



The Mebane City Council held its regular monthly meeting at 6:00 p.m., Monday, June 1, 2020. Due to public health concerns related to COVID-19, the meeting was held virtually via Zoom.

Council Present via Zoom:

Mayor Ed Hooks  
Mayor Pro-Tem Jill Auditori  
Councilmember Everette Greene  
Councilmember Sean Ewing  
Councilmember Tim Bradley  
Councilmember Patty Philipps

City Staff Present at City Hall:

Assistant City Manager Chris Rollins  
City Attorney Lawson Brown  
City Clerk Stephanie Shaw  
IT Director Kirk Montgomery  
Development Director Cy Stober

City Staff Present via Zoom:

City Manager David Cheek  
Finance Director Jeanne Tate  
Police Chief Terrence Caldwell

Mayor Hooks called the meeting to order and shared the following comments regarding the recent untimely death of George Floyd.

“As Mayor of this great city, I want the citizens of Mebane to know that the city administration and the City Council does not condone these past actions in the murder of George Floyd. The act of unspeakable violence, racism, and not caring for humanity will not be tolerated in Mebane. We have worked very hard to create a great little city, and we cannot let it be destroyed by senseless actions. I am very proud of our Police Force, under the direction of Chief Terry Caldwell. They will not condone these types of actions either. We assure you we will keep Mebane safe for its citizens and its stores. We support the rights of those protesting peacefully, and honoring the gentleman killed in Minneapolis. And we assure you we will continue to build a Mebane that everyone is proud of. It takes everyone, working together, for a greater good.”

Police Chief Terrence Caldwell read aloud the following statement.

June 1<sup>st</sup>, 2020

The untimely death of Mr. George Floyd of Minnesota is deeply disturbing to all members of the Mebane Police Department and the law enforcement community and, should be of great concern to every citizen across the United States. I support the actions of Chief Arradondo of the Minneapolis Police Department to immediately terminate the officers involved in the incident. Their actions clearly demonstrated a lack of compassion and empathy for the life of Mr. George Floyd.

The Mebane Police Department's mission is to carry out its police services while working hand-in-hand with the community, treating all fairly, respectfully, and with the highest degree of dignity. Not only were the actions by these officers in this incident horrific in nature, but they appeared to be criminally intentional. We recognize that the unacceptable behavior by these officers cast an appalling image of law enforcement throughout the United States. Most importantly, we recognize that we cannot allow such malfeasance to continue in our profession.

These types of incidents are rare. But even one is too many. We must do everything possible to eliminate unauthorized uses of force and hold those that act irresponsibly accountable to the highest degree of the law, while understanding that due process is paramount. As public servants, we must be held to a higher standard because your trust depends on it.

The Mebane Police Department offers its deepest sympathy and condolences to the Floyd family.

Terrence Caldwell  
Police Chief

Mr. Bradley gave the invocation. Mayor Hooks then requested that Mr. Brown speak regarding the City’s Remote Participation Policy adopted at last month’s meeting on May 4, 2020. He explained that since last month’s meeting, the NC Legislature amended the State Statue. That Statue and the City’s Policy is now at odds, therefore, he requested that the City Council vote to rescind the Remote Participation Policy adopted last month so that Council can conduct tonight’s meeting in accordance with the State Statue. Mr. Greene made a motion, seconded by Mr. Ewing to rescind the Remote Participation Policy as presented. The motion carried unanimously.

Clerk Shaw stated that no comments were received for the Public Comment period.

Mayor Hooks gave an overview of the Consent Agenda:

- a. Approval of Minutes – May 4, 2020 – Virtual Regular Meeting
- b. Final Plat- The Meadows, Phase 2B
- c. Final Plat- The Retreat at Lake Michael, Phase 1
- d. Final Plat- Right of Way of “Development Center Drive” in NC Industrial Center (NCIC)
- e. Final Plat- Stormwater Drainage, Maintenance, & Utility Easement at AirGas Facility, NCIC Lot 22
- f. Final Plat- ROW and Easement - Bojangles
- g. Request to Appoint Ashley Ownbey as Alamance County Review Officer
- h. Budget Amendment- ONE NC Fund Grant- Louts Bakeries
- i. Utility Payment Arrangement Plan
- j. Orange County Coronavirus Relief Fund Budget Amendment

Ms. Auditori asked the Mayor speak concerning Item j. Mayor Hooks explained that Item j. was a late item added just prior to the start of the meeting. He said that staff received notice that the City would receive a proportionate share of Orange County’s allocation of Coronavirus Relief Funds passed through the State from the Federal CARES Act. Orange County received \$2,665,753 from the State, who left it up to counties to determine how they would spend or distribute the funds. Orange County decided to allocate the funds on a per capita basis, and awarded Mebane \$26,657.53. Approving the budget amendment would recognize the revenue and appropriate the funds for use in responding to the public health emergency of COVID-19.

Ms. Auditori then asked about funds from Alamance County. Mr. Cheek explained that Alamance County received approximately \$3.2 million and they allocated \$800,000.00 to Cities, as well as, all non-profits in the County to apply for with grants. He stated that Mebane submitted a grant asking for \$354,000.00. He said staff has not received word from Alamance County regarding if they plan to award Mebane with any of the funds or how much they plan to award.

**Item H.**

BE IT ORDAINED by the Council of the City of Mebane that the Budget Ordinance for the Fiscal Year Beginning July 1, 2019 as duly adopted on June 3, 2019, is hereby amended as follows:

**ARTICLE I**

<b>APPROPRIATIONS</b>	<b>Current Budget</b>	<b>Change</b>	<b>Revised Budget</b>
<b>GENERAL FUND</b>			
Economic Development	\$985,703	\$ 180,000	\$1,165,703

**ARTICLE II**

REVENUES	Current Budget	Change	Revised Budget
<b>GENERAL FUND</b>			
ONE NC Fund Grant	\$ 0	\$ 180,000	\$ 180,000

This the 1st day of June, 2020.

Mr. Bradley made a motion, seconded by Mr. Greene, to approve the consent agenda as presented. The motion carried unanimously.

