewer services	79%	79%	70%
Enforcement of codes and services	66%	68%	60%

Note:  
- Differences of 4.5% or more is considered significant.



5

## Safety

	2023	2021	2019
Downtown Hillsborough during the day	97%	98%	96%
Walking alone in neighborhood during the day	96%	96%	93%
Hillsborough overall	90%	92%	88%
Riverwalk trails and in town parks	87%	90%	84%
Downtown Hillsborough at night	84%	88%	86%
Walking alone in neighborhood at night	75%	75%	72%

Note:  
- Differences of 4.5% or more is considered significant.



6

## Public Space & Connectivity

	2023	2021	2019
Availability of greenways and trails	86%	88%	86%
Availability of parks	85%	89%	87%
Availability of playgrounds	75%	82%	78%
Ease of travel by walking to key destinations	66%	70%	69%
Ease of travel by driving to key destinations	62%	60%	57%
Ease of travel by biking to key destinations	31%	29%	37%
Convenience of downtown parking	67%	67%	56%

Note:  
- Differences of 4.5% or more is considered significant.

## Perceptions of Hillsborough

Perceptions	2023	2021	2019
Quality of services provided by the town	89%	88%	82%
Quality of life in your neighborhood	88%	87%	83%
Quality of life in Hillsborough	88%	87%	85%
Image of Hillsborough	84%	81%	83%
Appearance of Hillsborough	82%	84%	79%
Availability of arts/cultural offerings	82%	79%	78%
Acceptance by community of diverse populations	73%	64%	69%
Value received for local taxes and fees	55%	57%	51%
Ease of travel within Hillsborough	34%	41%	37%

Note:  
- Differences of 4.5% or more is considered significant.



## Communication and Engagement

Communication	2023	2021	2019
Community Newsletter	76%	75%	68%
Availability of info about town programs	72%	73%	75%
Town efforts to inform about local issues	70%	68%	72%
Overall usefulness of Hillsborough website	69%	68%	67%
Quality of social media outlets	54%	59%	61%
Level of public involvement in local decisions	54%	54%	57%

Note:  
- Differences of 4.5% or more is considered significant.

## Development

	2023	2021	2019
Quality of recent commercial development	40%	32%	43%
Quality of recent residential development	39%	36%	44%
Ability to find housing you can afford	29%	27%	41%

Note:  
- Differences of 4.5% or more is considered significant.



## What Do You Like Least about Living in Hillsborough?



13

## Three Words to Describe Hillsborough



14

## Next Steps



- Finalize report
- Additional analysis
  - Full comments on open-ended questions
  - GIS coded responses

# Questions?

## FY24 - Quarter 2 Update




### Sustainability

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
S 1.1		Overhaul the Unified Development Ordinance and Zoning Map to reflect current development trends and patterns to incorporate sustainability, environmental and climate best practices, economic resiliency measures, and equity in development and redevelopment as well as meet water and sewer system-wide needs.	Planning	FY24-FY25	<p>Q1 - Added additional planner II position. Expected start of project is early 2024, with project lasting 8-12 months. Work session anticipated early 2024 once scope is updated.</p> <p>Q2 - Planner II position filled. Draft request for proposals is in progress. Contacting other agencies who have recently been through the process for lessons learned and budget estimation.</p>
S 1.2		Update the Future Land Use Map to simplify land use categories and express current preferred future land use and growth patterns.	Planning	FY24-FY25	<p>Q1 - Draft land use categories and descriptions complete, map in progress. Targeting public hearing before the end of 2023.</p> <p>Q2 - GIS software issue has delayed completion of map for new categories. Staff is working on solutions and will schedule public hearing as soon as possible.</p>
S 2.1		Assess renewable energy generation potential for solar photovoltaics and wind energy projects on town-owned properties and identify priority sites for planning and implementation.	Public Space	FY24-FY26	<p>Q1 - No current staff capacity to assess additional town-owned sites beyond train station, which includes solar integration as part of the net-zero design. There is interest in assessing other town facilities in the future, but staff doesn't have capacity or expertise at this point to determine which sites should be targeted.</p> <p>Q2 - No further progress. No current staff capacity for this initiative. Board received staff update on sustainability efforts and future plans at the January 22 workshop.</p>
S 2.2		Investigate opportunities and incorporate to the greatest extent possible sustainability and climate initiatives in facility development including geothermal, solar, weatherization, and green infrastructure.	Public Space	FY24-FY26	<p>Q1 - Efforts are ongoing and initiatives will be implemented in Train Station and Highway 86 facility plans, as able. An example was making decision to use electric heating instead of natural gas for new storage buildings at Highway 86.</p> <p>Q2 - Staff is still exploring options for incorporating solar at facilities and parks. Need to conduct an analysis that investigates roof age and structural capacity at facilities and parks. Board received update on future plans related to this item at the January workshop.</p>
S 2.4		Evaluate the town's vehicle fleet to determine right-sizing and transition to electric vehicle (EV) potential. Transition the town's vehicle fleet to zero emission alternatives on a schedule consistent with vehicle lifecycles and market availability. Advance the schedule of this transition as feasible.	Fleet Maintenance	FY24-FY26	<p>Q1 - Town staff continue to monitor opportunities to pilot transition to hybrid and electric vehicles. Fleet maintenance staff attending regional events to learn more about fleet options. This will be discussed during the upcoming FY25 budget process.</p> <p>Q2 - Two hybrid Police patrol vehicles have been purchased. Fleet staff is monitoring the performance of these vehicles and can provide updates when possible.</p>
S 2.7		Continue to coordinate at a regional level on the Electric Vehicle Supply Equipment Location Suitability Analysis	Public Space	FY24	<p>Q1 - Prioritization model and map have been completed, and joint grant funding application has been submitted for potential installations. The grant application is to deploy 24 Level 2 chargers identified in the prioritization model. Staff expects more information on grant funding status by new year.</p> <p>Q2 - The town didn't receive a round 1 CFI grant but are working with partners to bolster application for round 2 and investigate additional grant opportunities.</p>
S 3.5		Investigate options to develop incentives for developers to incorporate sustainable environmental best practices for managed natural areas and landscapes.	Stormwater	FY25-FY26	<p>Q2 - While these incentives are planned to be codified as part of the UDO re-write, staff did provide significant input and review of a request by the UNRBA to allow the Soil Improvement credit to be used for new development. Currently that practice is approved as a nutrient reduction credit for existing development, but if approved for new development it would be an incentive for developers.</p>

S 3.6		Update and adopt a comprehensive stormwater management plan.	Stormwater	FY25	Q2 - The town's first ever stormwater program audit was completed in FY24. As a result, a new stormwater management plan has already been drafted and submitted to the state in January of 2024. The state will review and provide comments/changes. Town staff will make necessary changes and approval of the plan is expected by the end of FY24 with implementation of the new stormwater management plan to begin in FY25.
S 3.7		Continue implementing watershed improvement projects under the Interim Alternative Implementation Approach for compliance with the Falls Lake Stage 1 Existing Development Rule for Stormwater.	Stormwater	FY24-FY26	Q2 - Construction of the Odie Street Green Infrastructure project complete and is now in the operational phase; additional outreach is planned for the residents and public on maintenance requirements. Installation of a cistern and rain garden at Fairview Community Center and smaller riparian planting projects along Riverwalk in the planning stage. Planning has begun for projects expected to start in FY25: stream stabilization project at Odie Street (grant funding secured), compost blanket at town's wastewater treatment plant, design of a stormwater treatment swale at the proposed skate park, and living retaining wall at the town's parking lot at 125 W. King St.








# FY24 - Quarter 2 Update

## Connected Community

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
CC 1.1		Complete Churton Street Multi-Modal Corridor Study to inform the future NC Department of Transportation-funded project.	Public Space	FY24	<p>Q1 - Plan is ongoing. Update presented to board Sept. 11, 2023. Plan should be finalized in late winter 2023.</p> <p>Q2 - Draft plans and report are being finalized. Will be presented to the town board in March.</p>
CC 1.2		Contribute annual budget allocations to expand public art and amenities and public spaces.	Public Space	FY24-FY26	<p>Q1 - Staff assisted with Uproar festival, with temporary art installed throughout the county. Next festival scheduled for 2025. First Town Hall campus public art installation selected earlier this year, certificate of compliance was approved by Historic District Commission and art has been installed.</p> <p>Q2 - Asking for an increase to \$2,500 (from \$1,000) per year for public art projects FY25 and beyond. This will allow us to advance public art projects more quickly and participate in additional public art initiatives with partners.</p>
CC 1.3		Ridgewalk feasibility study is complete. If directed by the board, design and engineering for the section from downtown to Collins Ridge will proceed	Public Space	FY24-FY25	<p>Q1 - Ridgewalk feasibility study has been received by the Board of Commissioners and a work session was held on September 25, 2023, to receive board input on next steps. Moving forward with phase 2 feasibility to review alternatives.</p> <p>Q2 - Ridgewalk Phase 2 study is underway. Also, the town is conducting a needs and benefits analysis for the greenway. The project is expected to be complete in fall 2024. Once complete, the studies will be shared with the town board for direction on next steps.</p>
CC 2.1		Explore offering wireless access points at parks and public spaces to increase internet accessibility	Information Technology	FY24	<p>Q1 - Efforts ongoing. Plan and cost projections have been received from one internet service provider. Awaiting cost options from two additional service providers. Also reviewing option to include this with the fiber to town facilities project.</p> <p>Q2 - No updates for this quarter.</p>
CC 2.2		Review broadband speed accessibility in different areas of town using the state's coverage map	Information Technology	FY24	<p>Q1 - North Carolina Broadband provides a detailed map, Fixed Broadband Service Areas, detailing which broadband service providers serve which specific area of town with minimum speeds of 25mb/s download and 3mb/s upload. Awaiting the arrival of two additional internet service providers to town to further review coverage.</p> <p>Q2 - No updates for this quarter.</p>

# FY24 - Quarter 2 Update

## Economic Vitality

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
EV 1.1		Conduct a downtown parking study to develop and adopt a long-range parking plan.	Planning	FY24	<p>Q1 - Draft request for proposals is in progress with anticipated solicitation late fall/winter 2023.</p> <p>Q2 - Draft request for proposals complete, seeking input from Durham-Chapel Hill-Carrboro Metropolitan Planning Organization and NC Department of Transportation as funding partners before release of solicitation.</p>
EV 1.2		Complete Train Station Development Master Plan.	Public Space	FY24-FY25	<p>Q1 - Board work session on Hillsborough Station Transit Oriented Development held in September. Next steps include market feasibility study and better site plan, with anticipated kick off in early 2024.</p> <p>Q2 - No additional updates on this project from this quarter.</p>
EV 1.3		Invest in wayfinding and interpretive signage programs.	Public Space	FY24-FY26	<p>Q1 - Efforts ongoing. Staff is currently working on developing a sign for the Occaneechi Replica Village, anticipated to be installed in January. The last one completed and installed was at Dickerson Chapel in September. Staff is also working on creating a wayfinding sign for Orange County Arts Eno Arts Mill.</p> <p>Q2 - Dickerson Chapel and Occaneechi Village interpretive signs are complete. Staff is currently working on design for an interpretive sign in Kings Highway Park.</p>
EV 1.4		Market and brand Hillsborough through town website and social media as a great place to live, work and do business by engaging in partnerships to highlight success stories and incentive opportunities.	Planning	FY24-FY26	<p>Q1 - Efforts ongoing as opportunities arise. Staff will begin to work in May 2024 on ad to be included in Chapel Hill Magazine featuring restaurants and businesses in town that have won a "Best of" award.</p> <p>Q2 - No additional updates on this project from this quarter.</p>
EV 2.2		Engage with the local business community through periodic small business workshops hosted by town or in conjunction with economic development partners.	Planning	FY24-FY26	<p>Q1 - Staff working with Chamber on a small business workshop in the spring. Community business meeting anticipated in January with social district, snow removal, parking, and interest in Triangle Restaurant Week as potential topics.</p> <p>Q2 - Community business meeting was held January 22.</p>
EV 3.2		Work with local and regional partners to identify and promote woman and Black, Indigenous and People of Color (BIPOC) owned businesses through marketing success stories and tracking contractual partnerships with the town.	Planning	FY24-FY26	<p>Q1 - Have not started on this initiative yet.</p> <p>Q2 - No updates from this quarter.</p>
EV 4.1		Actively participate in county-wide housing plan effort to inform a local action plan.	Community Services	FY24	<p>Q1 - Joint request for proposals has been postponed, awaiting Local Government Affordable Housing Collaborative decision on next steps for funding and potential re-advertisement.</p> <p>Q2 - County housing staff has reorganized and a new draft request for proposals is under review. Due to the need for additional budgetary participation from partner agencies, no additional progress is anticipated until the beginning of the next fiscal year.</p>
EV 5.2		Support changes to town code and state law to provide new funding sources and reduce administrative barriers for affordable housing creation.	Community Services	FY24-FY26	<p>Q1 - Efforts ongoing. Work being done through our advocacy networks on these efforts.</p> <p>Q2 - No updates for this quarter.</p>
EV 5.3		Prioritize surplus of town-owned land for creation of affordable housing and strategically acquire additional land or financial participation from new development for affordable housing	Community Services	FY24-FY26	<p>Q1 - Options are under consideration for town-owned land at Hillsborough Station, and conversations being held with funding partners and non-profit housing developers to guide next steps.</p> <p>Q2 - No updates for this quarter.</p>








# FY24 - Quarter 2 Update

## Community Safety

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
CS 1.1		Complete North Carolina League of Municipalities risk assessment and begin follow up on implementation of results.	Police	FY24	<p>Q1 - This is in progress but has been slow due to limited staff time. Town staff are still in the preparation stages, which involves going through all the department policies and making some significant updates that are needed to out-of-date policies and establishing some needed policies.</p> <p>Q2 – Significant progress was made by assigning Lt. Trimmer to focus solely on this project during his last few months. Progress will be slowing down now that he retired.</p>
CS 1.2		Host a community conversation that focuses on a broader concept of safety. Pilot completed in FY23.	Police	FY24	<p>Q1 - The Engage pilot that focused on public safety was held Spring 2023. The Police Department is an active participant in this project, which was led by the Communications Division in collaboration with other departments.</p> <p>Q2 – No activity. Some discussions have been had about next steps and possible spring meeting.</p>
CS 2.1		Complete refresh of the Emergency Operations Plan.	Emergency Management Team	FY24	<p>Q1 - After town staff discussion, the plan is to contract out plan development in partnership with other Orange County agencies. A request for proposals will be posted later this year with the goal of having the plan updated in 2024.</p> <p>Q2 – Town staff provided feedback on draft request for proposal and interlocal agreement. Orange County will manage the request process.</p>
CS 2.2		Establish quarterly management check-ins.	Emergency Management Team	FY24-FY26	<p>Q1 - While the emergency operations team has had various conversations on topics like the Emergency Operation Plan, training, etc., staff have not held any quarterly management check-ins. Check-in is scheduled for December.</p> <p>Q2 – The emergency operations team met on December 11 and discussed mobile EOCs, radios, the current status of the EOP and January meeting. The next meeting will be March 2024.</p>
CS 2.4		Establish Emergency Operations Centers.	Emergency Management Team	FY24	<p>Q1 - This is pending the completion of the refreshed Emergency Operation Plan.</p> <p>Q2 – Permanent EOCs are still being discussed. The finalized EOP will help finalize this. Staff moving forward with establishing mobile EOCs that can be set up at any designated location if needed.</p>
CS 2.5		Restart employee emergency preparedness training.	Emergency Management Team	FY24	<p>Q1 - Training was restarted March 2023 with all employees asked to complete ICS-100 by July 1. This effort is being managed by Administrative Services Department. The Emergency Services Team is evaluating available courses and determining which employees should take additional courses.</p> <p>Q2 - No updates for this quarter.</p>

# FY24 - Quarter 2 Update

## Service Excellence

ID #	Status	Initiative	Initiative Lead	Timeline	Progress Notes
SE 1.1		Schedule and consolidate building maintenance services.	Public Space	FY24	<p>Q1 - Facilities staff is mainly complete in consolidating building maintenance services and contracts, such as pest control and grounds maintenance. Evaluating software options for better workflow and facilities management.</p> <p>Q2 - This item is ongoing. Facility management software is needed and will be requested in the FY25 budget.</p>
SE 2.1		Evaluate onboarding process and identify gaps and redesign process.	Human Resources	FY24	<p>Q1 - Lead for NC Fellow is taking a comprehensive look at town's onboarding process, including new employee orientation and has made recommendations on how to improve our processes. Staff is drafting an onboarding checklist for supervisors and will be developing a supervisor focus group to help identify gaps and support that can be provided when onboarding and training new employees.</p> <p>Q2 - No updates for this quarter.</p>
SE 2.2		Explore and develop strategies to encourage the timely completion of performance evaluations.	Human Resources	FY24	<p>Q1 - Most employees completed their performance evaluation in a timely manner, by July 31. HR is taking notes of suggestions that have been made to improve the performance evaluation structure. HR will use these suggestions to improve the evaluation process going forward, which includes strategies that continue to encourage the timely completion of performance evaluations.</p> <p>Q2 - Received additional suggestions from the Operations Team to better enhance and streamline the performance evaluation process in Neogov.</p>
SE 3.1		Assess representation on appointed boards and boost recruitment efforts for underrepresented groups and areas.	Town Clerk	FY24	<p>Q1 - Staff have begun collecting appointed board member demographic data for further analysis. Member demographics will be compared to the community's demographics to examine where there are gaps in representation. After that is complete, the next step is to identify strategies for boosting recruitment efforts for underrepresented groups and areas.</p> <p>Q2 - No updates for this quarter.</p>
SE 4.1		Develop, adopt, and implement a racial equity plan.	Human Resources	FY24-FY26	<p>Q1 - Started reviewing GARE manual on how to develop action plan and working with DEI team on planning.</p> <p>Q2 - A draft workplan has been developed to move forward our efforts in using the racial equity assessment lens, and to start the development of an equity action plan.</p>

# Administrative Services Department

## **FY24-26 Priorities**

### Human Resources

- Diversity, Equity, and Inclusion efforts
  - o Racial Equity Action Plan
- Training program (general employees, supervisor, etc.)
- Employee handbook updates – catch up and get back on a regular update schedule
- Increased focus on promoting safety culture

### Information Technology

- Phone system upgrade assessment
- Facility remodeling – IT integration in new and renovated facilities
- Building security and access
- Infrastructure upgrades

### Communications

- Additional community surveying
- Community conversations/other community engagement
- Website
- Evaluate ways to streamline operations
- Photo inventory

### Budget

- Budget document
- Strategic plan
- Financial software conversion

### Clerk

- Remote participation policy
- Municode board management portal
- Electronic records policy and implementation plan

15%

## **Daily Work**

85%

## **Important, No Capacity**

- Employee engagement, including focus on employee wellness
- “Stay” interviews
- Performance data

0%

# Community Services Department

## **FY24-26 Priorities**

### Public Works

- Complete Waterstone Drive resurfacing project.
  - o Bid awarded September 2023 with work to be completed winter 2024.
- Continue leaf removal, litter removal and street sweeping programs.
  - o Leaf collection started November 1.
  - o Contract in place for monthly street sweeping and post-event sweeping.
- Develop a schedule for repairs and maintenance for sidewalks and greenways, prioritizing connectivity improvements.
  - o Sidewalk survey completed, planned trip hazard and panel work in late fall.
- Construction Inspection
  - o Request for Proposals (RFP) out for contract services.

### Planning and Economic Development

- Actively participate in county-wide housing plan effort to inform a local action plan.
  - o Local Government Affordable Housing Collaborative (LGAHC) reframing RFP documents, desired outcomes and local funding options. Anticipated advertisement in FY25.
- Overhaul UDO and Zoning Map to incorporate recommendations of Comprehensive Sustainability Plan.
  - o New Planning staff hired Fall 2023, scope of work and RFP draft in process, project expected to start in CY2024.
- Update Future Land Use Map to simplify land use categories and express preferred land use and growth patterns.
  - o Draft land use categories and descriptions in progress, working towards future public hearing fall/winter 2023/2024.
- Complete Hillsborough Station Transit Oriented Development Concept Plan.
  - o Board received update on September 25, next steps include market feasibility study and additional site concept planning.
- Conduct a downtown parking study to develop and adopt a long-range parking plan.
  - o Drafting RFP in progress, anticipated to advertise late fall/winter 2023/2024.

### Public Space and Sustainability

- Work with regional partners to expand the number of EV charging stations in the town to support EV readiness and encourage widespread adoption.
  - o Map completed, prioritization model completed, regional grant applied for.
- Complete Churton Street Multi-Modal Corridor Study to inform the future NC Department of Transportation-funded project.
  - o Study ongoing, should wrap up by late winter 2024.
- If directed by the board, advance design and engineering of first phase of Ridgewalk Greenway.
  - o Board received update on September 25. Next steps include additional alternatives analysis and market/trip generation study.
- Complete construction of Cates Creek Skate Spot.
  - o 90% Construction Drawings complete, anticipate spring 2024 construction.
- Advance Train Station design and permitting towards construction.
  - o 30% design completed, awaiting external permits/agreements (NCRR, NCDOT).

15%

15%

- Contribute annual budget allocations to expand public art and amenities and public spaces.
  - o First public art installation at Town Hall complex completed (Giraffes). Working on selection of art component of Skate Spot.
- Schedule and consolidate facilities maintenance service.
  - o Consolidation efforts 75% complete.