Mayor Hooks introduced the Public Hearing portion of the meeting, asking Mr. Brown to explain the process. Mr. Brown said, as mentioned earlier, the Legislature passed a bill allowing a virtual meeting under the format in which tonight's meeting is taking place and part of those requirements are that all public hearings will be voted on at a continued meeting to allow for public comments to be received for 24 hours after the public hearing. So, at the conclusion of each public hearing, Council will need to vote to continue the public hearing until 6:00pm on Wednesday, June 3, 2020 at which time Council will consider any additional public comments received and then vote on the item.

A virtual Public Hearing was held on a request for approval of the 2020-21 Budget Ordinance 2021-2025 and 2021-2025 Capital Improvement Plan (CIP). Mr. Cheek presented the budget per the attached PowerPoint. Some highlights of the budget are as follows:

- Conservative budget due to Coronavirus impacts
- No property tax increase
- Continued projects
  - MACC to Holt Street Greenway (approved by Council last year)
  - Cates Farm Park (approved by Council last year)
  - Sidewalks- Jackson & S. Second Streets
- 1.6% decline in revenues due to Coronavirus crisis
  - plan to use the low-interest-rate environment and
  - obtain bank loans to fund these projects
- 2% COLA for employees with a freeze on merit pay
- Safety Items
  - Lake Michael Dam Repair
  - Foust Road widening
  - Needed Sanitation vehicles
  - Expansion/Upgrade of Water Resource Recovery Facility (WRRF)
    - Environmental regulations and population increase driven
- Necessary Utility Rate Increase Proposed- needed due to declining financial position and upgrade/improvements to the WRRF
  - 5-year graduated rate increase
    - Water- 2% a year
    - Sewer- 8% a year
  - Delay increase until January 2021
  - Year to year approval needed

Mr. Greene questioned how much revenue would be generated by the Utility rate increase. Mr. Cheek replied approximately half a million dollars a year.

Ms. Philipps said there is a lot of new construction going on in Mebane and the City is gaining capacity at the WRRF and it seems that the new construction should be bearing the costs of the expansion and added capacity. She said she thinks that current citizens along with herself can understand the need for an increase in fees for water quality regulations or for normal day to day maintenance but requested that Mr. Cheek speak about the expansion and upgrades to the WRRF and where the most of the burden will lie. Mr. Cheek said for two years now the State legislature authorized cities to charge developers for System Development Fees to pay for future

infrastructure expansions. He said those development fees are substantial and go towards capital projects. Ms. Philipps said she thinks that current citizens may feel “off put” to pay increased fees for the WRRF expansion. Mr. Cheek said citizens to not pay system development fees. All utility users however pay into the maintenance and environmental regulations of the WRRF.

Mr. Ewing questioned how the System Development Fees compare to surrounding municipalities. Mr. Rollins stated when establishing these fees, the City was not allowed to set fees according to comparison but set them based on Mebane’s needs which analyzed by an engineering study that was completed at the onset. The findings of that study were presented to Council a couple years back and the fees were set accordingly.

Mr. Cheek concluded his PowerPoint with discussion about the 5-year Capital Improvement Plan.

- Department Facility Requests 2021-2025
  - Police Station \$15.4M
  - 2 Fire Stations \$8.5M
  - Inspect/Plan Space \$1.0M
- Recommended Space & Personnel Study
  - Identify and assess current space
  - Current space, space needs, & deficits
  - Assess demographic projections
  - Determine workforce needs
  - Prioritize needs based on
    - identified space deficit
    - the greatest need
    - functionality, responsibilities, efficiency
  - Recommend 10-year plan of action
  - Estimate probable costs

Mr. Greene asked if money is in the budget for the study. Mr. Cheek replied yes, \$115,000.00.

Mr. Bradley shared his concerns with certain projects being prioritized over others. He also voiced his concerns over borrowing money during these uncertain times, stating when the budget was presented last month, he was under the impression that a conservative budget was going to be put in place. He stated he cannot support a budget where two capital items are chosen and money will be borrowed to fund them when all other projects are set aside. Mr. Cheek said he understands his concerns but every year decisions are made regarding what projects can move forward and what projects have to wait. He said staff will track sales tax numbers and if projections are off, adjustments to the budget can be made accordingly. The budget is just a plan, it can be adjusted as needed.

Mr. Ewing questioned if this budget is conservative. Mr. Cheek replied, yes, he feels it is. Mr. Ewing said this year’s March sales tax being 3% over last years exceeded expectations.

Ms. Auditori said she agrees that the City should proceed cautiously but disagrees that it should proceed with austerity, on the contrary, in times like this government should exude optimism. Also, with the understanding that the budget can change if things do not improve and with recognition of the incredible amount of usage that the parks, sidewalks and outdoor spaces have seen over the last few weeks, keeping these projects in the budget sends a strong message to the citizens. Mr. Ewing and Ms. Philipps agreed.

Ms. Philipps said last month it seemed that all Councilmembers were onboard to move forward with the two projects. She stated the projects are an investment to the City’s future. Currently, borrowing costs are low, material costs are low and people need to work.

Mr. Ewing agreed with Ms. Philipps and stated he strongly supports these projects.

Mayor Hooks stated that Council had requested for staff to take a look at increasing the System Development Fees. He requested that Mr. Cheek present the proposed increases as an addition to the budget. Mr. Cheek shared the following:

- Proposed Development Fees Increase
  - Engineering costs increasing

- Almost doubles the fees
- Increases revenues to offset fund balance
  - General Fund \$101,491
  - Utility Fund \$96,949
- Increases engineering budget \$70,000
- Within the norm of our peers

Ms. Philipps said this goes along with her earlier comments about existing citizens not paying fees involving new construction.

Mayor Hooks requested that Clerk Shaw read into the record any public comments received related to the budget. Ms. Shaw stated she would read aloud three (3) comments, followed by Mr. Rollins and Mr. Brown each reading one (1).

***Colin Cannell***  
***717 S Fifth Street***  
***Mebane, NC 27302***

*The proposed 2021 budget for Mebane is prudent and sensible, but veers too far in the direction of austerity. Important infrastructure improvements that would contribute to the city's livability are being postponed, even though the cost to do them is lower than it will be for years to come. The city should take another look at the budget and commit to financing more capital items that would generate good returns to the city's reputation, community health, and managing its record-setting growth.*

*Mebane's aversion to debt financing has served it well in the past, but the circumstances of the next few fiscal quarters are precisely the time when debt financing is the right approach. Consider:*

- 1. Interest rates are low across the board, in some cases as low as they can possibly get. This means the cost to the city to spend a debt-financed dollar now is almost identical to the cost to spend a revenue-financed dollar later. If the city agrees that the dollar should be spent eventually, the time to spend it is now.*
- 2. Inflation expectations over the next 5-10 years mean a dollar spent now buys more than a dollar spent later.*
- 3. Since financing is not secured until a project is ready to start, those dollars are not sitting inactive in the city's bank account during the interim. This frees up actual revenue to support normal operating costs.*
- 4. The city's debt level is 8% of total expenditures, nowhere near an amount that would pose any risk to its ability to service future debt and normal operating costs at the same time.*
- 5. Debt-financed infrastructure spending is known by economists to be extremely effective at helping regions recover from economic shocks, and often pays for itself within a few years.*

*Infrastructure always lags growth; infrastructure that is delayed by two years or more, due to revenue fears, will deepen the gap between the city's private economic activity and its public infrastructure, creating frustration among citizens and hesitation among entrepreneurs. The broad economic forces pushing residents and businesses to relocate to Mebane will not be stopped by the COVID pandemic. Spending cuts and postponed improvements will only put the city farther behind in coping with growth than it already is.*

*Investing in outdoor public facilities such as tennis and basketball courts, parks, streets and sidewalks, and public lighting will serve the dual purpose of being visible commitments to community well-being, as well as important low-risk gathering places if a second wave of the pandemic occurs. Investment in core infrastructure such as computers, water lines, and wastewater management represents preparedness spending now, at low cost, to avoid emergency spending later, at higher cost, if those infrastructure components cannot adapt to increased load.*

*Across the city, people are spending more time in town than ever before, and paying more attention to their surroundings. Homeowners abiding by stay-at-home orders have been looking around them and deciding that yes, now is the time to renovate that kitchen or put in the new deck. There*

*are more walkers on city sidewalks. Organized efforts are underway to support local businesses affected by closure orders.*

*Mebanites are sending a clear message: our homes, businesses, and community are worth investing in, right now. Mebane should take a cue from its residents, and seize this unique opportunity to invest in itself.*

***Rebecca Brouwer***  
***103 W Lee Street***  
***Mebane, NC 27302***

*I am twenty-year resident of Mebane, the Director of Mebane on the Move, and Chair of the Bicycle & Pedestrian Advisory Commission. I wanted to take a moment to thank the city council and leadership for its current, past, and future investments in our community.*

*Like many, during the pandemic I have been working from home. Although my four walls have become a bore, I find respite in Mebane's well-connected sidewalks & trails. I have been able to explore different parts of town while chatting on conference calls. I can run safely in the mornings to start my day. And my kids actually like taking the dog for a walk downtown. Our sidewalks are full of others doing the same – morning, noon and night. The volume of pedestrian traffic is noticeably up! Without the city's enduring vision of a walkable community, this would not be possible and could make the stay-at-home restrictions even worse.*

*Many Mebanites and I look forward to the day when we can expand these offerings to include the much-anticipated greenway. Having green, safe places to walk, run and bike will be a tremendous new addition. This will allow us to continue to attract people to our downtown business district, encourage connections with nature, and offer alternatives to those who may want to exercise and enjoy walks further away from vehicular traffic.*

*Thank you again for prioritizing Mebane's greatest attribute – its people. By contributing to their health, safety and happiness, you help make Mebane a true home for us all. Thank you and I look forward to continuing to collaborate on these initiatives through the BPAC.*

***Sherri Seagroves***  
***PO Box 1685***  
***Mebane, NC 27302***

*Thank you, council men and women and Mayor Hooks, for your consideration of developing a greenway in Mebane. Please also consider repairing the MOTM urban trail that was removed due to the extension on Third Street. I fully support both initiatives.*

***Andy Lynch***  
***1021 Cooks Mill Road***  
***Mebane, NC 27302***

*I am writing to express my thanks and support for your continued investment in our City's quality of life by prioritizing Mebane's quality of place. It takes vision and determination to sustain focus on improving our outdoor spaces, especially when it can be difficult to assess the return on initiatives such as improved signage, public art, bike lanes, and even parks and walking tracks.*

*But in a time when most Mebanites have been closer to home, I hope you've been encouraged to see so many people enjoying the public spaces you've invested in over a period of years.*

*I recognize that budgets will be tight in the months ahead, and you'll have difficult decisions to make regarding what does and doesn't get funded. But as both a long-time Mebane resident and a member of the Bicycle and Pedestrian Advisory Committee, I encourage you to continue investing in the quality of place that makes Mebane such a great place for newcomers, lifers, and guests.*

*In particular, I believe the Greenway will be a remarkable addition to the Mebane experience. Thank you for keeping this initiative moving forward.*

*As the old adage says, "We sit under the shade of trees we did not plant." That's the work you're doing even now, in the midst of uncertainty and hesitation. On behalf of so many, thank you for your leadership.*