Stormwater and Environmental Services

- Update and adopt a comprehensive Stormwater Management Plan.
  - o State audit site complete, anticipate February update for Stormwater Management Plan.
- Continue implementing watershed improvement projects in compliance with Falls Lake rules
  - o Odie Street project 70% complete, Odie stream stabilization design complete – construction pending funding, cistern project in progress for Dorothy Johnson Community Center (concept phase), Skate Spot green infrastructure.
- Update and monitor progress toward accomplishing the Bellevue Branch Watershed Improvement Plan.
  - o In progress.
- Analyze and revise Stormwater & Environmental Management program fee rate structure to meet Stormwater & Environmental Management program goals.
  - o Preparing for FY25 budget discussions.

85%

**Daily Work**

- Development review, park & playground inspections, staffing advisory boards, stormwater inspections, street/sidewalk/drainage repairs, trash/bulk/yard debris collection, special event applications, etc.

0%

**Important, No Capacity**

- Develop and adopt a tree inventory for town-owned and town-maintained properties
- Access renewable energy generation potential for solar photovoltaics and wind energy projects on town-owned properties and identify priority sites for planning and implementation
- Code Enforcement

# Financial Services Department

15%

## **FY24-26 Priorities**

- New ERP System
  - Financial Services staff are researching and exploring potential Enterprise Resource Planning (ERP) system replacements.
  - The department plans to coordinate with all departments who use the ERP system to find a product suitable for users and that integrates with other existing software (i.e., OpenGov).
- Record-Keeping and Documentation
  - Financial Services staff are exploring opportunities for improved records retention and documentation storage, potentially with the help of the town's Lead for NC Fellow.

85%

## **Daily Work**

- Audit
  - Financial Services staff are working diligently to have the Fiscal Year 2023 audit completed on time.
- Ledger Postings
  - Financial Services staff are working to make sure ledger postings are updated and entered more frequently. In the past, postings have lagged by several months in some cases.
- Department Restructure
  - Facilitating personnel restructuring, including promotion of Accounting Technician and onboarding/training of new Accounts Payable Technician.
- Training
  - Financial Services staff are actively exploring and attending training sessions, such as Introduction to Local Government Finance course offered by the UNC School of Government (2 staff attending).

0%

**Important, No Capacity**

# Police Department

15%

## FY24-26 Priorities

- Completion of North Carolina League of Municipalities risk assessment.
  - Police Department is taking lead.
  - Considering the assistance of a facilitator for quicker completion.
- Participation in community conversations on public safety
  - Low workload for Police Department.
- Planning for restart of Police Citizens' Academy
- Emergency Operations Plan Refresh
  - Involves committee, but Police Department taking lead.
  - Portions of the plan have been contracted out.
  - May be completed in Fiscal Year 2024.
- Emergency Preparedness Training
  - Currently facilitated by Human Resources – all applicable positions are to complete National Incident Management System (NIMS) and Incident Command Structure (ICS) training.

85%

## Daily Work

- Patrol, Investigations, Court.
- Administrative – finance, timekeeping, etc.
- Hiring process for Social Worker position.
- Managing and monitoring recent department restructure.
- Facility projects are disrupting some daily work, such as the property room and other renovations at the downtown station.
- Currently fully staffed, but in times when there are vacancies, the hiring process takes a fair amount of time, including testing, background checks, and academy time.

0%

## Important, No Capacity

- Conduct Tabletop Exercise
  - Timing dependent on completion of Emergency Operations Plan.
  - Likely Police Department lead or facilitated by third-party.
  - Involve only the town to begin, but later may be coordinated with Orange County.
- Establish Emergency Operations Centers
  - Dependent on completion of Emergency Operations Plan.

# Utilities Department

## **FY24-26 Priorities**

### Administration of Enterprise

- Assess and adjust transfers to General Fund to ensure equitable coverage and cost share. Document method of calculations.

### Utilities Administration

- Help budget and finance team develop rate model that incorporates CIP and ensures future funding of CIP projects.
- Continue to rely on future development to pay for development-initiated projects by leveraging system development fee (SDF) revenue to fund development-driven upgrades.
- Reorganize the department's role in the development review process. Begin holding performance bonds for water and sewer infrastructure. Update submittal checklists to match current specifications and revise/add standard details.
  - o Update specifications/details every six months if necessary.
  - o Ensure all terms of the water and sewer extension contracts are met, including switching to town-initiated construction observation (developer reimbursements).
- Initiate Lead and Copper Revised Rule (LCRR) inventory program, issue required notifications for Galvanized Requiring Replacement/Unknown water services.
- Complete water system master planning model.
  - o Establish fire flow protection requirements, incorporate these standards into hydraulic model.
- Complete Hassel and US 70 preliminary engineering and incorporate into CIP.
- Improve upon and keep up with GIS mapping.
- Expand data and information on website including mapping dashboards.
- Negotiate terms with Durham and/or OWASA to use Jordan Lake allocation.
- Marry the water and sewer capacity models into a useable dashboard – updated capacity tracking system.
- Perform the grant funded capital improvements (BRIC, STAG, SRF) with consultant grant management assistance.
- Seek and secure funding for capital improvements or other remedies to free up sewer capacity in the River Basin.
- Purchase modeling software for water and sewer systems to use the consultant models ourselves.
- Revise Chapter 14 and Chapter 15 of town code.
- Help update billing system to have proper account class and rate codes.
- Monitor and act on impacting legislation.

### Water Treatment Plant

- Expand SCADA process controls, alarms, and data acquisition.
- Complete switchgear project.
- Continue to produce excellent drinking water quality every day with no violations.
- Prepare for key employee's retirement within the next 3-years.
- Assess switching from chlorine gas to another disinfection process.
- Continue developing preventative maintenance program/team.

### West Fork Eno River

- Establish monitoring website page.

15%



- Continue annual inspections and mowing.
- Ensure NCDOT accepts right of way and easements.

#### Wastewater Treatment Plant

- Complete Permit Renewal Package due 6/30/24.
- Complete Wastewater Master Plan
  - o Complete the current study of the fate of Nitrogen in the Eno River.
  - o Develop scope of the master plan.
  - o Prepare an RFQ and post.
  - o Hire an engineer.
  - o Complete master plan and begin to implement decisions.
- Continue to produce excellent effluent water quality every day with no violations.
- Prepare for key employee's retirement within the next 3-years.

#### Water Distribution

- Look at better work order asset management systems than Utility Cloud. Schedule demos.
  - o Develop asset management system to prioritize pipe replacements.
- Establish distribution system water pressure monitoring points.
- Continue leak detection on water system annually, complete water audit to assess non-revenue water.
- Eliminate galvanized pipes and services.
- Test large water meters.
- Ensure auto flushers remain at proper setting and calibration.
- Assess water mixing in tanks.
- Perform valve exercising and maintenance program.
- Monitor and replace meters having backflow events with a check valve meter.
- Replace valves and hydrants per need and plan.
- Construct an updated collection & distribution facility.
- Invest in water system evaluations and rehabilitation/replacement.

#### Wastewater Collection

- Look at better work order asset management systems than Utility Cloud. Schedule demos.
  - o Develop asset management system to prioritize pipe replacements.
- Establish long-term sewer flow monitoring. Conduct analysis of post-rehabilitation sewer flows to evaluate effectiveness of sewer rehabilitation program.
- Perform smoke testing along King Street corridor to determine extents of roof leader connections to sewer system and other suspicious locations.
- Continue to smoke test and televise sewer basins to determine defects.
- Separate shared sewer laterals where possible and feasible.
- Rehabilitate at least 10 manholes per year.
- Identify 4- and 6-inch sewers serving multiple parcels and design replacements to current standards.
- Construct an updated collection & distribution facility.
- Invest in collection system evaluations and rehabilitation/replacement.

85%

**Daily Work**

- Keeping up with development inquiries and approved developments.
- Repairing water and sewer main and service breaks promptly.
- Continuing to communicate among divisions and improve staff performance, coordination, work efficiency, safety, and process optimizations.

0%

**Important, No Capacity**

- Much of the above items with the level of staffing and other routine workloads and emergencies we deal with daily.
- Scanning of paper plans and files into electronic format and formatting shared drives for ease of use, consistent file names, etc.



TOWN OF  
**HILLSBOROUGH**  
NORTH CAROLINA

## Strategic Plan

### Parking Lot

#### **Meeting Broadcast**

Continue using the current broadcast method for board meetings and evaluate possible improvements in the future.

#### **Rotating Board Meeting Locations**

Determined that this would require significant effort and increase confusion for the community regarding meeting location. Board wanted this to stay on the radar should technology make this easier in the future.

#### **Participatory Budgeting**

Discuss incorporating neighborhood grants and budget engagement to future budget discussions.



TOWN OF  
**HILLSBOROUGH**  
NORTH CAROLINA

# Strategic Plan

## Quarterly Update Schedule

Quarter	Date	Board Meeting
1	November 27, 2023	November Work Session (July – September)
2	February 17, 2024	Budget Retreat (October – December)
3	May 13, 2024	Budget Presentation (January – March)
4	August 26, 2024	August Work Session (year-end reporting)



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 17, 2024  
Department: Community Services  
Agenda Section: Regular  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Matt Efird, Assistant Town Manager

#### ITEM TO BE CONSIDERED

**Subject:** Affordable Housing Framework

**Attachments:**

1. Guiding Principles from April 2022 Discussion
2. Comprehensive Sustainability Plan Housing & Affordability Chapter
3. Affordable Housing Framework Slides

**Summary:**

The board has previously discussed and endorsed a set of “Guiding Principles” on affordable housing, adopted the Comprehensive Sustainability Plan which included a set of implementation strategies, and adopted the FY24 budget which included a “ramp-up” strategy for allocating the equivalent of \$0.02 on the tax rate towards affordable housing. This discussion is intended to check in on the continuation of the funding strategy and to provide feedback on staff’s proposed approach to guiding the board and community through a set of in-depth workshops to develop an effective plan for utilization of the town’s affordable housing funds.

**Financial impacts:**

If the board makes adjustment to the previously approved ramp-up strategy, there will be impacts to the capacity to fund other town priorities.

**Staff recommendation and comments:**

None.

**Action requested:**

Provide feedback on proposed plans and funding strategy.



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting date: April 25, 2022  
 Department: Town Board  
 Public hearing: No  
 Date of public hearing: N/A

For clerk's use

AGENDA ITEM:

	4.B	
Consent agenda	Regular agenda	Closed session

#### PRESENTER/INFORMATION CONTACT

Commissioner Mark Bell

#### ITEM TO BE CONSIDERED

**Subject:** Draft Affordable Housing Guiding Principles

**Attachments:**

Draft Affordable Housing Guiding Principles

**Brief summary:**

Receive a report from Commissioner Bell regarding draft affordable housing guiding principles.

**Action requested:**

Receive report and discuss next steps.

#### ISSUE OVERVIEW

**Background information and issue summary:**

The Comprehensive Sustainability Plan is in development and will include detailed information about the town's vision for housing in Hillsborough, including affordable housing. So far this year, multiple development proposals that include a substantial number of residential units have been brought to the attention of the board. The board would like to articulate guiding principles around affordable housing to help focus our efforts and provide developers and stakeholders a concise statement of the board's intent while we await the Comprehensive Sustainability Plan later this year. This draft list of guiding principles was compiled following individual interviews with the mayor and board to further this effort.

**Financial impacts:**

None.

**Staff recommendation and comments:**

At the April regular meeting, Commissioner Bell indicated that the Community Home Trust needed to know the town's priorities or policies related to affordable housing to guide their discussions with applicant developers. The attached list is Commissioner Bell's work following discussions with board members. Staff will be preparing guidelines for how any local funds designated for this purpose may be spent and investigating what steps and guidance are needed to move away from a case-by-case discussion of expectations for applicant housing developers. In staff's opinion, the attached list should be viewed as a stop-gap document to fill in until the Comprehensive Sustainability Plan and staff work is completed. This work should be complete in coming months and certainly prior to the end of the calendar year.

## Draft Guiding Principles for Affordable Housing

1. Pause approval of new residential developments until adoption of affordable housing guiding principles that will ultimately be synthesized with the Comprehensive Sustainability Plan later this year
2. Establish a affordable housing fund and begin contributing to it in the upcoming FY, ramping up to 2% of general fund over 3-5 years; funds will be used for all aspects of our housing efforts
3. Prioritize surplus town-owned land for potential affordable housing
4. Dedicate at least 1/3 of remaining buildable train station land to future affordable housing in partnership with a trusted entity; the town is not likely to build, own, or manage the housing ourselves
5. Increase funding of programs to help residents stay in their homes by supporting repairs and efficiency improvements; help residents navigate other agencies and organizations that provide similar services
6. Require 15% affordable housing units in new residential developments, more if a property is zoned other than residential, but also have flexibility to achieve overall goals of the town
7. Develop a diverse portfolio of affordable housing for various income levels and priority populations, such as disabled individuals, senior citizens, veterans, and middle-income residents; strive for an appropriate mix of ownership and rental units
8. Add inclusionary zoning to the UDO, if necessary, to require developers to adhere to our affordable housing requirements
9. Consider affordable housing payment in lieu only for smaller developments and dedicate these funds to the new affordable housing fund
10. Target real permanence for housing units, not short term such as 30 years
11. Avoid approval of development on parcels that will place a burden on residents or funders of affordable housing because of issues such as siting, topography, above-average construction costs, and restrictions by funders or regulators
12. Include consideration of connectivity and access to public transportation when reviewing proposals for affordable housing development
13. Strive for new affordable housing that is appealing and meaningfully integrated into larger developments
14. Develop a dashboard for the town website that tracks affordable housing progress, highlights challenges and successes, and is reviewed quarterly
15. Identify a town staff member to run point on affordable housing, including to work with developers, maintain an inventory of units, identify relevant resources, and collaborate with stakeholders and peer municipalities to learn about best practices and funding opportunities



# Housing & Affordability

All residents in Hillsborough, regardless of age, race, or income, should have access to safe and attainable housing. Rising costs of living and housing in the region are contributing to housing insecurity. This chapter highlights opportunities and strategies for improving housing options and opportunities in the town.





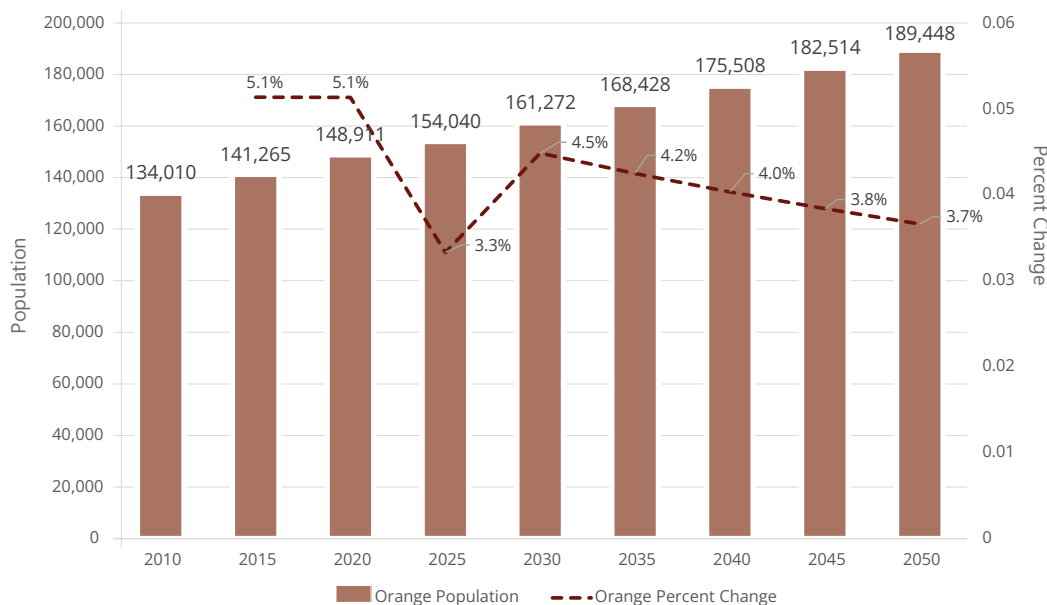
# Introduction

Housing is a key tenet of sustainability as the health and well-being of community members is dependent on having access to stable housing. Housing is a foundational element of an adequate standard of living, serving as a precondition for work, health, education, and success. Hillsborough must manage growth to provide a diverse supply of safe and affordable housing that serves the whole community. It must provide a range of housing types, sizes, designs, and ownership structure to accommodate varying lifestyles and needs. A mixture of housing types helps neighborhoods be more sustainable and stable. Approaching housing with a smart growth lens curbs sprawl and reduces environmental impacts by building compactly, promoting a mix of uses, creating connections, and designing housing with adaptation and resilience in mind. Implementing a smart growth approach allows the town to use infrastructure more efficiently, accommodate the housing needs of all residents, and establish a foundation where people can remain in the community through different stages of their lives.

Housing affordability is a complex issue facing municipalities, particularly in the Triangle region, and is impacted by access to mobility options, education and employment opportunities, among other factors. A surge in demand, combined with a lack of supply, has resulted in soaring housing prices. Rising incomes and low mortgage rates pushed housing prices to near record levels at the end of 2021. The housing market had one of the most dramatic reversals in 2022 as rising interest rates and stubbornly high prices drove the national affordability rate down by 37%.<sup>1</sup> To compound the problem, apartment rents have been rising since the end of 2019, affecting the affordability of rental units. These effects are not only being felt by low-income residents, but also by middle-income residents (earning 60–120% of the area median income).

The housing challenges are exacerbated in the Triangle region due to the current and projected growth. Orange County is expected to experience growth rates of 3.3 to 4.5% over the next 30 years (*Figure 8.1*). Specific to Hillsborough, the town's housing strategies will need to work within the infrastructure constraints that are directing the areas of growth.

**Figure 8.1.** Population Projections for Orange County



Source: North Carolina Office of State Budget and Management, Standard Population Estimates, Vintage 2021 and Population Projections, Vintage 2022

<sup>1</sup> North Carolina Office of State Budget and Management, Standard Population Estimates, Vintage 2021 and Population Projections, Vintage 2022



## Affordable Housing

Affordability is defined as the availability of reasonably priced housing, particularly for individuals and households with earnings below the median income. Typically, affordability is spending no more than 30% of annual income on housing (rent/mortgage, utilities, taxes, and insurance).

*During the development process for this plan, “addressing affordability and cost of living” was noted as one of the most important sustainability issues facing the town.*

The affordability of housing in a market functions on a supply and demand model. The prices of housing units will be higher the lower the supply is in an area (number of units available for purchase or rent) and if a stable growth in demand exists (number of households/persons looking for a home). The influx of newcomers and the attractiveness of the town elevates the affordability challenges experienced in Hillsborough. Furthermore, Orange County and the town have high tax rates compared to much of the state, impacting overall affordability.

When housing costs increase, many households are forced to spend less on essentials, such as food and health care. This adversely affects all aspects of quality of life. Further, high housing costs have the unintended consequence of promoting sprawl, as households seek more affordable options away from densely populated areas with access to services. This generates adverse social and environmental effects, such as development of natural areas, increases in service rates (such as water and sewer), and higher emissions from longer commutes.

## Missing Middle Housing

Missing middle housing refers to building types that provide denser housing options, such as duplexes, fourplexes, cottage courts, and courtyard buildings. These housing types have the capacity to better support transit and economic mobility of residents without the cost and maintenance burden of a detached single-family home.

Missing middle housing types typically have lower costs because they are constructed with multiple units on one parcel that do not need extensive parking. The inclusion of missing middle housing provides neighborhoods the affordability and diversity needed to create sustainable, smart growth communities.



Source: Opticos Design



## Planning Context

Planning for housing takes place at all levels of government, and many entities at the federal, state, regional, and local levels have some influence over residential development. In North Carolina, municipalities typically are not responsible for constructing housing but can direct the types and location of housing through land use regulations and design standards. In Hillsborough, the key players in housing regulation at the local level are the Hillsborough Board of Commissioners, Planning Board, Historic District Commission, and Board of Adjustment. Hillsborough does not build or maintain housing or have a housing support program. Thus, addressing housing challenges in the town involves a larger partnership with the county. Orange County provides housing programs in Hillsborough.

## Orange County Housing Department Programs

### HOME Investment Partnerships Program

Orange County and the towns of Chapel Hill, Carrboro and Hillsborough participate in the HOME Investment Partnerships Program of the U.S. Department of Housing and Urban Development. The consortium in Orange County, now called the Orange County Local Government Affordable Housing Collaborative, works to improve the quality of housing for residents by retaining and increasing the supply of affordable housing units for owner occupants and renters and by providing homeownership opportunities for low- and moderate-income residents.

Participating jurisdictions in the federal HOME program have the opportunity to identify and choose the housing activities that best meet local housing needs. In Orange County, HOME funding is used for a wide variety of affordable housing activities.

### Longtime Homeowner Assistance

The Longtime Homeowner Assistance program provides property tax bill assistance to help people stay in their homes. Residents can apply for this program online through the county website.

The Orange County Housing Department operates two home repair and rehabilitation programs for low-income homeowners and is a member of the Orange County Home Preservation Coalition, made up of organizations that provide Orange County residents with home repairs and modifications. The organizations coordinate through the coalition to ensure high quality program delivery.

### Additional programs

The Orange County Housing Department also offers several rental assistance programs: Housing Choice Voucher Program (Section 8), Emergency Housing Assistance Program, and the Rapid Rehousing Program, operated by the Orange County Partnership to End Homelessness.