*Sylvia Sichi  
39 London Lane  
Mebane, NC 27302*

*I hope this message finds you well! If you're like me, you have been spending a lot of time outdoors over the past months. I've certainly enjoyed the walking trail at the new downtown park and the new sidewalks that make walking safer, to where we don't have to play 'chicken' anymore ;) – thank you! I've also walked the sidewalk along 5<sup>th</sup> street/Airport, and must say that I got quite worried when I saw how close the new buildings will be to the sidewalk and the adjacent house on the corner of 5<sup>th</sup>/Airport, and worry about how the new development will look in relation to the surrounding houses. We all know Mebane is growing at the speed of ...well, fast I feel that with every new build decision you make, you hold in your hands the power to aid or harm Mebane Citizen's wellbeing for now and years to come. I recently watched the movie "Happy" (highly recommend it). In the movie, Doshko Kinley Dorji, an official with the government of Bhutan, explains that "in the pursuit of economic development, people from other countries have lost their culture, environment and social systems, and humanity was having problems". In light of this, they made a choice to not follow on that path, but instead of pursuing 'GDP', are seeking 'gross national happiness'. He notes that happiness must be sought by the individual, but it is the government's responsibility to create an environment that allows for this. Their government built in certain safeguards, for example, they have to keep a certain amount of forest, which will in turn prevent development which would cause unhappiness. He states that the ultimate goal of society is to produce long and happy lives for citizens, and I tend to agree with that. I understand that in our city, business is necessary to bring in tax money to build sidewalks and additional parks for people to get together. I also realize that our lifestyle standards here vary widely from theirs. That said, I believe the core message is true, that at the end of the day, government should make decisions that are best for people, not best for the bottom line. We moved to Mebane because we fell in love with it when we first saw it 25 years ago. Since then, it certainly has grown, and I've come to accept that it will continue to grow for the unforeseeable future. One concern I have is that it will lose its' appeal and charm if it does not grow smartly (too fast, with too tall/large buildings, certainly with overcrowded schools, and losing many green spaces). There is a word in German, "verbaut", which has two meanings: 1. literally 'built wrong/incorrect' and 2. 'botched' – as in 'made the wrong decision I'll now have to live with'. When it comes to new building developments in my hometown, that concern comes up in my mind quite a bit, because there are no take-backs; once that huge three-story eyesore is up, there is no taking it back. Looking at the ginormous apartments, especially from the interstate, does not evoke a sense of happiness, quite the opposite, and I'm wondering what the traveler who is just passing through thinks when he sees that sight, after having just passed the "welcome to positively charming Mebane" sign. We only have a couple of miles of highway Mebane is built around, and I hate that this is part of the view – it's like false advertising. Again, I am accepting that we have to have huge buildings, but certainly would prefer them to be 'tucked away' behind a line of trees (which I'm sure is opposed to the developer's preference). I love where Lidl and Walmart warehouses and other businesses are tucked away - convenient to the highway, yet I had no idea they existed for the longest time. I'm sorry, but I have become quite protective over 'my charming Mebane' and hope that you share that view.*

*All that said, budget decisions you have to make this year will probably be even more difficult due to recent world events that have wreaked havoc on our economy. I would like to thank you all for the positives you have implemented in Mebane already, and for your commitment to further go down this path by constructing the greatly anticipated greenway as well as other recreational opportunities that are instrumental in allowing citizens to get healthier and achieve improved overall wellbeing, even -or especially- in light of recent challenges.*

*I am glad that Mebane has chosen the motto 'positively charming'. I hope that your future decisions for Mebane will keep in line with keeping Mebane charming, which certainly is possible if Mebane grows smartly.*

*Thank you for your time & Have a good evening!*

Mr. Ewing made a motion, seconded by Ms. Auditori, to continue the public hearing until June 3, 2020 at 6:00pm. Ms. Philipps stated that in addition to the public comments received tonight, there were five (5) additional emails in favor of the greenway which were submitted and

forwarded to Council and staff prior to the public comment period of being read into the record. The motion carried unanimously.

A virtual Quasi-judicial Board of Adjustment Public Hearing was held on a request from Bowman Road Partners, LLC, c/o James Parker, Jr., for a variance to reduce the front setbacks from 25' to 20' on six (6) lots in The Meadows development at Lots 106, 107, 108, 109, 112, & 113 (addresses 654, 656, 658, 660, 667, and 669 Southwick Place).

Board of Adjustment member Rick Smith joined the public hearing remotely via phone conference. James Parker, Owner/Developer with Bowman Road Partners, also joined the meeting remotely via Zoom conference call.

Mr. Stober and Mr. Parker both identified by the Clerk were affirmed and sworn-in by oath.

Mr. Stober gave a brief overview of the request. He stated the six (6) lots under consideration are located on Southwick Place and are zoned R-12 and locate in Orange County. The Mebane Unified Development Ordinance (UDO) requires that R-12 lots have a 30' front yard setback. In 2016, Council approved a special use permit with a waiver to allow a front setback of 25' for all residential lots. The intention of staff in recommending a 25' front setback to developers during the TRC review of site plans is to prevent cars parked in a private driveway from obstructing the sidewalk.

Mr. Parker said approval of the variance request would allow the building pads to be shifted closer to the street, allowing the homebuilders to avoid filling the back area of the lot to flatten the grade or utilize a home model featuring a crawlspace or basement. He stated the builder failed to confirm that the type of houses he wanted to build would fit on these lots. Additionally, Bowman Partners erred by not making the builder aware that the slopes on these lots encroach on the building setbacks. The slopes reduced the buildable area on these particular lots. He said they trying to provide two forms of relief for this builder. One being the front setback being reduced from what is 20-foot from the front of the house but 25-foot to the front of the garage. In this case the front of the garage is what sticks out on the front of the homes, so they are asking to be allowed to put the front of the garage at 20-foot. The second option of relief is the building of retaining walls in the back to allow for a little bit of a backyard.

Mr. Greene asked how deep the lots are. Mr. Parker said approximately 120-130 foot but slopes encroach on the back part of the lots.

Mr. Bradley asked Mr. Parker if the originally approved special use permit allowed the 30-foot setback to be reduced to 25 feet. Mr. Parker stated he did not recall. Mr. Stober confirmed that Mr. Bradley was correct.

Ms. Auditori said she typically does not mind a smaller front setback but she is not a fan of it in order to accommodate a garage that sticks out of the front of the house, for two reasons, one it is unattractive and two, one of the reasons for a setback is to accommodate a car sitting in front of a garage as to not obstruct a sidewalk. She feels the problem could be mitigated with a different house plan.

Mr. Bradley questioned if the houses have started being built. Mr. Stober replied that staff has received zoning and building permits but they are being held in Planning pending the matter being resolved.

Ms. Philipps questioned why they can't have a walkout basement or crawlspace and leave the setback where it is. Mr. Parker said that is a good question but is not what the builders want to do. Ms. Philipps said she has concerns with a 20-foot setback and asked how long the average car is now. Mr. Parker said it would give you 20-23 feet to edge of the sidewalk. Mr. Rollins stated the City require 9-feet by 19-feet for parking spaces. Ms. Philipps said, then theoretically a car would not block the sidewalk if parked close to the garage. Mr. Parker replied no, not one car.

No public comments were received prior to the public hearing.

Mr. Greene made a motion, seconded by Mr. Ewing, to continue the public hearing until June 3, 2020 at 6:00pm. The motion carried unanimously. Mr. Parker and Mr. Smith left the meeting.

A virtual Public Hearing was held on a request from Aubrey and Celine Meador for adoption of an Ordinance to Extend the Corporate Limits as the next step in the annexation process. This is a



contiguous annexation containing approximately 7.85 acres located at 7920 E. Washington Street in Orange County. Mr. Brown presented the request. No public comments were received prior to the public hearing. Ms. Philipps made a motion, seconded by Mr. Greene, to continue the public hearing until June 3, 2020 at 6:00pm. The motion carried unanimously.

A virtual Public Hearing was held on a request from Mebane Oaks Associates for adoption of an Ordinance to Extend the Corporate Limits as the next step in the annexation process. This is a contiguous annexation containing approximately 1.78 acres located on Mebane Oaks Road in Alamance County. Mr. Brown presented the request. He stated that the applicant only wants to move forward with the annexation if the rezoning for the same property is approved. Therefore, Mr. Brown requested that Council vote on the rezoning first, then the annexation at the continued public hearings on June 3, 2020. No public comments were received prior to the public hearing. Ms. Auditori made a motion, seconded by Ms. Philipps, to continue the public hearing until June 3, 2020 at 6:00pm. The motion carried unanimously.

Due to a death in the family, the applicant of following item requested a continuance until the July 6, 2020 meeting.

- d. Rezoning- 5 Parcels Located at and Adjacent to 1218 and 1228 S. Fifth Street from R-20 (Single Family Residential) to B-2 (General Business) from Dogwood Properties Development Corporation

Mr. Greene made a motion, seconded by Ms. Philipps, to continue the public hearing until July 6, 2020. The motion carried unanimously.

A virtual Public Hearing was held on a request from Hendon Properties, LLC, for approval to conditionally rezone +/-1.16 acres of +/-7.57 acres located on Mebane Oaks Road adjacent to Chick-Fil-A within the Extra-Territorial Jurisdiction (ETJ) from a split-zone R-20 (Single Family Residential) and CU-B-2 (Conditional Use – General Business) to B-2(CD) (General Business, Conditional Zoning District). Mr. Stober presented the request. The developer proposes to develop the property for two detached commercial buildings that will be primarily served by traffic on Wilson Road Extension. The developer will be required to make all of the improvements at his own expense, specifically the extension of Wilson Road as part of the Mebane Oaks Road Transportation Plan adopted in 2007. Exceptions are those noted on the site plan as being a NCDOT responsibility for the transportation improvement project I-5711 to widen Mebane Oaks Road. The two commercial buildings would house three different establishments. The applicant is also requesting to limit the uses to 34 of the B-2 permitted uses, as listed in the Council packets. He said there is a waiver request to reduce the front setback to from 40 feet to 30 feet. The lot size is less than one acre which allows for the small lot exemption for landscaping buffers.

Mr. Greene asked if the entrance would be behind Chick-fil-a. Mr. Stober replied yes, the developer would extend Wilson Road to the southern border of the property. Mr. Greene said he has received comments regarding the entrance/exit area into Chick-fil-a as no left turns off of Mebane Oaks Road are allowed but folks are still doing it. Mr. Stober said the plan shows the primary driveway to be off of Wilson Road but he understands the concern. This project's parking lot would be accessible from Chick-fil-a's parking lot. Mr. Rollins said with NCDOT's widening of Mebane Oaks Road, the median will be extended which will halt any left hand turns into those properties.

Mark Tiller, Hendon Properties, LLC Development Partner, joined the public hearing remotely via phone conference. There were no questions or comments for Mr. Tiller.

No public comments were received prior to the public hearing. Ms. Philipps made a motion, seconded by Mr. Greene, to continue the public hearing until June 3, 2020 at 6:00pm. The motion carried unanimously. Mr. Tiller left the meeting.

Mr. Stober requested that Council approve combining the next two (2) public hearings listed below for presentation purposes. Mr. Greene made a motion, seconded by Mr. Ewing, to approve combining both public hearings. The motion carried unanimously.

- f. Rezoning- +/-4.90 Acres Located at 101 & 103 South Fifth Street from M-1 (Heavy Manufacturing) & B-3 (Neighborhood Business) to B-2 (CD) (General Business Conditional Zoning District)

from Buffalo Brothers Investments, LLC

- g. Special Use Permit to Allow a Planned Multiple Occupancy Group at 101 & 103 South Fifth Street from Buffalo Brothers Investments, LLC

Mayor Hooks called for a five-minute break to allow staff to handle technical difficulties. Subsequently, Mayor Hooks called the meeting back to order.

Michael Stewart, P.E. with Stewart-Proctor, PLLC, Engineering and Surveying joined the meeting remotely via Zoom conference call.

Mr. Stober and Mr. Stewart both identified by the Clerk were affirmed and sworn-in by oath.

Mr. Stober presented the requests. He stated that Buffalo Brothers Investments, LLC, is requesting approval a Conditional Rezoning B-2(CD) and a Special Use Permit to allow for a Planned Multiple Occupancy Group. Both properties totaling +/-4.90 acres at 101 & 103 South Fifth Street are owned by Buffalo Brothers, Investments, LLC. The current zoning is M-1 and B-3). The parcels function as a single lot, sharing parking and access. The Special Use Permit will bring the property into conformance with the Mebane UDO for multiple tenants on properties with less than 15,000 square feet of businesses use and allow new tenants that will generate significantly higher volumes of onsite traffic. The rezoning of the property will bring it into conformity for existing uses and place the onsite sanitary sewer lift station within a municipal maintenance and landscaping easement. The applicant is requesting that the existing conditions on the properties be permitted to persist as a blanket condition of the zoning district. Mr. Stober explained that at the May 11, 2020, Planning Board meeting, the proposed uses for the conditional zoning district were discussed with the applicant. Responding to the concerns of the Planning Board, the applicant volunteered to restrict the following uses in addition to those submitted with their initial rezoning application: Bicycle and Motorcycle Sales, Boat Sales, Orphanage, and Taxi Terminal. The Planning staff has reviewed both requests for harmony with the surrounding area and consistency with the City's adopted plans and recommends approval.