## State and County Housing Plans

### State of North Carolina 2021–2025 Consolidated Plan and 2021 Annual Action Plan

North Carolina is required to submit a consolidated plan every five years to the U.S. Department of Housing and Urban Development that outlines the state's goals and strategy for using federal funds to meet identified housing and community development needs. The federal department historically has been the agency that provides the most support in creating policy and providing funding for housing development. The state's most recent plan indicates that affordability and availability of decent housing stock are dominant needs. The plan details how North Carolina municipalities and community partners can use specific program funding to improve housing in their communities. Key programs outlined in the plan that are used by Orange County to develop housing for Hillsborough are:

- › Community Development Block Grant Program
- › HOME Investment Partnerships Program
- › National Housing Trust Fund
- › Emergency Solutions Grants Program
- › Housing Opportunities for Persons with AIDS Program

Rising housing prices have been evident in Orange County for decades. These high property values limit options for first-time buyers and prohibit others from the market. The Orange County 2030 Comprehensive Plan includes a full chapter on housing challenges and identified that the rental housing supply is inadequate, especially for low-income households. The plan prioritizes collaboration and long-term sustainability of the housing market. Other significant collaboration efforts between the county and the town focused on housing policies and strategies include:

- › 2005–2010 Housing and Community Development Consolidated Plan (2005)
- › Orange County Comprehensive Housing Strategy (2006)
- › Orange County 2030 Comprehensive Plan (2008)
- › Orange County Master Aging Plan (2007)
- › Orange County Plan to End Homelessness (2020).

Other state and regional agencies that collaborate with the town on housing include:

- › North Carolina Housing Finance Agency
- › North Carolina Department of Health and Human Services
- › North Carolina Housing Coalition
- › Orange County Housing Authority
- › Central Pines Regional Council (formerly Triangle J Council of Governments)

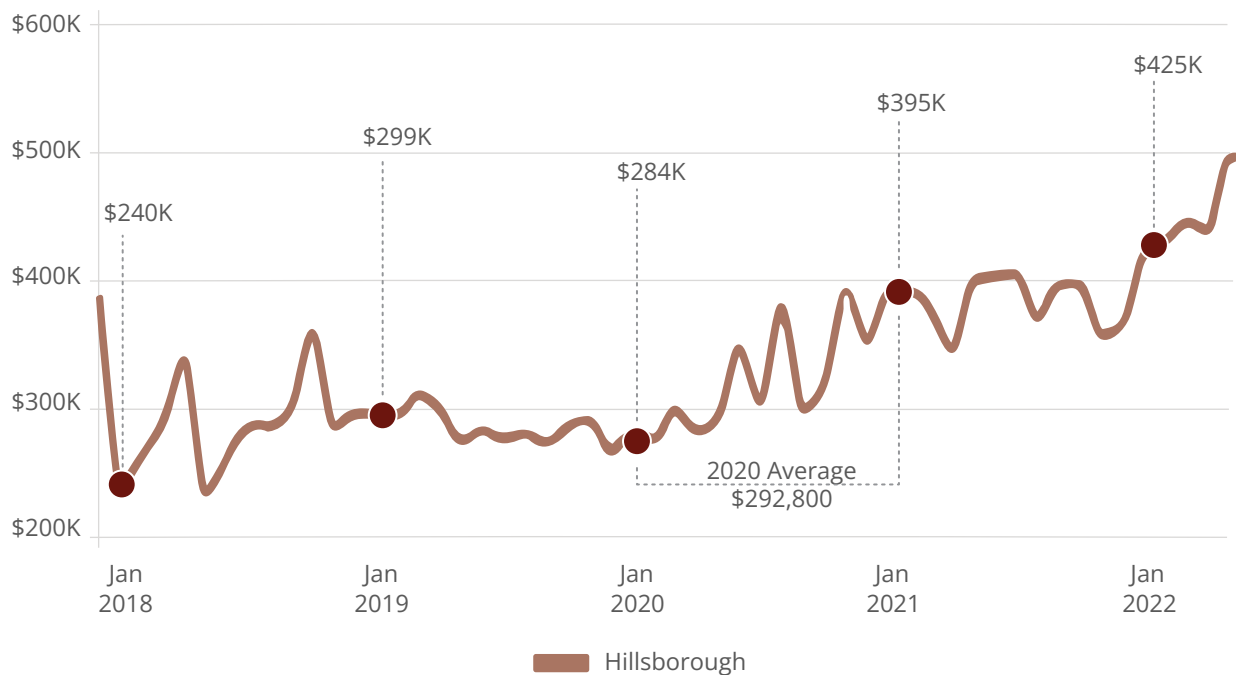


## Existing Conditions & Opportunities

Demographic shifts in a community affect the need and demand for housing. In 2020, Hillsborough had 7,160 residents with a homeownership rate of 65.3% — approximately the same as the national and Orange County average, which had a 63.8% homeownership rate.<sup>2</sup>

Hillsborough’s average property value for 2020 was \$292,800, a 12.1% increase from 2019. This average was less than the \$331,800 average of Orange County and greater than the national average of \$229,800 (see *Figure 8.2*). Meanwhile, Hillsborough’s median household income was \$65,591, while Orange County had a median household income of \$74,803, and \$67,521 was the national median household income.<sup>2</sup>

**Figure 8.2.** Property Values for Hillsborough, 2018–2022



Source: Multiple listing service data provided via Redfin, a national real estate brokerage

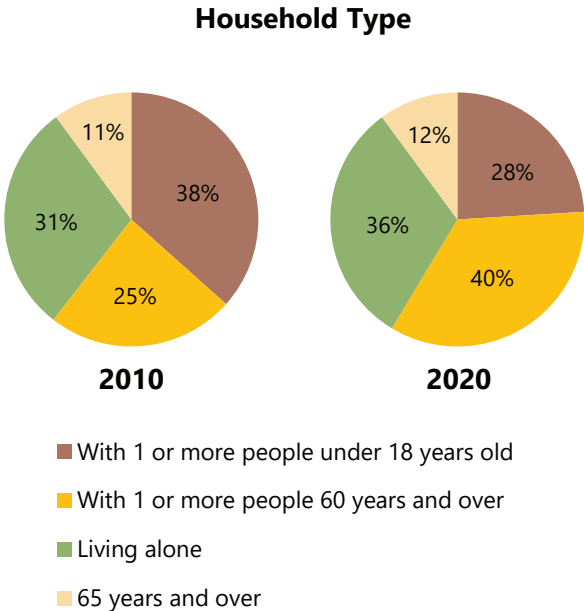
<sup>2</sup> U.S. Census, American Community Survey 5-Year Estimates



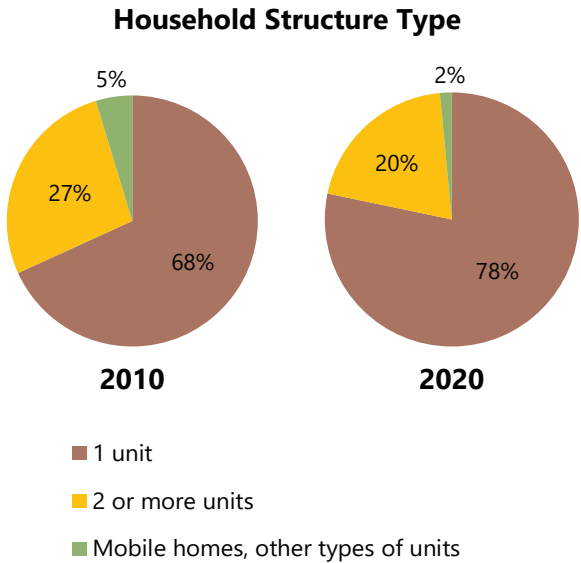
In 2020, Hillsborough had 3,014 households with an average size of 2.23 people per household. The table below (Figure 8.3) demonstrates the types of households in town. The comparison between household types in 2020 and 2010 shows the town is experiencing trends similar to other municipalities in that the aging population is growing and more people are living alone. In 2010, the median age was 35.9, with 7.8% of the population 65 years and over. In 2020, the median age in Hillsborough was 44.1, with 16% of the population 65 years and over.

Based on the same years for comparison, single-family residential structures overwhelmingly make up the majority of housing structures in town, growing by 10% between 2010 and 2020 (see Figure 8.4). This mix of structure types indicates Hillsborough had fewer housing options in 2020 than in 2010. Of the housing types in town as of 2020, nearly 70% are single-family detached.

**Figure 8.3.** Household Type in Hillsborough (2020 and 2010)



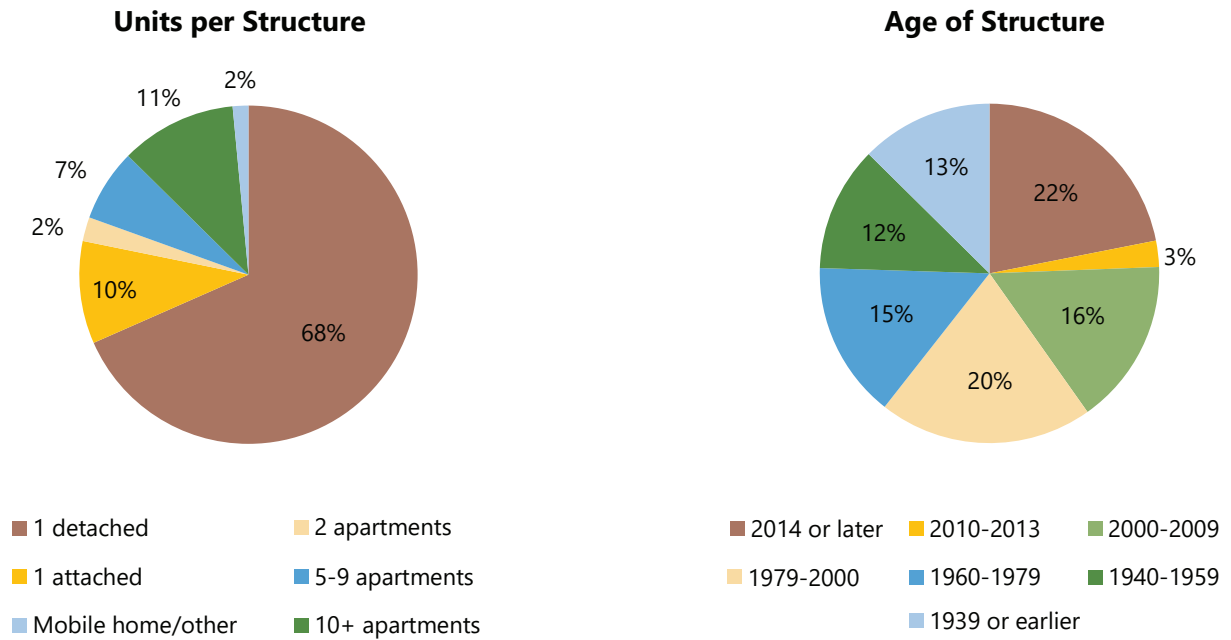
**Figure 8.4.** Household Structure Type in Hillsborough (2020 and 2010)



Source: U.S. Census, American Community Survey 5-Year Estimates



**Figure 8.5.** Household Units/Structure and Structure Age (2020)



Source: U.S. Census, American Community Survey 5-Year Estimates

As indicated in *Figure 8.5*, nearly 40% of Hillsborough’s existing housing stock are structures 50 years and older, with single-family detached and multi-family apartments being the main housing types. Some duplexes and quadplexes exist in older neighborhoods in town. It is clear there is opportunity for middle housing types such as duplex units and mid-rise apartments. Revising the town’s Unified Development Ordinance to encourage a variety of housing types would support more development in this space. The town already allows accessory dwelling units and has received several applications for this type of housing. Continuing to work with developers on streamlining regulatory processes for housing projects that offer diversity will be valuable.



Collins Ridge



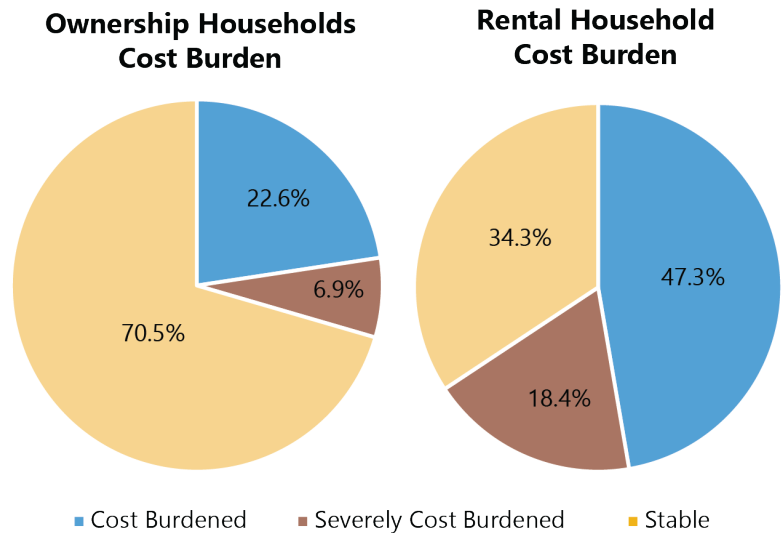
Eno Haven



## Cost Burden

To understand the need for affordable housing, it is helpful to frame the data in the same terms that federal agencies like the Department of Housing and Urban Development use. One such measure is whether a household is cost-burdened. The department defines a household as cost-burdened if housing costs are greater than 30% of the household income and severely cost-burdened if housing costs are greater than 50% of the household income.<sup>3</sup>

Based on 2015–2019 data from the Comprehensive Housing Affordability Strategy of the Department of Housing and Urban Development, 405 ownership households in Hillsborough are cost-burdened, with 125 of those households severely cost-burdened — representing 22.6% and 6.9% of the ownership households, respectively.<sup>4</sup> For renter-occupied households, 47.3% were cost-burdened, while 18.4% were severely cost-burdened. The data also demonstrates that the majority of the cost-burdened households (both ownership and rental) has a household income less than 50% of the department-adjusted median family income. This indicates that lower-income residents of the town have a greater need than those of higher incomes. Comparatively across North Carolina, 41% of renters and 21% of homeowners are cost-burdened.<sup>5</sup>



Source: Department of Housing & Urban Development, Comprehensive Housing Affordability Strategy (2015-2019).

## Affordable Housing

Hillsborough needs more affordable housing (reasonably priced housing, particularly for individuals and households with earnings below the median income). In 2021, the median monthly housing cost in Hillsborough was \$1,315 for occupied units, which is higher than the state average of \$999 and the Orange County average of \$1,270.<sup>6</sup> Neighboring communities also have lower median monthly housing costs — \$1,248 in Carrboro and \$1,251 in Durham. Hillsborough's higher housing costs directly impact housing affordability and the ability for residents to remain in their neighborhoods.



Townhouse community in southern Hillsborough

<sup>3</sup> Some professionals argue that the U.S. Department of Housing and Urban Development's 30% rule for measuring affordability is arbitrary, primarily because of cost-of-living differences where housing is expensive and because some families must spend their money differently on basic necessities, such as a household that includes children.

<sup>4</sup> <https://www.huduser.gov/PORTAL/datasets/cp.html>

<sup>5</sup> 2015–2019 American Community Survey, five-year estimates

<sup>6</sup> U.S. Census, American Community Survey 5-Year Estimates





A network of nonprofit housing providers and assistance programs has been built to provide educational, financial, and technical services to households in need. Examples of these organizations include:

- › **Orange County Community Housing and Land Trust** — provides affordable housing opportunities for first-time homebuyers earning less than 80% of the average median income.
- › **Orange County Habitat for Humanity** — offers homeownership support to working families through loans, repairs of existing homes, and assistance in the construction of homes.
- › **EmPOWERment Incorporated** — works to increase affordable housing and preserve working-class neighborhoods.
- › **CASA** — develops and manages rental communities to provide access to stable, affordable housing for people who are homeless or at risk.
- › **Chrysalis Foundation for Mental Health** — supports the development of affordable housing for people with disabilities and mental illness.
- › **InterFaith Council for Social Services** — provides shelter, food, and direct support services to people in need.
- › **Orange County Housing Coalition** — provides housing opportunities for all through an association of nonprofit housing developers, service providers, advocacy groups, and local government partners.

## Workforce Housing

Workforce housing is housing affordable to households earning between 60 and 120% of the average median income, according to the Urban Land Institute. Workforce housing targets middle- or moderate-income workers, which includes professions such as police officers, firefighters, teachers, health care workers, and retail clerks. Households that need workforce housing may not qualify for housing subsidized by the Low-Income Housing Tax Credit Program or the Housing Choice Voucher Program (formerly known as Section 8). These are the two major programs in place for addressing affordable housing needs.

Having middle-income workers living in the same community they serve is a major benefit to building stronger connections within the community. It also reduces commute times, decreasing carbon footprints of individuals and the businesses where they work.



## Aging in Place

Aging in place refers to the decision to continue in a current residence with loved ones, friends, and neighbors while getting older rather than relocating to a residential facility built to support long-term care, such as an assisted living facility. The choice can depend on which best supports their well-being and promotes healthy aging.

Hillsborough has several retirement and age-restricted communities. The median age is increasing and more households have seniors living alone. Hillsborough will need to address increasing housing options that meet the needs of the elderly and persons with disabilities. The Orange County Master Aging Plan, which is detailed in Chapter 7 of this plan, states that age-friendly housing should:

- › Be affordable.
- › Be close to services or have transportation options.
- › Have accessible design.
- › Provide a wide range of living options.
- › Be integrated into the community at large.
- › Be safe and comfortable.

Providing support for aging in place includes housing that can be affordably adapted to meet residents' changing needs throughout their lifetime. Universal design incorporates seven principles in designing environments that can be used by all people. For example, essential universal design features include no-step entry, single-floor living, wide doorways and hallways, reachable controls, and easy-to-use handles and switches. In addition to the housing unit, being in close proximity to food, other essential needs and transit access is very important for the elderly and persons with disabilities.



*Corbinton Commons*



## Universal Design

Seven principles of universal design were developed by a group of architects, designers, engineers, and researchers at North Carolina State University. The principles serve as a guide for designing communications, goods, and the environments we live in. They may be used to evaluate existing designs, direct the design process, and educate users about the elements that make up more accessible environments.

Fundamentally, universal design is adaptive, flexible, safe, and effective. To produce a truly universal user experience, universal design is based on the following:

# 7 PRINCIPLES OF UNIVERSAL DESIGN

### 1. Equitable Use

- Design is appealing and provides the same means of use to all individuals.
- Provisions for privacy, security, and safety are equally available.

### 2. Flexibility in Use

- There is choice in methods of use.
- Accommodations for right or left handed use.
- Allow for accuracy and precision as well as adaptable to the individual's pace.

### 3. Simple & Intuitive Use

- Use of the design is easy to understand.
- Any undue complexity is removed.

### 4. Perceptible Information

- Ambient conditions do not affect use.
- Consider individual's sensory abilities.
- Provide contrast between essential information and its surroundings.

### 5. Tolerance for Error

- Consider and minimize hazards and the adverse consequences of accidental or unintended actions.
- Provide fail-safe features.

### 6. Low Physical Effort

- Allow user to maintain a neutral body position.
- Minimize repetitive actions and sustained physical effort.

### 7. Size and Space for Approach and Use

- Provide a clear line of sight to important elements for any seated or standing user.
- Make reach to all components comfortable for any seated or standing user.
- Accommodate variations in hand and grip size.
- Provide adequate space for the use of assistive devices or personal assistance.

Source: Center for Universal Design at North Carolina State University



## Homelessness

On any given night in the United States in 2020, approximately 580,000 persons could be classified as living in a state of homelessness. The U.S. Department of Housing and Urban Development classifies homelessness in four categories: chronic, episodic, transitional, and hidden.

*While all levels of homelessness face unique situations, policies and programs treating chronic homelessness are the most critical and have benefits to all levels of homelessness.*

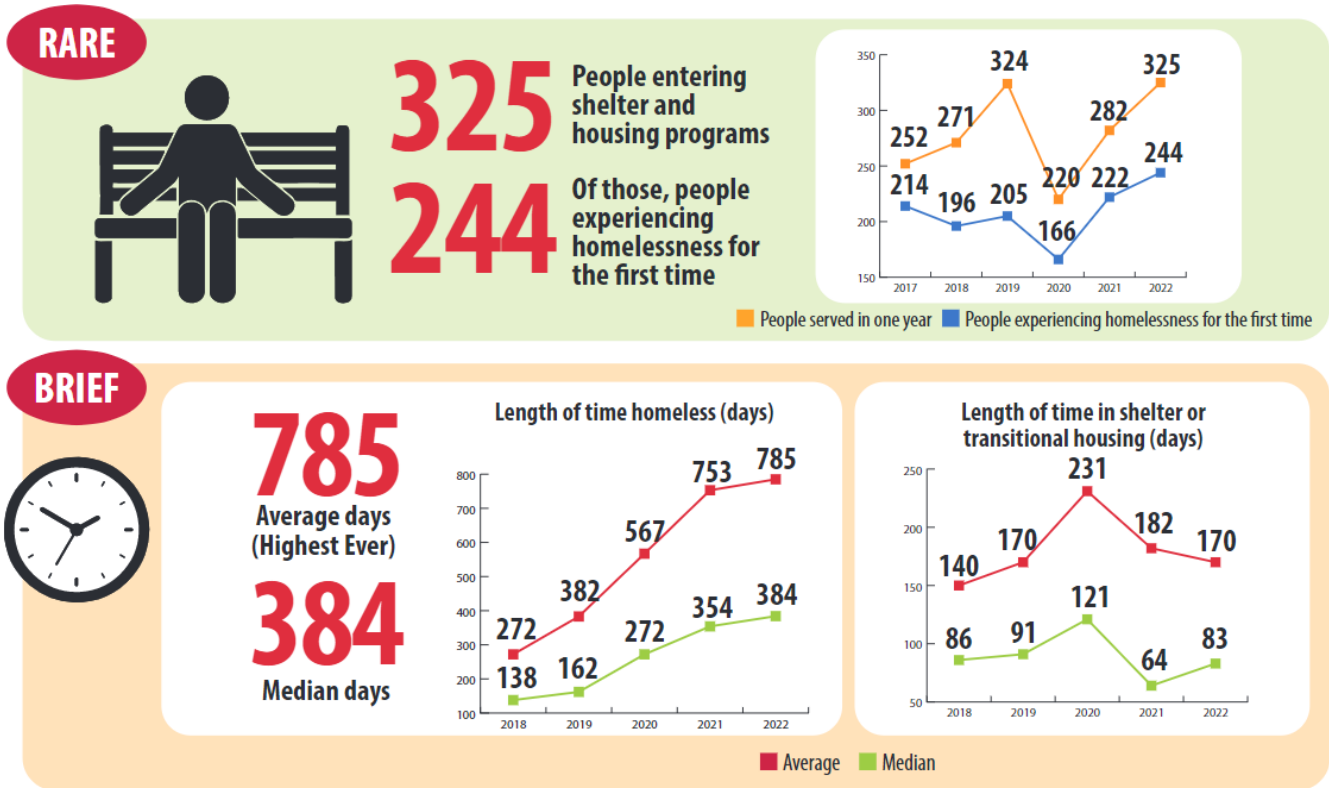
The Orange County Partnership to End Homelessness participates annually in the nationwide Point-in-Time Count to understand the number of people facing homelessness (both sheltered and unsheltered) and publishes snapshots of the estimated number of homeless in Orange County (see *Figure 8.6*). The 2022 count showed fewer people experiencing all levels of homelessness in 2022 than in 2021, but it showed progress has stalled when comparing the number to years prior to 2020. While the chronically homeless population has increased since 2020, both families and veterans experiencing homelessness have decreased in Orange County.

The Orange County Partnership to End Homelessness provides help to those in need, including rental and utility assistance, eviction diversion, emergency housing, and homeless services. Since June 2019, the Orange County has created a housing access coordinator position within the county government, added funding for homelessness diversion, and started the Street Outreach, Harm Reduction and Deflection Program. These services aim to reduce homelessness by partnering with landlords and property management organizations to use housing choice vouchers while actively working to connect those living in shelters with housing solutions.



To help provide resources for the homeless, the town allows homeless shelters under a special use permit in many of its zoning districts. Additionally, the town will continue to coordinate with the county to help those experiencing homelessness and to identify ways to prevent homelessness. A focus on providing affordable housing options will support the regional work on ending homelessness.

Figure 8.6. Homeless Population Snapshot for Orange County



Source: Orange County Partnership to End Homelessness



## Toolbox for Housing Options & Affordability

Based on the demographics of the town and the minimal housing options that currently exist, there is a need and opportunity for additional affordable housing. Demographics and lifestyle preferences are shifting, indicating a need to add new forms of housing to traditional housing types. With the infrastructure constraints that are directing development in the town (see Chapter 4 of this plan for details), the use of smart growth principles will be critical for addressing housing needs. These tools have been successful in other communities for supporting housing options and affordability.

- › Integrate single- and multi-family structures: accessory dwellings, microunits, patio homes, quadplexes, co-housing
- › Collaborate on addressing high density concerns
- › Streamline the approval process for affordable housing projects
- › Retain and maintain existing housing stock
- › Incorporate house-scale buildings with multiple units in walkable neighborhoods
- › Offer density opportunities
- › Allow for discussions with the construction community on notable developments in building materials
- › Support housing projects with infrastructure development, new sidewalks and curbs, parks, transit stops, and greenway connections
- › Bring in neighborhood representatives to the Planning Board and Board of Adjustment
- › Evaluate site assembly opportunities for housing projects
- › Promote energy-efficiency techniques in residences



### Benefits:

Supports a diverse population.

Promotes equitable distribution of households among all income levels.

Creates opportunities for communities to slowly increase density without radically changing the landscape.



# Housing & Affordability Goals and Actions

These strategies and recommended actions identify how Hillsborough will reach its goal of ensuring housing stability for renters and homeowners.

## Goal

- 1 Develop and maintain a variety of safe, healthy, and sustainable housing options to increase housing stability for renters and homeowners.

## Strategies

### Plan for and monitor progress toward meeting housing needs in the town.

- › Participate in the creation of a countywide housing plan that includes a gap analysis, housing security analysis, and housing needs assessment.
- › Participate with the Partnership to End Homelessness to fill gaps identified in the plan to end homelessness.
- › Monitor conditions for early warning signs of issues in housing supply to help the town identify and address incipient changes before they become urgent problems.
- › Monitor housing policies, programs, and initiatives for progress in closing gaps in housing need, supply, and demand.
- › Create an annual action plan and develop a dashboard for the town website that tracks affordable housing progress, highlights challenges and successes, and is reviewed quarterly.



### **Develop and adopt policies that contribute to meeting identified affordable housing needs.**

- › Adopt guiding principles for affordable housing.
- › Create resilient neighborhoods through housing policy that supports thriving neighborhoods.
- › Establish an affordable housing fund and begin contributing to it in the following fiscal year, increasing to 2% of the town's general fund over three to five years. Dedicate funding to support housing programs.
- › Research establishing an affordable housing trust fund to support affordable housing development.
- › Consider an affordable housing payment in lieu only for smaller developments and dedicate these funds to the affordable housing fund once established.
- › Encourage changes to state law that hamper the development of affordable housing or block town efforts to increase the stock of affordable housing.
- › Identify a town staff member to manage affordable housing efforts, including working with developers, maintaining an inventory of units, identifying relevant resources, and collaborating with stakeholders and peer municipalities to learn about best practices and funding opportunities.

### **Invest in public projects that contribute toward meeting housing needs in town.**

- › Support the creation of affordable housing through strategic acquisition and use of public land.
- › Explore public-private partnerships to purchase vacant land, land entering foreclosure, or land in other forms of receivership and to build affordable housing on town-owned land, especially in areas with low transportation costs.
- › Prioritize surplus town-owned land for potential affordable housing.
- › Dedicate at least a third of the remaining buildable train station land to future affordable housing in partnership with a trusted entity.
- › Invest in public projects that support aging in place and accessibility.
- › Investigate tools to acquire land outside the traditional real estate market that can be made available for affordable housing development by others.

### **Participate in partnerships and programs that provide security and stability for homeowners and renters.**

- › Coordinate with regional partners on housing assistance programs.
- › Coordinate with housing agencies, regional partners, and the private sector to implement initiatives.
- › Streamline existing programming to maintain continued housing affordability and the ability of residents to remain in their homes.
- › Develop a metric to assess the cost of government and consider the impact of increased government costs on cost-burdened households.
- › Work with regional housing partners to ensure housing goals and policies guide implementation of affordable and workforce housing developments within the town's planning area.





- › Continue preserving existing, naturally occurring affordable housing through the creation and expansion of programs targeted on home repair for income-eligible owners and those renting to income-eligible households. Place focus on housing in areas experiencing growth.
- › Partner with housing agencies to implement policies and programs to retain existing housing and residents, including actions to rehabilitate and restore homes to a state of good repair.
- › Continue to encourage landlord participation in existing federal and other voucher programs to maximize housing options within the county.
- › Develop or partner with others to develop educational efforts to encourage preservation of generational wealth through careful estate planning.
- › Increase funding of programs to help residents stay in their homes by supporting repairs and efficiency improvements.
- › Foster connections with residents and other agencies and organizations that provide repair and efficiency improvement services to help residents stay in their homes.

**Participate in partnerships and programs that contribute to meeting identified future housing needs.**

- › Work with regional housing agencies, regional planning bodies, the private sector, and other partners to increase the supply of affordable and workforce housing.
- › Leverage financial resources or debt capacity to support incorporating affordable housing into new development projects.
- › Supplement federal voucher programs through locally funded rental vouchers or direct income supports.
- › Create a program that identifies beneficial and challenging site characteristics for housing developments, such as beneficial connections to public transportation and burdens like siting, topography, above-average construction costs, and restrictions by funders or regulator.

**Adopt development regulations that contribute to meeting identified affordable housing needs.**

- › Investigate regulatory requirements and incentives for affordable housing that require 15% of housing units to be affordable in new residential developments and more in property zoned other than residential but have flexibility to achieve overall goals of the town.
- › Investigate town-wide regulatory programs that require or incentivize development of affordable housing in mixed-income developments, in standalone affordable housing developments, and in targeted neighborhoods.
- › Increase housing opportunities for households or individuals with limited access by increasing the number of affordable rental units, targeting those at 80% or less of the average median income.
- › Support affordable housing opportunities in transit corridors or transit supportive developments and neighborhoods.
- › Increase diversity of housing stock through development regulations and decisions.



### **Adopt development regulations that contribute to meeting overall housing needs.**

- › Update the Unified Development Ordinance and regulations to result in a broader range of quality housing types of different sizes, configurations, tenures, price points, ownership structure, and income levels within close proximity.
- › Enact regulations that make building smaller, moderately priced homes easier (incentivized), including zoning reforms; relaxed dimensional requirements, such as minimum lot sizes, setbacks, lot coverage, or floor-to-area ratios; reduced minimum parking requirements; and flexibility in design standards.
- › Revise the Unified Development Ordinance to allow for higher density housing or lower cost housing types in accordance with the Future Land Use Plan.
- › Incorporate universal design principles and share information with developers.
- › Encourage housing in existing and proposed commercial areas (mixed use) in accordance with the Future Land Use Plan.
- › Adopt regulations that ensure housing developments are accessible and connected.
- › Retain affordable and workforce housing units by managing gentrification, displacement, and redevelopment within existing neighborhoods.
- › Adopt regulations that promote a variety in housing that fills the missing middle housing.
- › Evaluate additional practices to encourage the construction of accessory dwelling units.
- › Incentivize green housing developments and retrofits.
- › Streamline the permitting process for multiple parts of the housing development process.

### **Engage with community groups and individuals on topics and decisions that contribute to housing needs and affordability.**

- › Improve outreach and education to encourage resident participation in existing county tax relief programs for homeowners.
- › Provide outreach and education to promote housing accessibility and affordability.

# Affordable Housing Framework

Board of Commissioners Retreat

February 17, 2024



TOWN OF  
HILLSBOROUGH

1

## Topics

- Defining the Problem
- Proposed Guidelines
- Affordable Housing Fund Ramp-up Strategy
- Relationship to Existing Policy
- Quarterly In-Depth Workshops
- Board Homework



2

## Introduction

- In preparation for the board's discussion on affordable housing at the upcoming retreat, staff has prepared the attached materials and pre-retreat information request (i.e., homework) for Commissioners.
- The purpose of these advance materials is to try to frame and streamline the discussion and maximize the limited time allocated at the retreat for this very complex topic.



3

## Defining the Problem

- Any approach to addressing the town's affordable housing goals should begin with defining the issues.
- The town does not currently possess good data on the scope and scale of affordable housing needs in town. The previously planned countywide housing study has been postponed until at least next fiscal year.
- Without data points on current supply, future needs, and what income levels have the highest need, the town may allocate resources to the wrong goal or strategies.



4

## Defining the Problem

- Examples of needed data to focus efforts:
  - At what income levels is the town gaining or losing residents?
  - What type of housing stock do we have now compared to 5-10 years ago? What is the outlook for the next 5-10 years?
  - Where is the existing NOAH (Naturally Occurring Affordable Housing), and how does that compare with 5-10 years ago?



5

## Proposed Guidelines/Guardrails

- In order to maximize the use of the town's staff and financial capacity, the following guidelines or guardrails are proposed for the discussion regarding solutions:
  - Solutions should be **"Rightsized" for Hillsborough**
    - Hillsborough is a small town with limited staff resources and a constrained budget, operating in the restrictive North Carolina regulatory environment. Solutions from larger, better funded agencies and those from states that allow greater local government flexibility may not be applicable to the town's approach.
  - Solutions should be **lean and streamlined** to minimize administrative burden
    - The town does not have a full-time housing specialist or the capacity to add one in the near term, so programs with significant oversight and administrative requirements may be difficult to accomplish.
  - Solutions should focus on **what is most impactful**
    - Given the limited resources the town has to devote to affordable housing goals, a higher likelihood of success may depend on focusing on fewer goals and/or non-financial approaches. Affordable housing is a systemic national issue that cannot be solved by the town, so goals and efforts should reflect the things that are within our purview and ability to influence.



6

# Affordable Housing Ramp-up Strategy

## 2-Cent Funding Ramp-Up Option

Ramp-up to 2 cents for Affordable Housing (\$326,000)	FY22	FY23	FY24	FY25	FY26	FY27
Current Contributions	\$22,488	\$68,066	\$67,116	\$67,116	\$67,116	\$67,116
Ramp-up Contributions			\$32,884	\$107,884	\$182,884	\$258,884
<b>Total Funding</b>	<b>\$22,488</b>	<b>\$68,066</b>	<b>\$100,000</b>	<b>\$175,000</b>	<b>\$250,000</b>	<b>\$326,000</b>

\*2-Cents = \$326,000 in FY24 dollars

## Available Funding

Unassigned Funds (assumes 2-cent ramp-up)	FY22	FY23	FY24	FY25	FY26	FY27
Revenue: Continuation + Ramp-up	\$22,488	\$68,066	\$100,000	\$175,000	\$250,000	\$326,000
Expenditures: Continuation	\$22,488	\$68,066	\$67,116	\$67,116	\$67,116	\$67,116
<b>Surplus/(Deficit)*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$32,884</b>	<b>\$107,884</b>	<b>\$182,884</b>	<b>\$258,884</b>

\*Funds available for unfunded requests

- FY28 and beyond would continue to see funding at the \$326,000 or \$0.02 equivalent level.
- If the board approves of continuing this strategy, then more time can be focused on prioritizing the expenditures. If the board wishes to adjust the ramp-up strategy, staff can prepare an alternative schedule.

# Relationship to Existing Policy

- The Board adopted “Guiding Principles for Affordable Housing” in April 2022 (Attachment A), which also informed the development of the Comprehensive Sustainability Plan’s Housing & Affordability section (Attachment B).
- The identified action steps from those two documents are summarized on the following slides, with updated information added as available

## Relationship to Existing Policy

1. Plan for and monitor progress toward meeting housing needs in town
  - a) Participation planned in countywide housing plan in FY25
  - b) Participating in OCEPH funding based on FY25 budget request
  - c) Action plan, dashboard and other updates will need to wait until data is gathered
  
2. Develop and adopt policies that contribute to meeting identified affordable housing needs
  - a) Guiding Principles adopted by board and incorporated into Comprehensive Sustainability Plan
  - b) Created Affordable Housing Fund and "ramp-up" funding plan enacted by the Town Board
  - c) Assistant Town Manager serving as staff lead on affordable housing efforts to ensure high-level attention and cross-departmental coordination
  - d) Creation of Affordable Housing Fee-in-lieu program and housing trust fund will be contemplated as part of overall UDO rewrite



9

## Relationship to Existing Policy

3. Invest in public projects that contribute toward meeting housing needs in town
  - a) Donation of Collins Ridge land to CASA has been completed, and CASA LIHTC application has been submitted
  - b) Initial Hillsborough Station concept plans for development of the area around the train station includes reservation of property for affordable housing
  - c) Based on feedback from the proposed in-depth discussions, staff will work to identify appropriate town-owned and private sites for affordable housing
  
4. Participate in partnerships and programs that provide security and stability for homeowners and renters
  - a) Staff and Board participation in Orange County Home Preservation Coalition, Local Government Affordable Housing Collaborative, Orange County Affordable Housing Coalition, Orange County Partnership to End Homelessness
  - b) Staff completed UNC School of Government Affordable Housing Seminar



10

## Relationship to Existing Policy

5. Participate in partnerships & programs that contribute to meeting identified future housing needs
  - a) Staff has started participation in the Orange County Affordable Housing Coalition
  
6. Adopt development regulations that contribute to meeting identified affordable housing needs
  - a) Upcoming UDO rewrite will address topics such as density bonuses, affordable housing FILO programs, missing middle, ADU and cottage-type housing options
  - b) Hillsborough Station Transit Oriented Development will prioritize affordable housing opportunities and options for multi-modal transit
  - c) Proposed in-depth discussions will provide insight on removing administrative barriers and maximizing effective LIHTC applications
  
7. Engage with community groups and individuals on topics and decisions that contribute to housing needs and affordability



11

## Quarterly In-Depth Workshops

To fully explore the different aspects of a comprehensive affordable housing strategy, staff proposes a series of quarterly in-depth workshops on the following topics to allow for the board, staff, community and affordable housing providers to come together for education and action.



12



## Q1 – Partner Input

- The town would invite several developers to discuss challenges that exist for their projects in town, and how the board may make administrative improvements to better facilitate affordable housing development.
- Participants could include Habitat for Humanity, CASA, Community Home Trust, Central Pines Regional Council, market-rate developer(s), and the Orange County Housing Preservation Coalition.
- Topics could include regulatory barriers, future planned projects, developer needs and other policy recommendations to influence the generation of new units.
- Feedback from this session would be incorporated into both the upcoming UDO rewrite as well as any short-term text amendments that can be adopted to speed up adoption of helpful policies. This group would also be invited to participate as stakeholders in the UDO rewrite.



13

## Q2 – Low Income Housing Tax Credit (LIHTC) Program

- Focus on educating the board, staff and community on the LIHTC program.
- Topics would include an overview of the program, available funding and scoring, identification of appropriate sites in town for competitive applications and feedback from a tax credit developer on the process and how the town can best help with competitive projects.



14

## Q3 – Other Strategies

- Focus on strategies (other than direct financial subsidy) that the town may use to address affordable housing needs:
- Topics could include:
  - ✓ Demand Side Strategies – credit counseling and repair, down payment assistance, housing choice vouchers
  - ✓ Supply Side Strategies – land donation, infrastructure participation, zoning, prioritized reviews
  - ✓ Preservation – code enforcement, home repair programs, weatherization programs



15

## Q4 – Funding Strategy/Prioritization

- This session, ideally held after the others and after some data gathering has been completed, could focus on how to allocate the town's limited annual allocation.
- Given the other topics listed above, the primary options for focused allocations are:
  - ✓ New unit generation (Include funds for property purchases?)
  - ✓ Preservation of existing units
  - ✓ Emergency Housing Assistance/Homelessness Prevention



16

## Board Homework

- **Please respond by February 12<sup>th</sup> so that staff can adjust the retreat materials as needed**
  - What topics are missing from the planned retreat discussion?
  - Are the proposed quarterly work sessions covering the right topics? Anything that needs to be added or removed?
  - What opportunities are there for the retreat discussion to get off course?
  - Given the information provided, what do you think is the most effective use of time at the retreat?



17

## What to Expect at the Retreat

- At the retreat, the discussion will start with a few “Think, Write, Share” exercises to get board members oriented to shared issues and concerns and focused on high-priority topics
- The Board can then provide feedback on the recommended in-depth workshops, funding strategy or other topics raised in the “board homework”



18

# Affordable Housing Framework

---

Board of Commissioners Retreat

February 17, 2024



TOWN OF  
HILLSBOROUGH



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 17, 2024  
Department: Community Services  
Agenda Section: Regular  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Eric Peterson, Town Manager and Matt Efird, Assistant Town Manager

#### ITEM TO BE CONSIDERED

**Subject:** Climate and Sustainability

**Attachments:**

None.

**Summary:**

Discuss the following items:

- Continue discussion from Jan. 22 workshop update for additional thoughts or questions
- 2030 goal of reducing carbon emissions by 80%: There are only five years before this threshold is reached, does the board want to take additional action or change strategy?
- Gap in carbon reduction funding in the Water & Sewer Fund. The General Fund dedicates the equivalent of two cents on the tax rate, there is no comparable funding source or earmarking in the Water & Sewer Fund to pay for carbon reduction efforts. Discuss and provide directions to staff.

**Financial impacts:**

No financial impacts identified at this time.

**Staff recommendation and comments:**

None.

**Action requested:**

Provide feedback.



## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 17, 2024  
Department: Administration  
Agenda Section: Regular  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

#### ITEM TO BE CONSIDERED

**Subject:** Major decision points (capital & other major requests)

**Attachments:**

1. Capital Improvement Plan
2. Operating Budget Requests

**Summary:**

Budget requests have recently been submitted. This is a preview of the various needs, including capital, personnel and operating. At this time, staff have not yet had an opportunity to review or develop a plan for which requests the town may be able to fund and when. Since we are early in the budget process, this is a good time to hear from the board, including whether there are any other capital or major requests that are not reflected on the list that need to be, and receive any feedback related to the requests that are included. The board can also use this time to ask any questions about any of the projects or request additional information that may be helpful in making budget decisions moving forward.

**Financial impacts:**

Staff is currently developing revenue and expenditure projections, so updated bottom line numbers and availability of funds for requests is unknown. In the current budget, all three funds were projected to have major deficits in FY25+.

**Staff recommendation and comments:**

None.

**Action requested:**

Provide staff feedback on requests.