Mr. Stewart spoke on behalf of Buffalo Brothers. He said Mr. Stober presented the requests well. He said the property is an existing bowling alley that has been there for decades and the applicant is trying to bring that use in to compliance with the current zoning. He said some of the space that was originally intended for a grocery store, is space that is now being asked to be used by a tenant that would require the Special Use Permit. The rezoning of the property will bring it into conformity for existing uses and place the onsite sanitary sewer lift station within a municipal maintenance and landscaping easement. He said the applicant listed several exemptions that they felt were appropriate for the area and the Planning Board requested that Motorcycle and Boat Sales and Repair, Taxi Terminal and Orphanage be added to that list of exemptions.

Mayor Hooks said it was his understanding that the space would be used for a church. Mr. Stewart replied that is correct.

No public comments were received prior to the public hearing. Ms. Philipps made a motion, seconded by Mr. Greene, to continue the public hearing until June 3, 2020 at 6:00pm. The motion carried unanimously. Mr. Steward left the meeting.

Mr. Stober requested that Council approve combining the next two (2) public hearings listed below for presentation purposes. Mr. Ewing made a motion, seconded by Ms. Philipps, to approve combining both public hearings. The motion carried unanimously.

- h. Rezoning- +/-92.8 Acres Immediately North & South of 2125 Senator Ralph Scott Parkway From B-2 (General Business) to M-2 (Light Manufacturing) from Samet Corporation
- i. Rezoning +/-6.6 Acres North of 2125 Senator Ralph Scott Parkway from MHP (Mobile Home Park) to M-2 (Light Manufacturing) from the Cities of Mebane and Graham

Mr. Stober presented the two (2) rezoning requests, the first from Samet Corporation rezoning 92.8 acres from the current B-2 to M-2 and the second from the City of Mebane and the City of Graham to rezone 6.6 acres from MHP to M-2. Both of these properties are in the North Carolina

Commerce Park (NCCP) and are adjacent to one another, located immediately to the west of Prescient. The rezoning of these properties is consistent with the designated purpose and use of the NCCP, which is jointly served and zoned by the Cities of Mebane and Graham. There is no proposed use for properties at this time.

Brain Hall, Director of Development with Samet Corporation, joined the meeting remotely via Zoom conference call.

Mr. Hall gave a brief summary regarding Samet and Mebane's partnership over the years, along with a few comments about the work being put in to complete the industrial parks which starts with rezoning the property way before the customers even show up.

Ms. Auditori asked what the future holds for the close by mobile home park. Mr. Hall said it is privately owned and for now it will stay a mobile home park.

No public comments were received prior to the public hearing. Ms. Auditori made a motion, seconded by Mr. Bradley, to continue the public hearing until June 3, 2020 at 6:00pm. The motion carried unanimously. Mr. Hall left the meeting.

A Public Hearing was held on a request from staff for approval of a text amendment to the City of Mebane Unified Development Article 4 ("Use Regulations, Density, and Dimensional Standards, Development Standards for Individual Uses"), Section 1 ("Permitted Uses"), Table 4-1-1 ("Table of Permitted Uses"); and Section 7.13 ("Development Standards for Temporary Uses") to allow Outdoor Fruit and Vegetable Stand, Seasonal, as a permitted use with development standard for the B-1 Central Business District. Mr. Stober explained that currently, this temporary use is permitted only in R-20A, B-2, and B-3 zoning districts. The adopted *Mebane Vision Plan* calls for allowing greater access to local foods and even recommends a Farmers' Market downtown. However, the majority of properties in the City's downtown historic district are B-1 zoning districts. There are very few B-1 zoning districts elsewhere in the City, making the impacts of this amendment to the UDO localized. The proposed amendment will allow this use downtown, provided the development standards that already apply to the other zoning districts are required. While on-site parking may be less possible downtown, there is more availability for on-street parking that is not readily available elsewhere in the City.

No public comments were received prior to the public hearing. Mr. Greene made a motion, seconded by Mr. Ewing, to continue the public hearing until June 3, 2020 at 6:00pm. The motion carried unanimously.

Mr. Brown presented an item for discussion. He stated that David Moody, 4157 Old Hillsborough Road, petitioned the City for satellite annexation before requesting a water tap after his well went dry. Staff advised him to not submit an annexation plat until after this meeting to determine if the Council would like to move forward with annexation. City policy requires property owners to request annexation when requesting water or sewer service for the Council decision on annexation. Mr. Moody's property is adjacent to a City water line and the property is now connected to City water service. As you can see on the site plan the property cannot be served by City sewer service. Sewer service would require a main line extension which is not financially feasible at this time. If the property is annexed and then in the future the property if the owner requested sewer service the City would be responsible for the cost of the sewer line extension. Therefore, staff would recommend the City Council not annex the property and the owner will pay double outside water rates. In the future it can still be annexed when sewer service is available.

There was considerable discussion in regard to the policy that requires residents outside of the City limits to request annexation in order have city water and sewer service.

Ms. Philipps made a motion, seconded by Mr. Ewing, to not annex the property at this time. The motion carried unanimously.

Mayor Hooks recessed the meeting until June 3, 2020 at 6:00pm.