# Capital Improvement Plan



# Capital Improvement Plan Summary

## Capital Improvement Plan (FY25-FY31)

### General Capital Improvement Projects

#### General Capital Improvement Projects

Proposal Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
10-20-5350 - N. Churton Street Fire Station	\$350,000	\$475,000	\$12,600,000	\$0	\$15,000	\$15,000	\$15,000
10-10-6300 - Ridgewalk Greenway - Phase III	\$0	\$0	\$0	\$800,000	\$0	\$8,000,000	\$0
10-10-6300 - Ridgewalk Greenway - Phase I & II	\$324,997	\$0	\$4,500,000	\$0	\$0	\$0	\$0
10-60-6900 - Passenger Rail/Multi-Modal Station	\$2,200,000	\$0	\$0	\$35,000	\$35,000	\$35,000	\$35,000
10-20-5350 - Engine Truck	\$0	\$0	\$0	\$0	\$0	\$802,006	\$0
10-30-5800 - Leaf Truck Replacement - #833	\$0	\$0	\$0	\$0	\$377,006	\$0	\$0
10-30-5800 - Leaf Truck Replacement - #222	\$376,506	\$0	\$0	\$0	\$0	\$0	\$0
10-30-5800 - Garbage Truck Replacement - #8202	\$0	\$0	\$0	\$0	\$362,006	\$0	\$0
10-30-5800 - Garbage Truck Replacement - 2023 Model	\$0	\$0	\$0	\$0	\$0	\$362,006	\$0
10-30-5800 - Garbage Truck Replacement - #229	\$0	\$362,006	\$0	\$0	\$0	\$0	\$0
10-30-5800 - Knuckleboom Truck Replacement - #279	\$0	\$0	\$0	\$0	\$227,006	\$0	\$0
10-30-5800 - Knuckleboom Truck Replacement - #253	\$0	\$227,006	\$0	\$0	\$0	\$0	\$0
10-30-5800 - Garbage Truck Replacement - Rear Loader	\$0	\$0	\$0	\$0	\$0	\$137,006	\$0
10-30-5600 - S. Churton Street Improvements Cost Share	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0
10-10-6300 - Skate Park	\$35,300	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300
10-30-5600 - NC 86 Facility Renovation	\$22,000	\$7,000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$3,308,803</b>	<b>\$1,076,312</b>	<b>\$17,105,300</b>	<b>\$840,300</b>	<b>\$1,121,318</b>	<b>\$9,356,318</b>	<b>\$55,300</b>

Proposal Name	Total
10-20-5350 - N. Churton Street Fire Station	\$13,470,000
10-10-6300 - Ridgewalk Greenway - Phase III	\$8,800,000
10-10-6300 - Ridgewalk Greenway - Phase I & II	\$4,824,997
10-60-6900 - Passenger Rail/Multi-Modal Station	\$2,340,000
10-20-5350 - Engine Truck	\$802,006
10-30-5800 - Leaf Truck Replacement - #833	\$377,006
10-30-5800 - Leaf Truck Replacement - #222	\$376,506
10-30-5800 - Garbage Truck Replacement - #8202	\$362,006
10-30-5800 - Garbage Truck Replacement - 2023 Model	\$362,006
10-30-5800 - Garbage Truck Replacement - #229	\$362,006
10-30-5800 - Knuckleboom Truck Replacement - #279	\$227,006
10-30-5800 - Knuckleboom Truck Replacement - #253	\$227,006
10-30-5800 - Garbage Truck Replacement - Rear Loader	\$137,006
10-30-5600 - S. Churton Street Improvements Cost Share	\$100,000
10-10-6300 - Skate Park	\$67,100
10-30-5600 - NC 86 Facility Renovation	\$29,000
<b>TOTAL</b>	<b>\$32,863,651</b>



# Water and Sewer Capital Improvement Projects

## Water and Sewer Capital Improvement Projects

Proposal Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
30-80-8200 - Cates Creek Outfall Upgrade	\$0	\$0	\$1,000,000	\$7,100,000	\$0	\$0	\$0
30-80-8200 - Eno River Interceptors	\$0	\$0	\$5,050,000	\$0	\$0	\$0	\$0
30-80-8200 - Elizabeth Brady Pump Station and Force Main Upgrade	\$0	\$250,000	\$4,345,000	\$0	\$0	\$0	\$0
30-80-8140 - Hasell Water Tank Replacement	\$150,000	\$300,000	\$3,255,000	\$0	\$0	\$0	\$0
30-80-8140 - Adron F. Thompson Facility Renovation & Expansion	\$3,500,000	\$0	\$0	\$0	\$0	\$0	\$0
30-80-8140 - US-70 Business Water Improvements	\$50,000	\$1,620,000	\$1,350,000	\$0	\$0	\$0	\$0
30-80-8140 - Water Distribution System Master Plan Improvements	\$200,000	\$400,000	\$400,000	\$400,000	\$400,000	\$500,000	\$500,000
30-80-8140 - OWASA Booster Pumping Station	\$0	\$2,200,000	\$0	\$0	\$0	\$0	\$0
30-80-8200 - Eno River West Interceptor Upgrade	\$0	\$0	\$350,000	\$1,790,000	\$0	\$0	\$0
30-80-8200 - Bellevue Mill Interceptor Upgrade	\$0	\$0	\$0	\$140,000	\$40,000	\$1,320,000	\$0
30-80-8200 - Exchange Club Interceptors	\$0	\$0	\$0	\$1,270,000	\$0	\$0	\$0
30-80-8140 - OWASA Booster Pumping Station Connections and Land Acquisition	\$1,200,000	\$0	\$0	\$0	\$0	\$0	\$0
30-80-8200 - Train Station Pump Station	\$150,000	\$0	\$575,000	\$0	\$0	\$0	\$0
30-80-8140 - Hydrant & Valve Project	\$270,000	\$275,000	\$0	\$0	\$0	\$0	\$0
30-80-8120 - Water Treatment Plant Standby Power Generator Replacement	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0
30-80-8140 - Galvanized Water Main and Lead/Galvanized Service Replacement	\$100,000	\$200,000	\$0	\$0	\$0	\$0	\$0
30-80-8220 - Tertiary Filter Flocculators	\$0	\$0	\$0	\$0	\$10,000	\$180,000	\$0
30-80-8140 - Water & Sewer Air Release Valve Replacements	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$0
30-80-8120 - Water Treatment Plant Main Console Replacement	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$5,795,000</b>	<b>\$5,670,000</b>	<b>\$16,325,000</b>	<b>\$10,700,000</b>	<b>\$450,000</b>	<b>\$2,000,000</b>	<b>\$500,000</b>

Proposal Name	Total
30-80-8200 - Cates Creek Outfall Upgrade	\$8,100,000
30-80-8200 - Eno River Interceptors	\$5,050,000
30-80-8200 - Elizabeth Brady Pump Station and Force Main Upgrade	\$4,595,000
30-80-8140 - Hasell Water Tank Replacement	\$3,705,000
30-80-8140 - Adron F. Thompson Facility Renovation & Expansion	\$3,500,000
30-80-8140 - US-70 Business Water Improvements	\$3,020,000
30-80-8140 - Water Distribution System Master Plan Improvements	\$2,800,000
30-80-8140 - OWASA Booster Pumping Station	\$2,200,000
30-80-8200 - Eno River West Interceptor Upgrade	\$2,140,000
30-80-8200 - Bellevue Mill Interceptor Upgrade	\$1,500,000
30-80-8200 - Exchange Club Interceptors	\$1,270,000
30-80-8140 - OWASA Booster Pumping Station Connections and Land Acquisition	\$1,200,000
30-80-8200 - Train Station Pump Station	\$725,000
30-80-8140 - Hydrant & Valve Project	\$545,000
30-80-8120 - Water Treatment Plant Standby Power Generator Replacement	\$350,000
30-80-8140 - Galvanized Water Main and Lead/Galvanized Service Replacement	\$300,000
30-80-8220 - Tertiary Filter Flocculators	\$190,000
30-80-8140 - Water & Sewer Air Release Valve Replacements	\$150,000
30-80-8120 - Water Treatment Plant Main Console Replacement	\$100,000
<b>TOTAL</b>	<b>\$41,440,000</b>

# Stormwater Capital Improvement Projects

## Stormwater Capital Improvement Projects

Proposal Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
35-30-5900 - JetVac Truck	\$0	\$0	\$608,020	\$1,000	\$1,000	\$1,000	\$1,000
35-30-5900 - Elizabeth Brady Rd Culvert Rehabilitation	\$0	\$0	\$275,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$883,020</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>

Proposal Name	Total
35-30-5900 - JetVac Truck	\$612,020
35-30-5900 - Elizabeth Brady Rd Culvert Rehabilitation	\$275,000
<b>TOTAL</b>	<b>\$887,020</b>

Powered by OpenGov

# General Fund



# Ridgewalk Greenway - Phase I & II

## Capital Improvement Project (FY25-FY31)

### Project Description

---

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

### Project Justification

---

This project was first introduced when Collins Ridge was seeking Master Plan approval and is shown in the Community Connectivity Plan. Conditions of the approval require the developers to reserve and make available to the town land to accommodate pedestrian and bicycle connectivity and to work with the town to determine the location and specific design details for pedestrian and bicycle connectivity between the parcel south of I-85 and the public rights-of-way, sidewalks, greenways, and trails in Collins Ridge. The pedestrian bridge is critical to providing a safe pedestrian crossing of the interstate.

It is likely that the greenway project will be implemented in phases. The priority connection is between downtown and the train station. We assume the train station could be complete in FY28 and the greenway connection should be completed in close order. The second phase will connect the train station to the section of greenway being built and dedicated to the town by the developers of Collins Ridge. Ideally, this portion would be done during train station construction but may come later, dependent on when the Collins Ridge greenway is built. The third segment will connect Collins Ridge to Cates Creek Park. This phase may include a pedestrian bridge over Interstate 85. Design, engineering and permitting of this section will likely follow the first two sections and significant coordination with NCDOT and Federal Highway Administration will be necessary.

### Project Highlights

---

This project was identified by the Board of Commissioners as a transportation priority in September 2021.

A feasibility study and schematic design of the entire greenway system between downtown Hillsborough and Cates Creek Park was completed in early FY24. The engineer cost estimates were higher than anticipated, so additional feasibility work is now underway. The initial feasibility study was funded via a Surface Transportation Block Grant through the Metropolitan Planning Organization and 20% local match. It is uncertain though if this project will compete well for funding through the Transportation Improvement Plan. Additional funding options, including grants, will be pursued once the feasibility of the project is determined. If the project is found to be not feasible then the project funds for design/engineering and construction would not be needed.

Phase I: Downtown to Train Station

Phase II: Train Station to Collins Ridge Greenway

Phase III: Collins Ridge Greenway to Cates Creek Park

# Project Expenditures

10-10-6300 - Ridgewalk Greenway - Phase I Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Ridgewalk Greenway	\$125,003	\$324,997	\$0	\$4,500,000	\$0	\$0	\$0
Miscellaneous	\$84,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$209,003</b>	<b>\$324,997</b>	<b>\$0</b>	<b>\$4,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Ridgewalk Greenway	\$0	\$4,950,000
Miscellaneous	\$0	\$84,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,034,000</b>

# Project Revenues

10-10-6300 - Ridgewalk Greenway - Phase I Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Installment Financing - Ridgewalk Greenway	\$0	\$0	\$0	\$4,500,000	\$0	\$0	\$0
Transfer From GF - Ridgewalk Greenway	\$125,003	\$324,997	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$84,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$209,003</b>	<b>\$324,997</b>	<b>\$0</b>	<b>\$4,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Installment Financing - Ridgewalk Greenway	\$0	\$4,500,000
Transfer From GF - Ridgewalk Greenway	\$0	\$450,000
Miscellaneous	\$0	\$84,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,034,000</b>



# Ridgewalk Greenway - Phase III

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

This project was identified by the Board of Commissioners as a transportation priority in September 2021. It was first introduced when Collins Ridge was seeking Master Plan approval and is shown in the Community Connectivity Plan. Conditions of the approval require the developers to reserve and make available to the town land to accommodate pedestrian and bicycle connectivity and to work with the town to determine the location and specific design details for pedestrian and bicycle connectivity between the parcel south of I-85 and the public rights-of-way, sidewalks, greenways, and trails in Collins Ridge. The pedestrian bridge is critical to providing a safe pedestrian crossing of the interstate.

It is likely that the greenway project will be implemented in phases. The priority connection is between downtown and the train station. We assume the train station could be complete in FY28 and the greenway connection should be completed in close order. The second phase will connect the train station to the section of greenway being built and dedicated to the town by the developers of Collins Ridge. Ideally, this portion would be done during train station construction but may come later, dependent on when the Collins Ridge greenway is built. The third segment will connect Collins Ridge to Cates Creek Park. This phase may include a pedestrian bridge over Interstate 85. Design, engineering and permitting of this section will likely follow the first two sections and significant coordination with NCDOT and Federal Highway Administration will be necessary.

## Project Highlights

---

A feasibility study and schematic design of the entire greenway system between downtown Hillsborough and Cates Creek Park was completed in early FY24. The engineer cost estimates were higher than anticipated, so additional feasibility work is now underway. The initial feasibility study was funded via a Surface Transportation Block Grant through the Metropolitan Planning Organization and 20% Local match. It is uncertain though if this project will compete well for funding through the Transportation Improvement Plan. Additional funding options, including grants, will be pursued once the feasibility of the project is determined. If the project is found to be not feasible then the project funds for design/engineering and construction would not be needed.

Phase I: Downtown to Train Station

Phase II: Train Station to Collins Ridge Greenway

Phase III: Collins Ridge Greenway to Cates Creek Park

# Project Expenditures

10-10-6300 - Ridgewalk Greenway - Phase II Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Ridgewalk Greenway	\$0	\$0	\$0	\$0	\$800,000	\$0	\$8,000,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$800,000</b>	<b>\$0</b>	<b>\$8,000,000</b>

Object	2030-31	Total
Ridgewalk Greenway	\$0	\$8,800,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,800,000</b>

# Project Revenues

10-10-6300 - Ridgewalk Greenway - Phase II Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Installment Financing - Ridgewalk Greenway	\$0	\$0	\$0	\$0	\$0	\$0	\$8,000,000
Transfer From GF - Ridgewalk Greenway	\$0	\$0	\$0	\$0	\$800,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$800,000</b>	<b>\$0</b>	<b>\$8,000,000</b>

Object	2030-31	Total
Installment Financing - Ridgewalk Greenway	\$0	\$8,000,000
Transfer From GF - Ridgewalk Greenway	\$0	\$800,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,800,000</b>



# Skate Park

## Capital Improvement Project (FY25-FY31)

### Project Description

---

■ Construct a small-scale skateboarding park ("skate spot") in Cates Creek Park.

### Project Justification

---

There are very few recreational opportunities for teens and adolescents in Hillsborough, and the Parks & Recreation Board believes a skate park will provide needed safe space for this age group. Parks and Recreation Board (PRB) minutes show discussions about interest in a skatepark dating back to the early 1990s. The topic arises every few years, but has failed to gain traction for funding. In 2014, a skate park interest form with 109 names and contact information was submitted to the PRB by members of the community. In 2017, the PRB ranked potential sites based on 36 recommended criteria, and determined that the privately-owned Exchange Park was the preferred site for a skate park. For several years, the PRB studied the site and learned that there are numerous constraints to development of that parcel. The second highest ranked site is Cates Creek Park, which is owned by the town and has sufficient space to add a small skate park (5,000 - 6,000 SF). Cates Creek Park is located in a developing part of town and is accessible, with bathrooms and parking already provided. The PRB will continue to look for sites in central and northern Hillsborough for additional teen resources and additional skate spots.

### Project Highlights

---

In FY23 the town contracted 5th Pocket Skateparks, a design build company, to conduct community workshops and develop plans for the skate spot. In January 2023, the town and 5th Pocket hosted a design workshop to receive input on the park features. Over 50 local skaters and skate enthusiasts participated in the workshop.



## Project Expenditures

### 10-10-6300 - Skate Park Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Skate Park	\$320,000	\$30,000	\$0	\$0	\$0	\$0	\$0
Insurance	\$0	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Maintenance - Grounds	\$0	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
Utilities	\$0	\$600	\$600	\$600	\$600	\$600	\$600
<b>TOTAL</b>	<b>\$320,000</b>	<b>\$35,300</b>	<b>\$5,300</b>	<b>\$5,300</b>	<b>\$5,300</b>	<b>\$5,300</b>	<b>\$5,300</b>

Object	2030-31	Total
Skate Park	\$0	\$350,000
Insurance	\$2,500	\$17,500
Maintenance - Grounds	\$2,200	\$15,400
Utilities	\$600	\$4,200
<b>TOTAL</b>	<b>\$5,300</b>	<b>\$387,100</b>

## Project Revenues

### 10-10-6300 - Skate Park Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From GF - Skate Park	\$320,000	\$30,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300	\$5,300
<b>TOTAL</b>	<b>\$320,000</b>	<b>\$35,300</b>	<b>\$5,300</b>	<b>\$5,300</b>	<b>\$5,300</b>	<b>\$5,300</b>	<b>\$5,300</b>

Object	2030-31	Total
Transfer From GF - Skate Park	\$0	\$350,000
Miscellaneous	\$5,300	\$37,100
<b>TOTAL</b>	<b>\$5,300</b>	<b>\$387,100</b>





# Engine Truck

## Capital Improvement Project (FY25-FY31)

### Project Description

Replace the 2015 engine truck.

### Project Justification

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

### Project Highlights

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

### Project Expenditures

10-20-5350 - Engine Truck Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$802,006</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$800,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$802,006</b>

### Project Revenues

10-20-5350 - Engine Truck Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$802,006</b>

Object	2030-31	Total
Debt Issuance Proceeds	\$0	\$800,000
Miscellaneous	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$802,006</b>



# N. Churton Street Fire Station

## Capital Improvement Project (FY25-FY31)

### Project Description

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

### Project Justification

The current station lacks sufficient space for staff and modern fire vehicles. The new station will serve as the Orange Rural Fire Department's headquarters. It will also house a joint Emergency Operations Center for ORFD and the town. The new station will be located at 604 N. Churton St, near the intersection of N. Churton Street and Corbin St.

### Project Highlights

The town began setting aside funds in FY22 to fund design.

### Project Expenditures

10-20-5350 - N. Churton Street Fire Station Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Fire Station	\$450,000	\$350,000	\$475,000	\$12,600,000	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$0	\$15,000	\$15,000
<b>TOTAL</b>	<b>\$450,000</b>	<b>\$350,000</b>	<b>\$475,000</b>	<b>\$12,600,000</b>	<b>\$0</b>	<b>\$15,000</b>	<b>\$15,000</b>

Object	2030-31	Total
Fire Station	\$0	\$13,875,000
Utilities	\$15,000	\$45,000
<b>TOTAL</b>	<b>\$15,000</b>	<b>\$13,920,000</b>

### Project Revenues

10-20-5350 - N. Churton Street Fire Station Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Debt Issuance Proceeds	\$0	\$0	\$0	\$12,600,000	\$0	\$0	\$0
Transfer From GF - Fire Station	\$450,000	\$350,000	\$475,000	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$15,000	\$15,000
<b>TOTAL</b>	<b>\$450,000</b>	<b>\$350,000</b>	<b>\$475,000</b>	<b>\$12,600,000</b>	<b>\$0</b>	<b>\$15,000</b>	<b>\$15,000</b>

Object	2030-31	Total
Debt Issuance Proceeds	\$0	\$12,600,000
Transfer From GF - Fire Station	\$0	\$1,275,000
Miscellaneous	\$15,000	\$45,000
<b>TOTAL</b>	<b>\$15,000</b>	<b>\$13,920,000</b>



# NC86 Facility Renovation

Capital Improvement Project (FY25-FY31)

## Project Description

---

Renovate the current NC Hwy 86 N facility to integrate office and storage space for Public Works, with property improvements to allow for material and vehicle storage.

## Project Justification

---

The current Public Works building is located next to the Eno River flood plain and is prone to flooding. Due to a lack of space, in FY18 the Public Works Director and Public Works Supervisor moved from the existing "shed" into a rented construction trailer. Expansion of the NC Hwy 86 N facility will provide the needed space for all Public Works staff, materials, and equipment. Fleet and Safety Divisions will remain on site.

Energy efficiency measures and upgrades will also be made to the building to help meet the Clean Energy Pledge and building code requirements. Site improvements will be made to expand storage areas for vehicles and equipment, as well as improve stormwater devices on site. The renovation of the building and construction of new vehicle and equipment storage areas should meet the needs of these divisions for the next 10-20 years.

## Project Highlights

---

The town is currently contracting with MHAworks to develop construction documents and a bid package. Updated costs estimates will be provided once construction documents are complete. Construction is expected to begin summer 2025.

# Project Expenditures

10-30-5600 - NC 86 Facility Renovation Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
NC86 - Construction	\$4,500,000	\$0	\$0	\$0	\$0	\$0	\$0
NC86 - Design	\$325,982	\$0	\$0	\$0	\$0	\$0	\$0
Data Processing Services	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0
Rental - Building	\$0	\$7,000	\$7,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$4,825,982</b>	<b>\$22,000</b>	<b>\$7,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
NC86 - Construction	\$0	\$4,500,000
NC86 - Design	\$0	\$325,982
Data Processing Services	\$0	\$15,000
Rental - Building	\$0	\$14,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,854,982</b>

# Project Revenues

10-30-5600 - NC 86 Facility Renovation Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Installment Financing - NC86 Renovation	\$4,500,000	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From GF - NC86 Renovation	\$197,782	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From Fund 48 - NC86 Renovation	\$128,200	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$22,000	\$7,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$4,825,982</b>	<b>\$22,000</b>	<b>\$7,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Installment Financing - NC86 Renovation	\$0	\$4,500,000
Transfer From GF - NC86 Renovation	\$0	\$197,782
Transfer From Fund 48 - NC86 Renovation	\$0	\$128,200
Miscellaneous	\$0	\$29,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,854,982</b>



# S. Churton Street Improvements Cost Share

## Capital Improvement Project (FY25-FY31)

### Project Description

---

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

### Project Justification

---

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

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

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

### Project Highlights

---

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

# Project Expenditures

10-30-5600 - South Churton Street Improvements Cost Share...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0
Metropolitan Planning Organization Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C.S./Engineering Review	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$0</b>

Object	2030-31	Total
Miscellaneous	\$0	\$100,000
Metropolitan Planning Organization Expenditures	\$0	\$0
C.S./Engineering Review	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>

# Project Revenues

10-30-5600 - South Churton Street Improvements Cost Share...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From Fund 10 - General Fund	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0
Restricted Revenue - MPO	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$0</b>

Object	2030-31	Total
Transfer From Fund 10 - General Fund	\$0	\$100,000
Restricted Revenue - MPO	\$0	\$0
Miscellaneous	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>



# Leaf Truck Replacement - #222

Capital Improvement Project (FY25-FY31)

## Project Description

---

■ Replace 2014 leaf truck with an additional automated XtremeVac hook lift leaf collector.

## Project Justification

---

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

The volume of leaves and amount of curb needing to be cleared has increased as new developments have come online. The town has had 2 leaf trucks (frontline and backup) for several years, but only had to run both around the holidays, and sometimes at the end of the week to ensure all routes are completed weekly. This year both trucks collected leaves 3-4 days a week, and staff only stayed on schedule by working extra hours and during holiday breaks. This reduces the amount of time available for normal maintenance items, and due to the number of moving parts and running 8+ hours per day, trucks do go down for repairs, which are never quick. It can be difficult for staff to catchup after a breakdown.

To increase functionality and reduce idle time, the division is pursuing a hook lift style truck rather than a traditional leaf truck, that is only used 3 months of the year during leaf season. This truck is designed to have a chassis with interchangeable bodies (i.e. leaf, dump, salt spreader, etc.). Public Works is only pursuing a leaf body at this time, but additional bodies could be purchased in the future. Fleet Maintenance is also in favor of this truck as it will reduce repairs due to sitting idle for 9 months out of the year.

## Project Highlights

---

If this replacement is funded, staff will continue to research whether the hook lift or a traditional leaf truck would best meet the town's needs.



## Project Expenditures

### 10-30-5800 - Leaf Truck Replacement Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$374,500	\$0	\$0	\$0	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$376,506</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$374,500
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$376,506</b>

## Project Revenues

### 10-30-5800 - Leaf Truck Replacement Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From General Capital Reserve	\$0	\$374,500	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$2,006	\$0	\$0	\$0	\$0	\$0
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$376,506</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Transfer From General Capital Reserve	\$0	\$374,500
Miscellaneous	\$0	\$2,006
Debt Issuance Proceeds	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$376,506</b>





# Leaf Truck Replacement - #833

## Capital Improvement Project (FY25-FY31)

### Project Description

Replace leaf truck #833, a 2022 Freightliner.

### Project Justification

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

### Project Highlights

Order in FY29 for delivery in FY30.

### Project Expenditures

10-30-5800 - Leaf Truck Replacement - #833

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$375,000	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$377,006</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$375,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$377,006</b>

### Project Revenues

10-30-5800 - Leaf Truck Replacement - #833

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$0	\$375,000	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$377,006</b>	<b>\$0</b>

Object	2030-31	Total
Transfer from Fund 78 - Committed Funds - GF	\$0	\$375,000
Miscellaneous	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$377,006</b>



# Garbage Truck Replacement - #229

## Capital Improvement Project (FY25-FY31)

### Project Description

Replace garbage truck #229, a 2015 Mack Automated garbage truck.

### Project Justification

The truck is already 9 years old with 56k+ miles, and is now being used as a backup with the delivery of the new additional automated truck in summer 2023. Replacement is planned for FY26 (the truck will be nearly 10 years old at that time) to reduce the cost of repairs and have a reliable truck to collect garbage. The expected life of a garbage truck in Hillsborough is 7-8 years.

### Project Highlights

Order truck in FY26 for delivery in FY27.

### Project Expenditures

10-30-5800 - Garbage Truck Replacement - #229

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$360,000	\$0	\$0	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$2,006	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$362,006</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$360,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$362,006</b>

### Project Revenues

10-30-5800 - Garbage Truck Replacement - #229

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From General Capital Reserve	\$0	\$0	\$360,000	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$2,006	\$0	\$0	\$0	\$0
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$362,006</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Transfer From General Capital Reserve	\$0	\$360,000
Miscellaneous	\$0	\$2,006
Debt Issuance Proceeds	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$362,006</b>



# Garbage Truck Replacement - #8202

Capital Improvement Project (FY25-FY31)

## Project Description

Replace garbage truck #8202, a 2022 Peterbilt.

## Project Justification

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

## Project Highlights

Order in FY29 for delivery in FY30.

## Project Expenditures

10-30-5800 - Garbage Truck Replacement - #8202

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$360,000	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$362,006</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$360,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$362,006</b>

## Project Revenues

10-30-5800 - Garbage Truck Replacement - #8202

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$0	\$360,000	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$362,006</b>	<b>\$0</b>

Object	2030-31	Total
Transfer from Fund 78 - Committed Funds - GF	\$0	\$360,000
Miscellaneous	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$362,006</b>



# Garbage Truck Replacement - 2023 Model

## Capital Improvement Project (FY25-FY31)

### Project Description

Replace 2023 garbage truck added to fleet in FY23.

### Project Justification

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

### Project Highlights

Order in FY30 for delivery in FY31.

### Project Expenditures

10-30-5600 - Garbage Truck Replacement - 2023 Model

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$360,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$362,006</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$360,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$362,006</b>

### Project Revenues

10-30-5600 - Garbage Truck Replacement - 2023 Model

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$0	\$0	\$360,000
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$362,006</b>

Object	2030-31	Total
Transfer from Fund 78 - Committed Funds - GF	\$0	\$360,000
Miscellaneous	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$362,006</b>



# Garbage Truck Replacement - Rear Loader

## Capital Improvement Project (FY25-FY31)

### Project Description

Replace 2023 small rear loader.

### Project Justification

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

### Project Highlights

Order in FY30 for delivery in FY31.

### Project Expenditures

10-30-5800 - Garbage Truck Replacement - Rear Loader

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$135,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,006</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$135,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$137,006</b>

### Project Revenues

10-30-5800 - Garbage Truck Replacement - Rear Loader

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$0	\$0	\$135,000
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,006</b>

Object	2030-31	Total
Transfer from Fund 78 - Committed Funds - GF	\$0	\$135,000
Miscellaneous	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$137,006</b>



# Knuckleboom Truck Replacement - #253

## Capital Improvement Project (FY25-FY31)

### Project Description

Replace 8-year-old Pac Mac knuckle boom (brush truck).

### Project Justification

The town strives to replace garbage trucks every 7 years to ensure reliability and reduce repair costs. The 2018 Freightliner brush truck will be due for replacement in FY26.

### Project Highlights

Purchase in FY26 for delivery in FY27.

### Project Expenditures

10-30-5800 - Knuckleboom Truck Replacement - #253

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$225,000	\$0	\$0	\$0	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$2,006	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$227,006</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$225,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$227,006</b>

### Project Revenues

10-30-5800 - Knuckleboom Truck Replacement - #253

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From General Capital Reserve	\$0	\$0	\$225,000	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$2,006	\$0	\$0	\$0	\$0
Debt Issuance Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$227,006</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Transfer From General Capital Reserve	\$0	\$225,000
Miscellaneous	\$0	\$2,006
Debt Issuance Proceeds	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$227,006</b>



# Knuckleboom Truck Replacement - #279

## Capital Improvement Project (FY25-FY31)

### Project Description

Replace Knuckleboom #279, a 2022 Freightliner.

### Project Justification

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

### Project Highlights

Order in FY29 for delivery in FY30.

### Project Expenditures

10-30-5800 - Knuckleboom Truck Replacement - #279

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$0	\$0	\$0	\$225,000	\$0
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$227,006</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$225,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$227,006</b>

### Project Revenues

10-30-5800 - Knuckleboom Truck Replacement - #279

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer from Fund 78 - Committed Funds - GF	\$0	\$0	\$0	\$0	\$0	\$225,000	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$2,006	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$227,006</b>	<b>\$0</b>

Object	2030-31	Total
Transfer from Fund 78 - Committed Funds - GF	\$0	\$225,000
Miscellaneous	\$0	\$2,006
<b>TOTAL</b>	<b>\$0</b>	<b>\$227,006</b>





# Passenger Rail / Multi-Modal Station

## Capital Improvement Project (FY25-FY31)

### Project Description

---

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

### Project Justification

---

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

Site improvements will include an access road from Orange Grove Street, two parking lots with a combined 100 parking spaces, some of which could be used as a local transit park-and-ride facility, stormwater treatment and bringing utilities to the site. Site development also necessitates the construction of a public pump station at a cost of \$725k, which is requested in a separate Water & Sewer CIP. Regional transit partners will be asked to modify routes to provide connected service from the Hillsborough Circulator, 420 route and other bus service to the train station. Feasibility of pedestrian connectivity to the station from downtown Hillsborough was included in the design of this project, but the construction of those improvements are considered outside the scope of this project, and will be requested separately.

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

### Project Highlights

---

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

FY15 - Conceptual station plan was completed

FY23 - Station design completed

FY24 - Design submitted to NC Railroad for approval

FY25 & FY26 - Design

FY26 - Construction (spring '26 is earliest possible date)

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

# Project Expenditures

10-60-6900 - Passenger Rail/Multi-Modal Station Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Construction	\$6,600,000	\$1,600,000	\$0	\$0	\$0	\$0	\$0
Design	\$891,000	\$0	\$0	\$0	\$0	\$0	\$0
Contingency	\$560,000	\$240,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$145,500	\$360,000	\$0	\$0	\$0	\$0	\$0
Maintenance - Buildings	\$0	\$0	\$0	\$0	\$30,000	\$30,000	\$30,000
Legal	\$42,500	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance - Grounds	\$0	\$0	\$0	\$0	\$2,500	\$2,500	\$2,500
Utilities	\$0	\$0	\$0	\$0	\$2,500	\$2,500	\$2,500
<b>TOTAL</b>	<b>\$8,239,000</b>	<b>\$2,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>

Object	2030-31	Total
Construction	\$0	\$8,200,000
Design	\$0	\$891,000
Contingency	\$0	\$800,000
Miscellaneous	\$0	\$505,500
Maintenance - Buildings	\$30,000	\$120,000
Legal	\$0	\$42,500
Maintenance - Grounds	\$2,500	\$10,000
Utilities	\$2,500	\$10,000
<b>TOTAL</b>	<b>\$35,000</b>	<b>\$10,579,000</b>

# Project Revenues

10-60-6900 - Passenger Rail/Multi-Modal Station Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
State TIP	\$6,314,000	\$600,000	\$0	\$0	\$0	\$0	\$0
Debt Issuance Proceeds	\$560,000	\$1,550,000	\$0	\$0	\$0	\$0	\$0
NCDOT Rail (TIP)	\$870,000	\$0	\$0	\$0	\$0	\$0	\$0
Transit Tax	\$402,000	\$50,000	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$35,000	\$35,000	\$35,000
Transfer From Fund 10 - General Fund	\$73,710	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From Fund 43 - Rail Station	\$19,290	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$8,239,000</b>	<b>\$2,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>

Object	2030-31	Total
State TIP	\$0	\$6,914,000
Debt Issuance Proceeds	\$0	\$2,110,000
NCDOT Rail (TIP)	\$0	\$870,000
Transit Tax	\$0	\$452,000
Miscellaneous	\$35,000	\$140,000
Transfer From Fund 10 - General Fund	\$0	\$73,710
Transfer From Fund 43 - Rail Station	\$0	\$19,290
<b>TOTAL</b>	<b>\$35,000</b>	<b>\$10,579,000</b>

# Water & Sewer Fund



# Water Treatment Plant Console Replacement

Capital Improvement Project (FY25-FY31)

## Project Description

---

- Replace antiquated and failing console with a new console with modern electronics.

## Project Justification

---

The existing control console was installed in the early 1970s when the plant was originally built. The console's capabilities are very limited due to the antiquated technology. Additionally, there have been several modifications and repairs to the panel over the years which resulted in a mess of wires that are nearly impossible to trace. The unlabeled wires and components within the panel make repairs extremely difficult. Additionally, the chart recorders are outdated and unused along with buttons and displays.

A new console with modern electronics will provide for current and future needs, including process monitoring, pump controls, alarms, automation, and data acquisition through integration with the existing SCADA computer. Eventually, all existing pumps, instrumentation, and process monitors not currently electronically monitored, will be added into the new console. This will add reliability, security, and water quality assurance. As with most electronics, today's technologies provide significant improvements with a much smaller footprint. Additionally, the ability to store data and display graphs on the SCADA computer will be a great help for the operators, and the report generation will be extremely helpful for management.

## Project Highlights

---

New PLC based control console will provide:

- Increased reliability
- Smaller footprint
- Expansion for future needs
- More powerful and robust pump controls
- Data acquisition for reporting
- Graphing of plant processes
- Automated chemical feed control
- Equipment failure alarms
- Process instrumentation parameter alarms

# Project Expenditures

30-80-8120 - Water Treatment Plant Main Console Replaceme...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Equipment	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

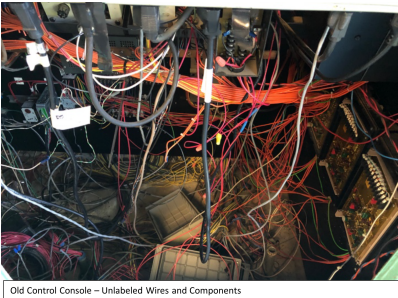
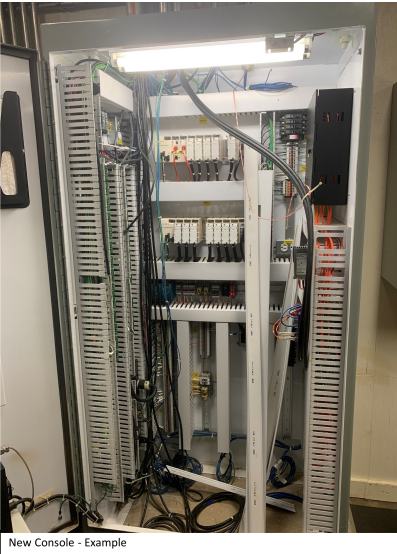
Object	2030-31	Total
Capital - Equipment	\$0	\$100,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>

# Project Revenues

30-80-8120 - Water Treatment Plant Main Console Replaceme...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Miscellaneous	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Miscellaneous	\$0	\$100,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$100,000</b>





# Standby Power Generator Replacement

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

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

## Project Highlights

---

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

Replacement Estimate:

New generator: \$260,000

Installation: \$70,000

Mobile generator rental: \$20,000

## Project Expenditures

30-80-8120 - Standby Generator Replacement

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Equipment	\$0	\$0	\$350,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Equipment	\$0	\$350,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$350,000</b>

## Project Revenues

30-80-8120 - Standby Generator Replacement

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Miscellaneous	\$0	\$0	\$350,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Miscellaneous	\$0	\$350,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$350,000</b>



# Adron F. Thompson Facility Renovation

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

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

## Project Highlights

---

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



## Project Expenditures

30-80-8140 - Adron Thompson Facility Renovation & Expansion

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Adron Thompson Facility Renovation	\$3,795,600	\$3,500,000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$3,795,600</b>	<b>\$3,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

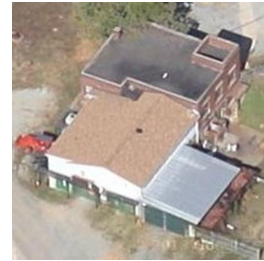
Object	2030-31	Total
Adron Thompson Facility Renovation	\$0	\$7,295,600
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,295,600</b>

## Project Revenues

30-80-8140 - Adron Thompson Facility Renovation & Expansion

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Installment Financing - Adron Thompson Facility Reno	\$3,000,000	\$3,500,000	\$0	\$0	\$0	\$0	\$0
Transfer From WSF - Adron Thompson Facility Renovation	\$795,600	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$3,795,600</b>	<b>\$3,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Installment Financing - Adron Thompson Facility Reno	\$0	\$6,500,000
Transfer From WSF - Adron Thompson Facility Renovation	\$0	\$795,600
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,295,600</b>





# Galvanized Water Main Replacement

## Capital Improvement Project (FY25-FY31)

### Project Description

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

### Project Justification

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

### Project Highlights

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

### Project Expenditures

30-80-8140 - Galvanized Water Main Expenses

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Galvanized Water Main Replacement	\$160,000	\$100,000	\$200,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$160,000</b>	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Galvanized Water Main Replacement	\$0	\$460,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$460,000</b>

### Project Revenues

30-80-8140 - Galvanized Water Main Revenues

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer from WSF - Galvanized Water Main Replacement	\$160,000	\$100,000	\$200,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$160,000</b>	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Transfer from WSF - Galvanized Water Main Replacement	\$0	\$460,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$460,000</b>



# Hassell Water Tank Replacement

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

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

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

## Project Highlights

---

The tank structure is sound, and inspections are performed annually so project is slated for later in the CIP. Costs are based on Waterstone tank, inflation, and the current construction climate, in addition to other bid tabs for similar tanks in other locations. Staff applied to the state for a preconstruction study grant to finalize the location and size need of the tank, but will not hear about any award until at least Feb. 2023. This project is semi-related but not codependent to the US-70 Business Water Main Improvements project as water from Hasell tank must get to the US-70A tank.

## Project Expenditures

30-80-8140 - Hasell Water Tank Replacement

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Hasell Water Tank	\$40,000	\$150,000	\$300,000	\$3,255,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$40,000</b>	<b>\$150,000</b>	<b>\$300,000</b>	<b>\$3,255,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Hasell Water Tank	\$0	\$3,745,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,745,000</b>

## Project Revenues

30-80-8140 - Hasell Water Tank Replacement

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Installment Financing - Hasell Water Tank	\$0	\$0	\$0	\$3,240,000	\$0	\$0	\$0
Transfer From WSF - Hasell Water Tank	\$0	\$150,000	\$300,000	\$15,000	\$0	\$0	\$0
Grant - AIA	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$40,000</b>	<b>\$150,000</b>	<b>\$300,000</b>	<b>\$3,255,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Installment Financing - Hasell Water Tank	\$0	\$3,240,000
Transfer From WSF - Hasell Water Tank	\$0	\$465,000
Grant - AIA	\$0	\$40,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,745,000</b>



# Hydrant & Valve Project

## Capital Improvement Project (FY25-FY31)

### Project Description

---

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

### Project Justification

---

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

If we do not perform this work, we risk having these hydrants not work properly in the event of a fire, which could be catastrophic. Impacts to customers to repair or replace a hydrant would be recognized. Additionally, we have an opportunity to reduce the risk of customers being out of service under certain main break scenarios by providing additional valves and piping in the system.

### Project Highlights

---

If we do not perform this work, we risk having these hydrants not work properly in the event of a fire, which could be catastrophic. Impacts to customers to repair or replace a hydrant would be recognized. Additionally, we have an opportunity to reduce the risk of customers being out of service under certain main break scenarios, by providing additional valves and piping in the system.

# Project Expenditures

30-80-8140 - Hydrant & Valve Project

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Hydrant & Valve Project	\$487,647	\$270,000	\$275,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$487,647</b>	<b>\$270,000</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

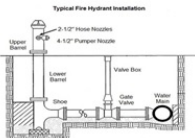
Object	2030-31	Total
Hydrant & Valve Project	\$0	\$1,032,647
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,032,647</b>

# Project Revenues

30-80-8140 - Hydrant & Valve Project

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer from WSF - Hydrant & Valve	\$487,647	\$270,000	\$275,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$487,647</b>	<b>\$270,000</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Transfer from WSF - Hydrant & Valve	\$0	\$1,032,647
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,032,647</b>





# OWASA Booster Pumping Station - Phase I

## Capital Improvement Project (FY25-FY31)

### Project Description

---

Design, permitting, construction, and land acquisition for an emergency water connection between the town's distribution system and OWASA's water system.

### Project Justification

---

A 16" water line between Orange Water and Sewer Authority (OWASA) was installed by OWASA in the late 1970s and has served as the water system interconnection between OWASA and Hillsborough for several years. The section from Exchange Park Lane south to Davis Road was transferred to Hillsborough in 2013. When the town created its south pressure zone shortly thereafter, it rendered the existing booster station obsolete as that station was for the central pressure zone. The elimination of this booster station restricts the town's ability to receive water from OWASA during emergencies.

The proposed project is the first of two phases to replace this station with a new station on Old NC 86 capable of pumping in to the Town's new south zone. The proposed project will establish a site where emergency pumping connections can be made, and perform new pump selections. If the town delays installing the emergency connection, the town risks reducing system redundancy in this ever-changing climate. This project will ensure an alternative source of clean and safe water for our community. Currently the town can send water to OWASA by gravity but cannot receive without temporary valving manipulation. The valving operations required include shifting the new Collins Ridge development to the Central zone. The Central zone is not capable of serving large portions of the Collins Ridge development due to the relatively high elevation in this development.

### Project Highlights

---

70% this project will be funded with money allocated through the FEMA's BRIC program.