Attest: \_\_\_\_\_  
Stephanie W. Shaw, City Clerk

\_\_\_\_\_  
Ed Hooks, Mayor

# PUBLIC HEARING – 2021 BUDGET

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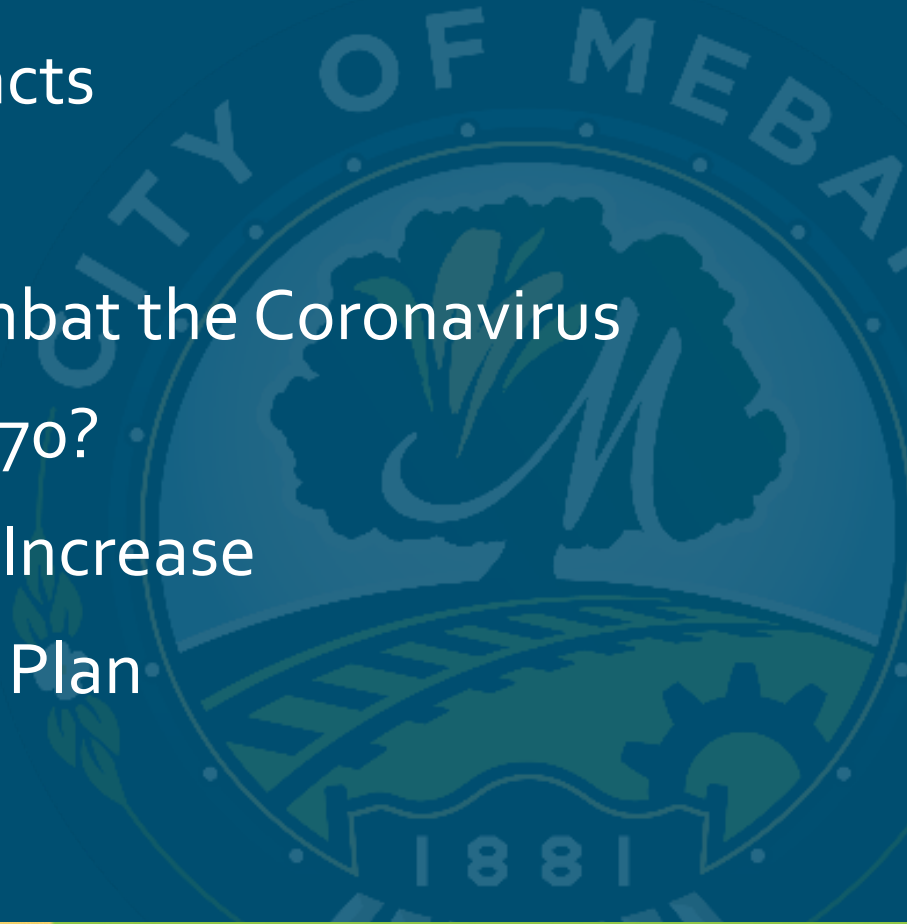
*Staying Positively Charming – A Coronavirus Challenge*



# Agenda



- One More Time... We're Growing!
- Financial Impact on Residents
- 2021 Budget Quick Facts
- The Stress of Growth
- C-5 Budgeting to Combat the Coronavirus
- Why Borrow \$1,939,070?
- Necessary Utility Fee Increase
- Capital Improvement Plan