#### BRIC Deadlines

- Design due November 2024 for review and final grant approval
- Construction Complete by November 2026

# Project Expenditures

30-80-8140 - OWASA BPS Connections and Land Acquisition E...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Infrastructure	\$195,674	\$1,200,000	\$0	\$0	\$0	\$0	\$0
Design	\$67,986	\$0	\$0	\$0	\$0	\$0	\$0
Permitting	\$5,665	\$0	\$0	\$0	\$0	\$0	\$0
Legal	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0
Capital - Land Acquisition	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$274,325</b>	<b>\$1,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Infrastructure	\$0	\$1,395,674
Design	\$0	\$67,986
Permitting	\$0	\$5,665
Legal	\$0	\$5,000
Capital - Land Acquisition	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,474,325</b>

# Project Revenues

30-80-8140 - OWASA BPS Connections and Land Acquisition R...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Grant - FEMA - BRIC	\$184,325	\$831,416	\$0	\$0	\$0	\$0	\$0
Installment Financing - OWASA Booster Pump Station	\$0	\$368,584	\$0	\$0	\$0	\$0	\$0
Transfer From WSF - OWASA Booster Pump Station	\$90,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$274,325</b>	<b>\$1,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Grant - FEMA - BRIC	\$0	\$1,015,741
Installment Financing - OWASA Booster Pump Station	\$0	\$368,584
Transfer From WSF - OWASA Booster Pump Station	\$0	\$90,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,474,325</b>





# OWASA Booster Pumping Station - Phase II

Capital Improvement Project (FY25-FY31)

## Project Description

---

- Build a booster pump station to receive water from OWASA.

## Project Justification

---

A 16" water line between Orange Water and Sewer Authority (OWASA) was installed by OWASA in the late 1970s and has served as the water system interconnection between OWASA and Hillsborough for several years. The section from Exchange Park Lane south to Davis Road was transferred to Hillsborough in 2013. When the town created its south pressure zone shortly thereafter, it rendered the existing booster station obsolete as that station was for the central pressure zone. The elimination of this booster station restricts the town's ability to receive water from OWASA during emergencies.

The proposed project is the second of two phases to replace this station with a new station on Old NC 86, capable of pumping in to the Town's new south zone. The proposed project will design, purchase and install a booster pump station to connect to emergency connections provided by the first phase of the project. If the town delays installing this permanent emergency connection, it risks relying on rented emergency pumps with limited availability. This project will ensure an alternative source of clean and safe water for the community. Currently the town can send water to OWASA by gravity but cannot receive without temporary valving manipulation. The valving operations required include shifting the new Collins Ridge development to the Central zone. The Central zone is not capable of serving large portions of the Collins Ridge development due to the relatively high elevation in this development.

## Project Highlights

---

The town received a State and Tribal Assistance Grant (STAG) for this project that will offset a large portion of the costs. The Town risks losing this grant if the matching funds are not approved.

# Project Expenditures

30-80-8140 - OWASA Booster Pumping Station

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
OWASA Booster Pump Station	\$0	\$0	\$2,200,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
OWASA Booster Pump Station	\$0	\$2,200,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,200,000</b>

# Project Revenues

30-80-8140 - OWASA Booster Pumping Station

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Grant - STAG	\$0	\$0	\$2,200,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Grant - STAG	\$0	\$2,200,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,200,000</b>



# US-70 Business Water Improvements

## Capital Improvement Project (FY25-FY31)

### Project Description

---

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

### Project Justification

---

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

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

### Project Highlights

---

This project is related to the Hasell Street Tank Replacement project to help move water to other parts of the central zone, but the projects are not codependent.

- Phase I: Replace approximately 4,900 linear feet of 12-inch Asbestos-Cement (AC) water main along Highway 70-A between Highway 86/Elizabeth Brady Road to the Highway 70-A Water Tank with a new 16" ductile iron water main.
- Phase II: Replace approximately 4,320 linear feet of 12" AC water main along Highway 70-A between Churton Street and Highway 86 with a new 16" ductile iron water main.

# Project Expenditures

30-80-8140 - US-70 Business Water Improvements

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
US-70 Water Improvements	\$305,000	\$50,000	\$1,620,000	\$1,350,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$305,000</b>	<b>\$50,000</b>	<b>\$1,620,000</b>	<b>\$1,350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
US-70 Water Improvements	\$0	\$3,325,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,325,000</b>

# Project Revenues

30-80-8140 - US-70 Business Water Improvements

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Debt Issuance Proceeds	\$0	\$0	\$967,205	\$1,350,000	\$0	\$0	\$0
Transfer From Fund 75 - US-70 Water Improvements	\$275,000	\$50,000	\$652,795	\$0	\$0	\$0	\$0
Grant - AIA	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$305,000</b>	<b>\$50,000</b>	<b>\$1,620,000</b>	<b>\$1,350,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Debt Issuance Proceeds	\$0	\$2,317,205
Transfer From Fund 75 - US-70 Water Improvements	\$0	\$977,795
Grant - AIA	\$0	\$30,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,325,000</b>



# Air Release Valve Replacements

## Capital Improvement Project (FY25-FY31)

### Project Description

---

- Replace old, obsolete water and sewer air release valves (ARVs).

### Project Justification

---

Automatic air release valve play a critical role in pressurized piping systems, such as our water system and sewer force mains. Air trapped in a pipeline will naturally rise and collect at high points within the system, causing pump failures, faulty instrumentation readings, corrosion, flow issues, and water hammer and surge issues. Unnecessary air in the pipeline also makes the pumps work harder, resulting in additional energy consumption. The valves can also be called air/vacuum combination valves, and these are used on sewer force mains due to the start stop nature of sewer pumping stations. When the vacuum part is present, these valves also allow outside air to re-enter the sewer force main when pumping stops to prevent negative pressures forming on buried infrastructure (i.e. pipe collapse).

The town currently owns and operates 14 sanitary sewer force main air release valves. The Town does not currently have records of routine maintenance or inspection of these assets, and recent field assessments indicate the sewer ARVs are likely not functioning as designed. Replacing a failed sewer ARV is very difficult and results in sanitary sewer overflows. .These spills can be significant given the pressurized nature of the failure. The proposed project will replace the existing sewer ARVs with new, corrosion-resistant ARVs to ensure the sewer force mains operate as intended. Current bids for sewer ARV replacement range from \$5,000-\$10,000/valve, with a number of factors including size, location, and condition of the host pipe impacting overall cost. The requested funds will cover many of the needed replacements through contract work, with staff likely able to perform the remaining replacements with its own resources.

The Town also owns and operates approximately 50 water main ARVs. There are many other end of line "blow offs" that are manually operated to flush water. The Town does not currently have maintenance or inspection records of these valves. Limited field work to date indicates the water ARVs are not likely venting fully, and maintenance of the valves is unlikely to resolve the issue. A water ARV failure can result in non-revenue water and distribution issues. Town staff recommends full inventory and replacement of the water ARVs, current bids for water ARV replacement range from \$1,000-\$3,000/valve depending on size, location, etc.

### Project Highlights

---

- FY24: Sewer ARVs will be targeted
- FY25: Water ARVs will be targeted
- FY26: Water ARVs will be targeted

# Project Expenditures

30-80-8140 - Water & Sewer Air Release Valve Replacements

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Air Release Valve Replacements	\$150,000	\$75,000	\$75,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$150,000</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Air Release Valve Replacements	\$0	\$300,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$300,000</b>

# Project Revenues

30-80-8140 - Water & Sewer Air Release Valve Replacements

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From WSF - Air Release Valve Replacements	\$29,074	\$75,000	\$75,000	\$0	\$0	\$0	\$0
Debt Issuance Proceeds	\$120,926	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$150,000</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Transfer From WSF - Air Release Valve Replacements	\$0	\$179,074
Debt Issuance Proceeds	\$0	\$120,926
<b>TOTAL</b>	<b>\$0</b>	<b>\$300,000</b>



# Water Distribution System Master Plan Improvements

## Capital Improvement Project (FY25-FY31)

### Project Description

Implement the recommendations of the Water Distribution Master Plan.

### Project Justification

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

### Project Highlights

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

### Project Expenditures

30-80-8140 - Water Distribution Sys Master Plan Improvements

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Miscellaneous	\$0	\$200,000	\$400,000	\$400,000	\$400,000	\$400,000	\$500,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$200,000</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$500,000</b>

Object	2030-31	Total
Miscellaneous	\$500,000	\$2,800,000
<b>TOTAL</b>	<b>\$500,000</b>	<b>\$2,800,000</b>

### Project Revenues

30-80-8140 - Water Distribution Sys Master Plan Improvements

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$200,000	\$400,000	\$400,000	\$400,000	\$400,000	\$500,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$200,000</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$400,000</b>	<b>\$500,000</b>

Object	2030-31	Total
Transfer From Fund 30 - Water & Sewer Fund	\$500,000	\$2,800,000
<b>TOTAL</b>	<b>\$500,000</b>	<b>\$2,800,000</b>



# Bellevue Mill Interceptor Upgrade

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

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

## Project Highlights

---

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



# Project Expenditures

30-80-8200 - Bellevue Mill Interceptor Upgrade

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Infrastructure	\$0	\$0	\$0	\$0	\$140,000	\$40,000	\$1,320,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$140,000</b>	<b>\$40,000</b>	<b>\$1,320,000</b>

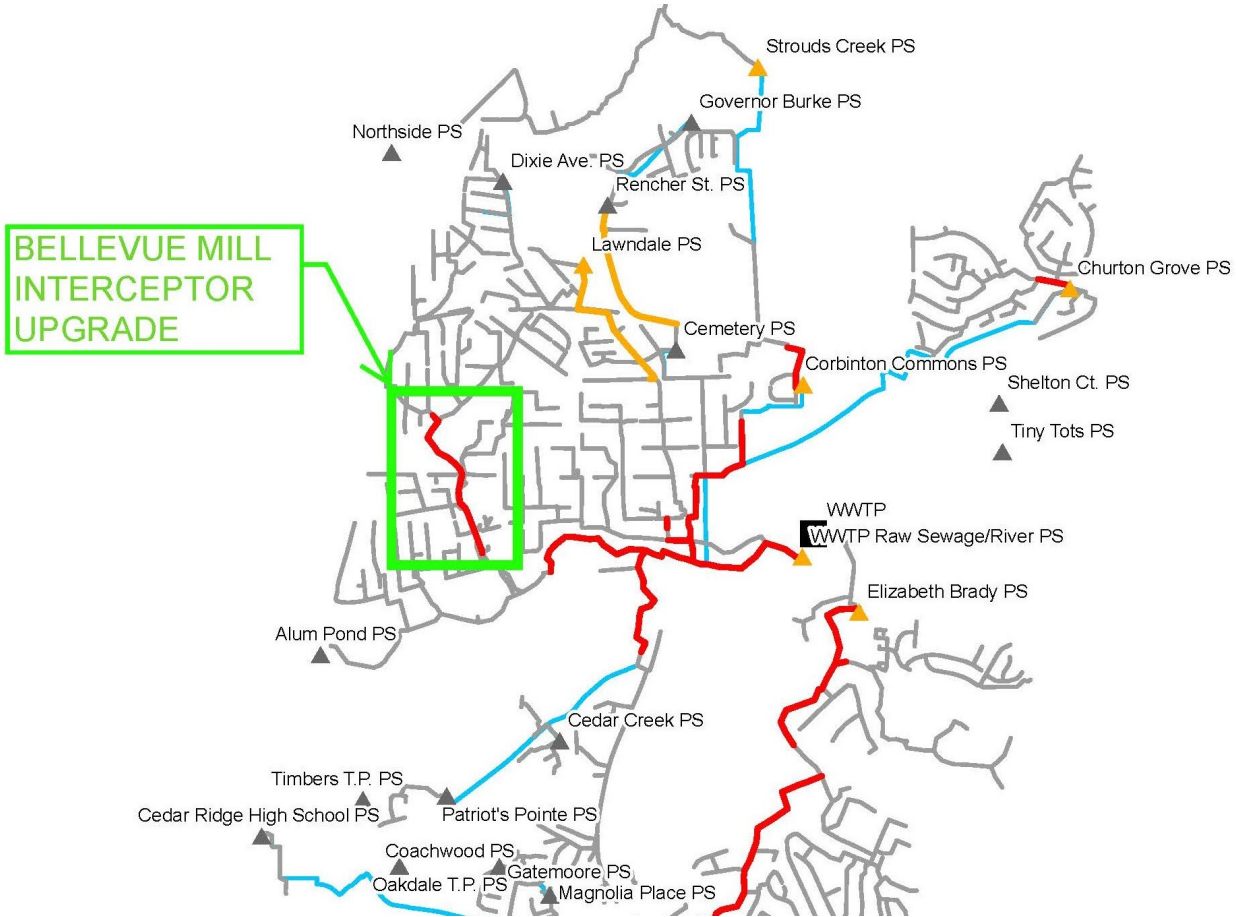
Object	2030-31	Total
Capital - Infrastructure	\$0	\$1,500,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,500,000</b>

# Project Revenues

30-80-8200 - Bellevue Mill Interceptor Upgrade

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$0	\$0	\$140,000	\$40,000	\$1,320,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$140,000</b>	<b>\$40,000</b>	<b>\$1,320,000</b>

Object	2030-31	Total
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$1,500,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,500,000</b>





# Cates Creek Outfall Upgrade

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

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

## Project Highlights

---

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

# Project Expenditures

30-80-8200 - Cates Creek Outfall Upgrade

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Infrastructure	\$0	\$0	\$0	\$1,000,000	\$7,100,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$7,100,000</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Infrastructure	\$0	\$8,100,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,100,000</b>

# Project Revenues

30-80-8200 - Cates Creek Outfall Upgrade

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
State Revolving Loan	\$0	\$0	\$0	\$0	\$7,100,000	\$0	\$0
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$7,100,000</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
State Revolving Loan	\$0	\$7,100,000
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$1,000,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$8,100,000</b>



# Elizabeth Brady Pump Station & Force Main Upgrade

Capital Improvement Project (FY25-FY31)

## Project Description

---

Design, bid and construct a public sanitary sewer pumping station upgrade at the existing Elizabeth Brady Pumping Station site.

## Project Justification

---

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

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

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

## Project Highlights

---

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

# Project Expenditures

30-80-8200 - Elizabeth Brady Pump Station & Force Main Upgra

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Elizabeth Brady PS Upgrade	\$300,000	\$0	\$250,000	\$4,345,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$4,345,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Elizabeth Brady PS Upgrade	\$0	\$4,895,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,895,000</b>

# Project Revenues

30-80-8200 - Elizabeth Brady Pump Station & Force Main Upgra

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Installment Financing - Elizabeth Brady	\$0	\$0	\$0	\$4,345,000	\$0	\$0	\$0
Transfer From Fund 70 - Elizabeth Brady Pump Station	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$250,000	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$4,345,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Installment Financing - Elizabeth Brady	\$0	\$4,345,000
Transfer From Fund 70 - Elizabeth Brady Pump Station	\$0	\$300,000
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$250,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,895,000</b>



# Eno River Interceptors

## Capital Improvement Project (FY25-FY31)

### Project Description

---

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

### Project Justification

---

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

No significant rehabilitation or replacement of the collection system in this area has ever occurred. Over the years, the interceptor manholes were raised to prevent sanitary sewer overflows due to wet weather surcharging (water other than wastewater entering the system) and because they were not protected from the floodplain. The original manholes are of brick material and subject to groundwater intrusion. Hydraulic modeling shows that due to the shallowness and some flat sloped pipes, the pipes are exceeding their capacity during wet weather events. The wastewater is getting to within two feet of the manhole tops under certain conditions. The town has committed and projected growth, including upcoming projects like Collins Ridge, Moren and the Research Triangle Logistics Park. These and other similar projects will eventually overwhelm the collection system, resulting in sanitary sewer overflows and violations, and possibly even a moratorium on growth until upsizing can occur. To support current needs and future growth through 2040, these pipes need to be upsized.

Since these interceptor pipes carry flow from areas that are the focus of growth, the Board has already agreed to defer large projects contributing wastewater into the River pumping station basin due to wet weather concerns as we investigate our most leaky basin, Lawndale, and secure funding for this replacement. A consultant has also investigated temporary ways we can relieve the interceptors during wet weather, but the pipe condition needs to be evaluated before implementing the most reasonable solution. These pipes are some of the oldest in town. This project intertwines with the River Pump Station Project.

### Project Highlights

---

Staff is currently working on the physical evaluation of the piping, manholes, and pump stations within the collections system. With limited resources, this unfortunately cannot be a comprehensive effort. We also have the collection system model that shows capacity deficiencies based on dry weather flow. Further development, as planned for the town, will exacerbate any hydraulically limited sewer pipes and cause overflows that result in noncompliance. This request supports the growth we have worked hard to attract and approve. The money budgeted here is what was submitted for funding to the state revolving fund and is reflective of 2040 projected flows. The current construction climate may result in an increase in costs. Much of the pipes need to be upsized to handle the projected 2025 growth. This cannot be deferred much longer.

# Project Expenditures

30-80-8200 - Eno River Interceptors

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Eno River Interceptors	\$750,000	\$0	\$0	\$5,050,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$750,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,050,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Eno River Interceptors	\$0	\$5,800,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,800,000</b>

# Project Revenues

30-80-8200 - Eno River Interceptors

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
State Revolving Loan	\$0	\$0	\$0	\$5,050,000	\$0	\$0	\$0
Transfer From Fund 70 - Eno River Interceptors	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$750,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,050,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
State Revolving Loan	\$0	\$5,050,000
Transfer From Fund 70 - Eno River Interceptors	\$0	\$750,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$5,800,000</b>



# Eno River West Interceptor

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

## Project Highlights

---

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



# Project Expenditures

30-80-8200 - Eno River West Interceptor Upgrade

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Infrastructure	\$0	\$0	\$0	\$350,000	\$1,790,000	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$1,790,000</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Infrastructure	\$0	\$2,140,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,140,000</b>

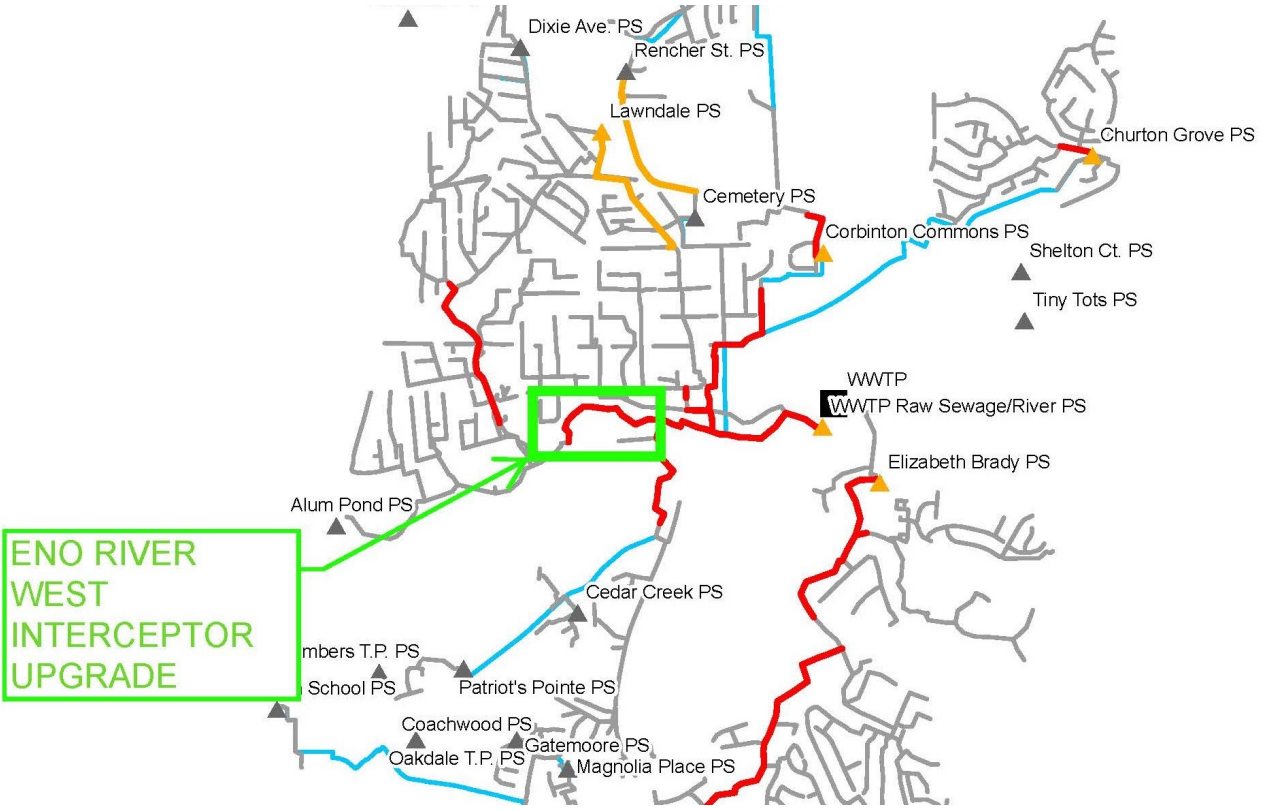
# Project Revenues

30-80-8200 - Eno River West Interceptor Upgrade

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
State Revolving Loan	\$0	\$0	\$0	\$0	\$1,790,000	\$0	\$0
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$0	\$0	\$350,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,000</b>	<b>\$1,790,000</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
State Revolving Loan	\$0	\$1,790,000
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$350,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,140,000</b>

# Additional Information





# Exchange Club Interceptors

## Capital Improvement Project (FY25-FY31)

### Project Description

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

### Project Justification

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

### Project Highlights

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

### Project Expenditures

30-80-8200 - Exchange Club Interceptors

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Exchange Club Interceptors	\$190,000	\$0	\$0	\$0	\$1,270,000	\$0	\$0
<b>TOTAL</b>	<b>\$190,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,270,000</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Exchange Club Interceptors	\$0	\$1,460,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,460,000</b>

### Project Revenues

30-80-8200 - Exchange Club Interceptors

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
State Revolving Loan	\$0	\$0	\$0	\$0	\$1,250,000	\$0	\$0
Transfer From WSF - Exchange Club Interceptors	\$190,000	\$0	\$0	\$0	\$20,000	\$0	\$0
<b>TOTAL</b>	<b>\$190,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,270,000</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
State Revolving Loan	\$0	\$1,250,000
Transfer From WSF - Exchange Club Interceptors	\$0	\$210,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$1,460,000</b>



# Train Station Pump Station

## Capital Improvement Project (FY25-FY31)

### Project Description

---

Design, bid and construct a public sanitary sewer pumping station on space allocated at the proposed train station site.

### Project Justification

---

The town is currently in the preliminary design phase of a rail station with office and meeting space on Gold Hill Way near Churton Street. The rail station is proposed on land currently owned by the town and will ultimately occupy a small portion of the Town parcel. The remainder of the Town parcel not used for the proposed station will be subdivided and made available for future uses.

In lieu of constructing a small grinder station that serves only the proposed town project, the town may instead build a publicly owned, operated and permitted lift station capable of serving the future lots created by the above-referenced subdivision. A publicly owned and operated Town pumping station would enable denser development on the newly created lots and minimize potential project infrastructure unknowns for future developers. The costs of the proposed lift station could be recovered with system development fees, proffers, or other agreements with the future owners of the subdivided lots.

The proposed project would also evaluate discharge alternatives for the proposed sanitary sewer force main from the newly constructed station. This alternative analysis would include an evaluation of the receiving sewer's capacity for the proposed flow as well as the technical merits of the alignments proposed.

### Project Highlights

---

Town staff recommend developing the Train Station site with a public sanitary sewer pumping station to allow the widest variety of uses at the proposed Train Station site and adjacent, future sites.

# Project Expenditures

30-80-8200 - Train Station Pump Station

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Infrastructure	\$0	\$150,000	\$0	\$575,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$575,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Infrastructure	\$0	\$725,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$725,000</b>

# Project Revenues

30-80-8200 - Train Station Pump Station

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Debt Issuance Proceeds	\$0	\$0	\$0	\$575,000	\$0	\$0	\$0
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$575,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Debt Issuance Proceeds	\$0	\$575,000
Transfer From Fund 30 - Water & Sewer Fund	\$0	\$150,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$725,000</b>



# Tertiary Filter Flocculators

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

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

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

## Project Highlights

---

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

# Project Expenditures

30-80-8220 - Tertiary Filter Flocculators

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Tertiary Filter Flocculators	\$0	\$0	\$0	\$0	\$0	\$10,000	\$180,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$180,000</b>

Object	2030-31	Total
Tertiary Filter Flocculators	\$0	\$190,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$190,000</b>

# Project Revenues

30-80-8220 - Tertiary Filter Flocculators

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Transfer From WSF - Tertiary Filter Flocculators	\$0	\$0	\$0	\$0	\$0	\$10,000	\$180,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000</b>	<b>\$180,000</b>

Object	2030-31	Total
Transfer From WSF - Tertiary Filter Flocculators	\$0	\$190,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$190,000</b>

# Stormwater Fund



# Elizabeth Brady Road Culvert Rehabilitation

Capital Improvement Project (FY25-FY31)

## Project Description

---

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

## Project Justification

---

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

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

## Project Highlights

---

An alternative would be to replace the pipes with a bridge or bottomless culvert. This would most likely be more expensive, but would improve the aquatic ecosystem in the area. It is possible to combine replacement with additional riparian buffer enhancement, which would mean a portion of the project cost would qualify for the joint compliance program currently approved for the Falls Lake rules.



# Project Expenditures

35-30-5900 - Elizabeth Brady Rd Culvert Rehabilitation Ex...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Infrastructure	\$0	\$0	\$0	\$275,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Capital - Infrastructure	\$0	\$275,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$275,000</b>

# Project Revenues

35-30-5900 - Elizabeth Brady Rd Culvert Rehabilitation Re...

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Miscellaneous	\$0	\$0	\$0	\$275,000	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Object	2030-31	Total
Miscellaneous	\$0	\$275,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$275,000</b>

# Additional Information

Before

During

After



Examples of spincasting projects



# JetVac Truck

## Capital Improvement Project (FY25-FY31)

### Project Description

---

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

### Project Justification

---

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

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

### Project Highlights

---

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

# Project Expenditures

35-30-5900 - JetVac Truck

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Capital - Vehicles	\$0	\$0	\$0	\$605,014	\$0	\$0	\$0
Gasoline	\$0	\$0	\$0	\$1,000	\$1,000	\$1,000	\$1,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$0	\$0	\$2,006	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$608,020</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>

Object	2030-31	Total
Capital - Vehicles	\$0	\$605,014
Gasoline	\$1,000	\$5,000
Miscellaneous - Tax, Tags, Etc.	\$0	\$2,006
<b>TOTAL</b>	<b>\$1,000</b>	<b>\$612,020</b>

# Project Revenues

35-30-5900 - JetVac Truck

Object	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Debt Issuance Proceeds	\$0	\$0	\$0	\$605,014	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$3,006	\$1,000	\$1,000	\$1,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$608,020</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>

Object	2030-31	Total
Debt Issuance Proceeds	\$0	\$605,014
Miscellaneous	\$1,000	\$7,006
<b>TOTAL</b>	<b>\$1,000</b>	<b>\$612,020</b>

# Additional Information



# Operating Budget Requests

# General Fund

General Fund			Requested		
Department	Request	Description	FY25	FY26	FY27
Administrative Services	GFOA Budget Analyst Training Academy	Training Opportunity for local government budget analysts, hosted by GFOA in San Antonio. Cost includes all travel, lodging, and registration.	2,548	-	-
Human Resources	Student Loan Assistance Program	Contract with financial advisors for services related to student loan financial planning.	3,600	3,600	3,600
Planning	Code Enforcement	Hire contracted assistance for code enforcement.	60,000	50,000	50,000
Planning	TOD Plan/Market Feasibility Study	Market feasibility analysis for property adjacent to train station site.	75,000	-	-
Planning	Update Historic District Building Inventory	Update 10-year old historic district inventory map to include new construction, modifications, and major renovations.	25,000	-	-
Facilities Management	ADA Transition Phase I	Implementing ADA transition plan over span of three years, or until plan is fully complete. Request for annual funds in yearly Facilities Management budget to address needed ADA work.	5,000	5,000	5,000
Facilities Management	Admin Building Back Stairs Landing	Repair or replace back stairway at Admin Building for improved safety and accessibility.	35,000	-	-
Facilities Management	Computerized Maintenance Management System	Includes asset management, equipment barcoding, asset inventory, vendor interface for work orders and issue reporting.	5,000	5,000	5,000
Facilities Management	Facilities HVAC Duct Cleaning	Clean HVAC ducts at all town facilities	73,000	-	-
Facilities Management	Park Bathrooms Repair	Repair to plumbing, electric apparatus, and structure of bathroom at Gold Park. Also involves interior lighting replacement and graffiti removal.	15,000	15,000	15,000
Facilities Management	Police Department Elevator Repair and Reno	Circuit board replacement at Police HQ elevator - current circuit board is discontinued.	125,000	-	-
Facilities Management	Town Hall Campus HVAC Replacements	Stormwater office, Planning Director's office, and one unit at RR House.	15,000	-	-
Facilities Management	WWTP Roof Restoration	Requested as alternative to \$27,000 replacement cost.	4,000	-	-
Public Space	Additional Recycling Amenities at Parks	Provide recycling amenities and pickup services at all parks that do not currently have them.	30,600	600	600
Public Space	Energy Management Software	Requested as tool to assist in sustainability plan and strategic plan. Requested for use of sustainability reserve funds.	20,000	20,000	20,000
Public Space	LED Street Light Transition	Project provides energy savings and more consistent light pattern, improving night time travel safety.	30,000	-	-
Public Space	Murray Street Park Playground Equipment	Requested as implementation of Murray Street Park Master Plan. Includes safety and accessibility upgrades.	-	-	50,000
Public Space	Park Reservation Software	Third-party software needed if built-in system of new website vendor is not suitable for Public Space staff.	5,000	3,500	3,500
Public Space	Story Walk	Requested by Parks and Recreation Board. Includes various storybook pages at locations along a path for users to read as they walk.	-	12,000	-
Information Technology	Asset Management System	Provide centralized platform for managing assets, tasks, and labor. Will help provide accurate cost estimates for maintenance and replacement of all assets.	55,000	62,000	62,000
Police	Live-Scan Fingerprint Machine	Needed for applicants and current officers who must be fingerprinted annually. The equipment could also be utilized by civilians and Orange Rural Fire Department. Currently only the Sheriff's Office has fingerprinting services.	15,000	-	-

General Fund			Requested		
Department	Request	Description	FY25	FY26	FY27
Police	Office Furniture	Standing desk, side table or cubby, bookcase and new filing cabinets for two lieutenants' offices.	6,000	-	-
Police	Radio Upgrade	Required for TDMA compliance by July 2025. Current radios are using VIPER system which is predecessor to TDMA.	82,000	-	-
Police	Recarpet HQ Patrol Room	Patrol room currently has two different types of carpet, some of which is deteriorating.	4,000	-	-
Police	Replace In-Car Cameras	Requested to improve video quality and reduce needed repairs and camera failures.	-	100,000	100,000
Police	Rifle Upgrades	Replace four old rifles that cannot be upgraded and purchase parts for remaining rifles.	8,000	-	-
Police	Vehicle Allocation	Requesting two vehicle replacement per year to keep consistent vehicle availability and reduce maintenance costs/time.	103,000	103,000	103,000
Fire Protection	ORFD Personnel Expansion	Expand professional firefighting force: 3 Firefighters and 1 Battalion Chief funded for a half-year in FY25 and full years in FY26+.	108,500	227,850	239,243
Fleet Maintenance	A/C Repair Machine	Requested for compatibility with new auto industry refrigerant. Current machine is not compatible. Private shop a/c maintenance is more expensive.	7,500	-	-
Fleet Maintenance	Dodge Scan Tool and Yearly Software	Two Dodge vehicles in the fleet will come out of warranty in FY25, with others to follow.	2,025	-	-
Fleet Maintenance	Roll-Up Garage Doors	Will allow trucks that are currently too long for the maintenance bay to be serviced at the Fleet facility rather than sending to a private shop.	30,200	-	-
Fleet Maintenance	Training - Hybrid Police Vehicles	Needed for current hybrid Ford Police vehicles that are coming out of warranty soon.	6,000	-	-
Streets	Engineering Inspection for New Development	Contract with private engineering firm to monitor and inspect private development infrastructure as it is being built, rather than after construction. Will also provide proper documentation of adherence to town standards when infrastructure is conveyed to the town.	15,000	-	-
Streets	Salt Spreader	Replace one of undersized and 10-years old. Current salt spreaders are rusty and have required replacement of electric motors. New spreaders will have larger capacity, reducing work hours by requiring fewer fill-ups.	4,500	4,500	-
Streets	Snow Plow	Current plows are 11 and 8 years old. One is damaged.	10,000	-	-
Streets	Truck #214 Replacement	Replace a 10 year old truck with 100K miles and has already had an engine replacement.	69,106	-	-
Solid Waste	Replace Golf Cart with RTV	Replace current electric golf cart used by Public Works, Public Space, and Police with gas/diesel model. Current cart is often too weighed down or runs out of charge before work is complete.	23,000	-	-
Solid Waste	Solid Waste Vehicle Replacement Fund	Set aside operating funds for future Solid Waste vehicles for continuous replacement.	200,000	200,000	200,000

General Fund			Requested		
Department	Request	Description	FY25	FY26	FY27
Special Appropriations	Affordable Housing Ramp-Up to 2-Cents	Allocating increasing funds year-over-year to eventual equivalent of 2-cents on the town's tax rate to fund affordable housing efforts.	117,103	192,103	267,103
Special Appropriations	Partnership to End Homelessness: Expansion Request	To fund bridge housing operations, coordinated entry personnel, and coordinated entry operations.	12,057	12,057	12,057
Special Appropriations	Fairview Community Watch	\$45K for building improvements at Community Center and \$10K for operations and programming.	55,000	-	-
			<b>1,461,739</b>	<b>1,016,210</b>	<b>1,136,103</b>



# Water & Sewer Fund

Water and Sewer Fund			Requested		
Department	Request	Description	FY25	FY26	FY27
Utilities Administration	Documents Digitization Project	Scan existing record drawings into digital format. Will improve accessibility of drawings for other town staff, design vendors, and development community. Would also reduce risk of losing records from floods or fires.	8,000	-	-
Utilities Administration	F-150 Replacement	Replace 2009 Ford Escape with 177k miles that is not 4-wheel-drive. Noted to be beyond useful life by Fleet Manager.	45,500	-	-
Utilities Administration	Jordan Lake Phase IV Allocation Evaluation	Evaluate allocation structure that currently allows the town 1 million gallons per date from Jordan Lake. OWASA Booster Pump Station project may affect allocation and allow more withdrawal through OWASA's direct intake from Jordan Lake.	35,000	-	-
Utilities Administration	Sewer Lift Station Abandonment Analysis	To analyze potential alignment for future gravity sewer extension that would allow existing gravity systems to bypass pumping stations.	95,000	-	-
Utilities Administration	Utilities Administrative Assistant	To provide administrative support that is currently being done by management staff, allowing management to do higher level field work and reimbursement filings.	27,495	23,995	23,995
Billing and Collections	Customer Service Noise and Privacy Wall Barrier	To reduce echos and provide privacy to customers.	20,880	-	-
Water Treatment Plant	Additional Required Lead and Copper Sampling	For EPA compliance of Lead and Copper Rule.	2,500	5,000	-
Water Treatment Plant	Finished Water Pump and Control Valve Rebuild	Replace current finished water pump that has been in service for nearly 20 years. Industry standards recommend rebuild approximately every 10 years. Two of three valves have already failed and required replacement. This request will address the third valve.	36,000	-	-
Water Treatment Plant	Liquid Ammonium Sulfate Pumping System	Apparatus to prevent a known carcinogen from forming in drinking water after chlorination. Project will replace hardware and software components, as well as plant equipment needed for hardware and software compatibility.	47,450	-	-
Water Distribution	Large Meter Calibration Program	Improve accuracy of large water meters, which service the most water and provide the most revenue for the water system.	15,000	15,000	-
Water Distribution	Water System Rehabilitation	To address ongoing water distribution system repairs needed via vendor contract when town staff are unavailable for repairs.	110,000	110,000	110,000
Wastewater Collection	Sewer System Rehabilitation	To address ongoing wastewater collection system repairs needed via vendor contract when town staff are unavailable for repairs.	110,000	110,000	110,000
Wastewater Treatment Plant	New Compact Work Truck	For use of plant operators in addition to the currently used F-150 that is shared with plant maintenance crew. This is a new fleet addition rather than a replacement.	26,750	1,000	1,000
Wastewater Treatment Plant	Non-Potable Water Pump Rebuild	Recommended for rebuild/service every 10 years.	22,000	-	-
Wastewater Treatment Plant	VFD and MCC Monitoring	Needed to identify potential energy savings and opportunities to scaled down use of some equipment that requires higher energy use. Some equipment may be turned off at certain times.	65,000	-	-
			666,575	264,995	244,995

# Stormwater Fund





## Agenda Abstract

### BOARD OF COMMISSIONERS

Meeting Date: Feb. 17, 2024  
Department: Administrative Services  
Agenda Section: Regular  
Public hearing: No  
Date of public hearing: N/A

#### PRESENTER/INFORMATION CONTACT

Human Resources Manager Haley Thore

#### ITEM TO BE CONSIDERED

**Subject:** Employee Benefits

**Attachments:**

None

**Summary:**

Benefits Market Survey

HR developed and requested responses for a comprehensive benefits market study. Responses were collected from late December through mid-January. The purpose of this survey was to see how we compare and if there are any areas we can improve to help with our recruitment and retention. We received 22 survey responses from various jurisdictions throughout the state. There was a technology glitch regarding the survey form, so not all jurisdictions were able to make it through the full survey, meaning there are gaps in the information received.

With the responses we received, our benefits appear to be comparable in the below areas:

- Number of paid holidays
- Vacation leave accrual amounts
- Amount of paid parental leave
- Amount of bereavement leave
- *Next Step:* No action needed

We appear to be leading the market in these areas based on the survey responses:

- Employee Assistance Program (EAP)
- Tuition reimbursement
- Safety shoe stipend
- Cell phone stipend
- *Next Step:* No action needed

Areas to investigate further:

- Longevity
- Retiree health insurance eligibility requirements
- Pay increase for job related certifications that do not result in promotion
- Standardized language incentive
- *Next Step:* Will come back later in 2024 with additional information

We appear to be lagging in this area:

- Dependent health premium costs for employees
- *Next Step:* Develop dependent health premium reduction strategy (proposal below)

Questions that were not answered by all respondents included commuter benefits, student loan assistance, employee committee incentives, pet insurance, and other non-traditional benefits. Respondents that did answer these questions do not currently offer non-traditional benefits. One jurisdiction offers bus passes; however, the benefit has not yet been used.

#### North Carolina Health Insurance Pool (NCHIP)

The town has been a member of the North Carolina Health Insurance Pool (NCHIP) since 2018 and membership in this pool has been beneficial. The town has not had health insurance premium rate increases since FY19. Dependent health premiums have continuously been a concern among employees over the years. A few years ago, the town added a third health plan option that provides a lower dependent premium cost. We had low initial enrollment in that plan with 5 employees currently enrolled. We used some reserve funds to lower costs in FY21 which helped, but ultimately not enough. We have had people turn down employment offers due to dependent premium costs, and it has been a contributing factor for some employees who have decided to leave employment.

We have not had many high-cost claimants over the years and have therefore built up a significant reserve fund. At the end of 2023, we had a reserve fund of 8.9 times the needed amount. NCHIP recommends that reserve funds are at/near 3 times the needed amount. Our reserve fund has since increased by \$181,000 this fiscal year. We are one of the top performing groups in NCHIP.

Staff recommends reducing dependent health premiums using reserve funds, which will slow our increasing reserves and help move us back to the middle of the pool as it relates to our reserves. With the proposed contribution strategy, the projected impact to Hillsborough would be around \$22,267 annually. The expectation of lowering dependent premiums is that we will entice new employees to come to Hillsborough because they can cover their family at a lower cost. This will happen, but it will also increase dependent elections on current staff, and that number will be more difficult to anticipate. If the dependent enrollments double, it's expected that would result in an additional \$22,000 impact to the town. Independent of the increased employee contributions we will receive when employees add dependents, the \$50,000 cost increase due to increased dependent enrollment at a lower premium, still leaves us with a safety net of around \$130,000 based on current expected reserve surpluses in the current fiscal year. It is expected that with this surplus, plus those built up in prior years will help fund this initiative over the next few years. This does not seem like a risky strategy and would place Hillsborough's health plans and dependent premiums in a very competitive spot compared to surrounding jurisdictions and the other municipalities in NCHIP.

#### Supplemental Life Insurance

The town pays for basic life and accidental death and dismemberment (AD&D) term life insurance for all benefit eligible employees. The amount of coverage that the town provides to employees is one time their salary, up to \$200,000. Employees currently have the option to enroll in additional basic life & AD&D term life insurance for themselves, their spouse and their children. Employees pay the full cost of the supplemental or additional term life insurance coverage that they choose to enroll in.

Term life insurance is life insurance coverage for a defined period of time, typically between 10 and 30 years. It is not uncommon for people to live beyond the defined period, in which case they would no longer have life insurance coverage.

In addition to the supplemental term life insurance options, the town used to offer employees whole life insurance. No employees enrolled in the whole life insurance plan, so we stopped offering this supplemental benefit. We have not received requests from employees for whole life to be offered through the town again. Whole life can be a costly option for employees, especially compared to the term life options we currently offer.

An alternative to offering whole life is to offer employees the opportunity to enroll in a universal life plan through Trustmark. The universal life option is more affordable than whole life insurance and includes a long-term care rider. A long-term care rider is a feature that allows policy holders to receive a portion of the death benefit, while the policy holder is still alive. The money can then be used to pay for long-term care expenses. The long-term care rider with the life insurance coverage may be more appealing to employees because it's harder to get long-term care insurance. Fewer organizations are offering it to employees, which could make it a recruitment tool. The town also has not previously offered universal life insurance to employees, and we may have more interest in it than we had in whole life.

Both whole life and universal life insurance are permanent policies and generally don't expire. Universal life gives policy holders more flexibility which allows the coverage to be more affordable than whole life, which typically offers fixed benefits and premiums that remains the same throughout the life of the policy. Both whole life and universal life include a guaranteed issue (GI) amount. This means that employees can enroll in the plan up to a specified coverage amount without having to complete an evidence of insurability (EOI) form which is a series of health questions. Typically, people who choose to enroll in life insurance outside an employer offered plan, are required to submit the EOI regardless of the amount of coverage they are applying for. Both plans also offer coverage options and GI amounts for spouse and children.

Staff recommends offering universal life with the long-term care rider to employees based on the information outlined above. Offering either whole life or universal life to employees is no cost to the town as employees would pay 100% of the premiums via payroll deductions.

**Financial impacts:**

No immediate impact.

**Staff recommendation and comments:**

Support offering universal life insurance to employees in FY25.

Support use of reserve funds to lower dependent premiums in FY25.

**Action requested:**

Provide feedback.