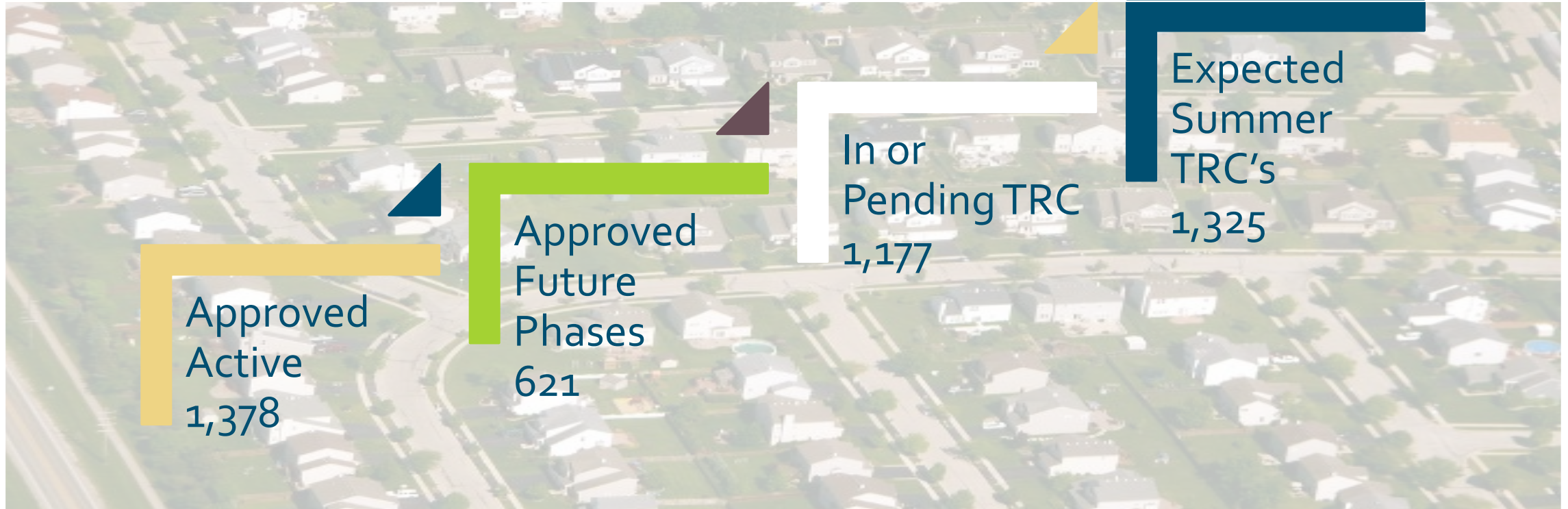




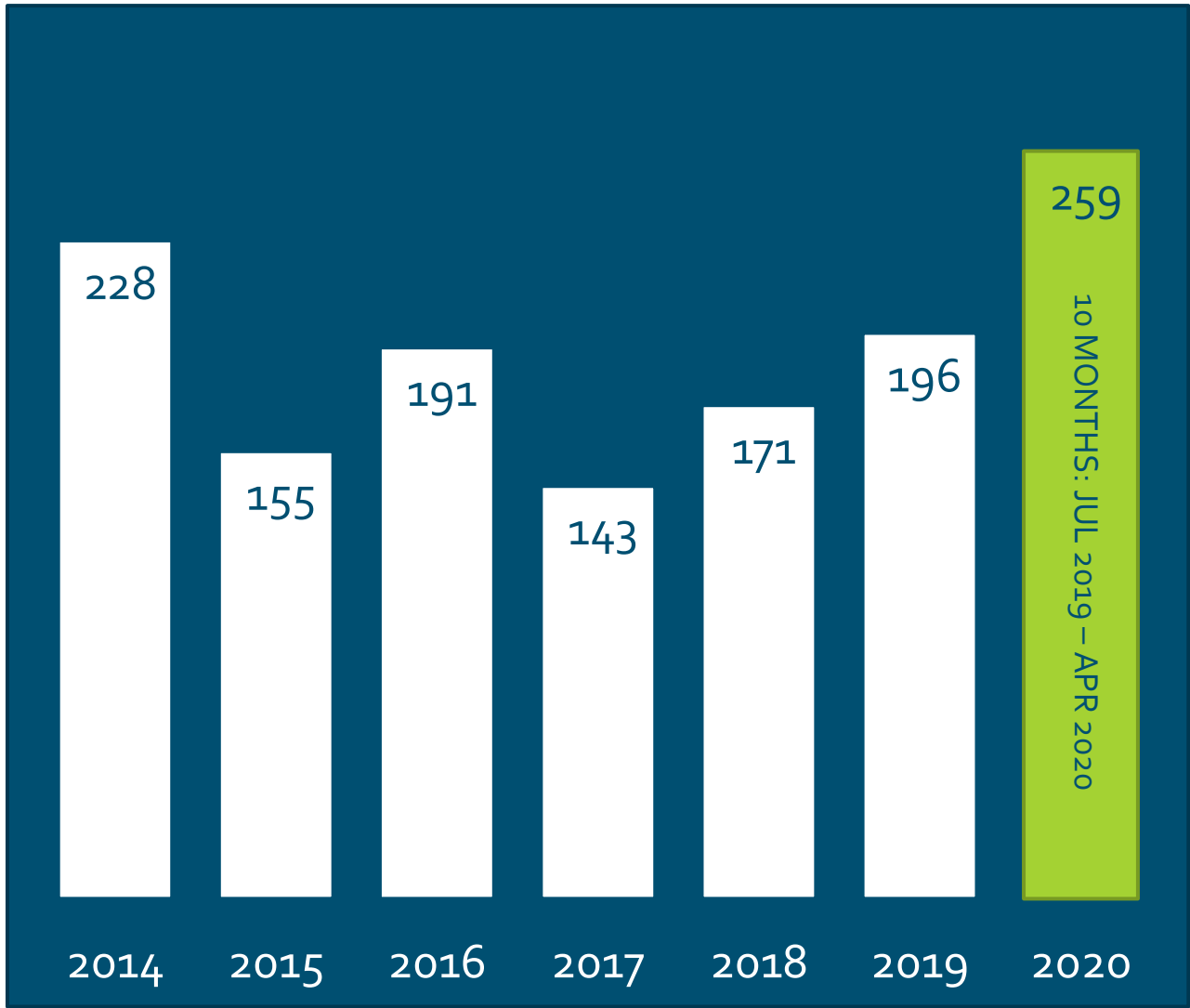
 *Mebane*

**ONE MORE TIME –  
WE’RE GROWING**

Staying Positively Charming,  
A Coronavirus Challenge



Residential Growth Increasing  
**4,501** Lots/Units



# Building Permits Issued



Economic  
Development  
2,000,000 SF

Wilson St.  
Extension

S. Mebane  
Elementary

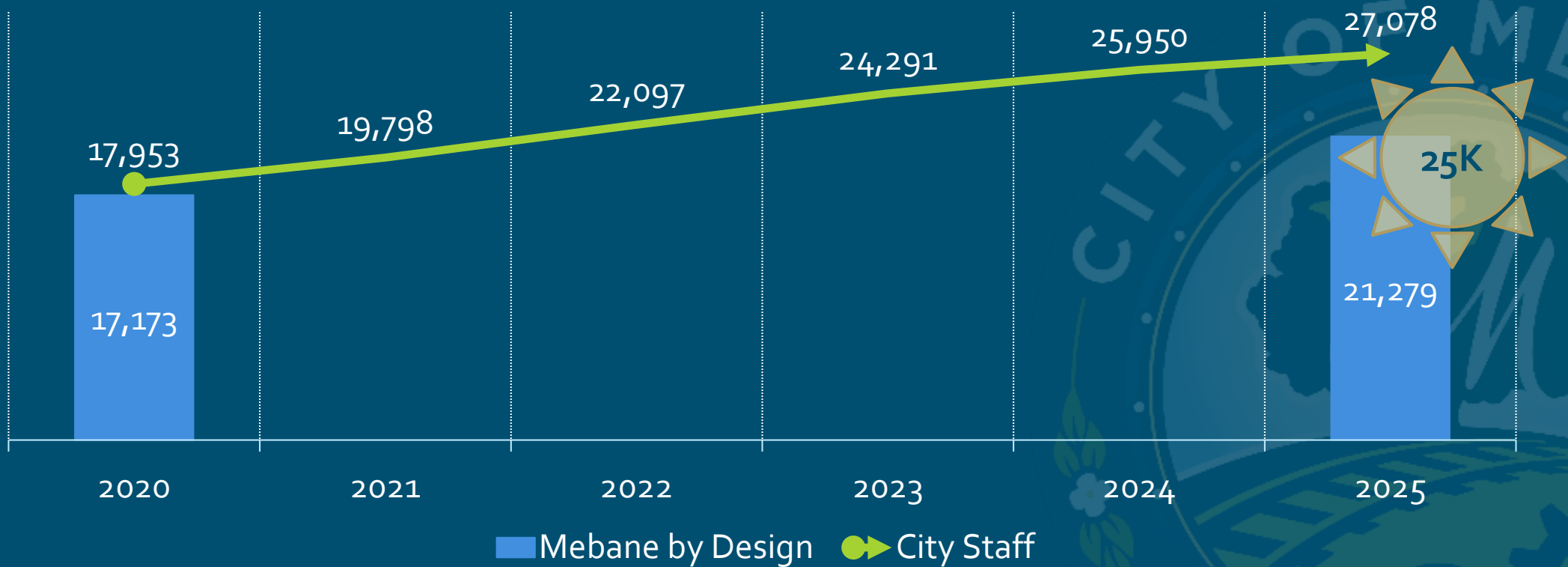
Bojangles

Summit  
Church

Bradford  
Academy

Economic Development Not Slowing

# Population Growth Will Continue



# 2021 Budget Quick Facts

## General Fund

- Total Budget Up 5.6% – \$22,365,300
- Tax Rate Same – 47 Cents
- Tax Base Up 3% – \$2,237,062,961
- Collection Rate Down 1% – 98%

## Utility Fund

- Total Budget Down 6.2% – \$8,751,000
- Water Rate Up 5% – \$6.23
- Sewer Rate Up 5% – \$7.08
- Collection Rate Down

Department  
head requests -  
\$23.4 million

18 new  
positions, 5  
reclassifications

Significant  
capital outlay  
requests

Requires 4.6-  
cent tax rate to  
51.6 cents

## Department Budget Requests: The Stress of Growth

# Financial Impacts on Residents



NO PROPERTY  
TAX INCREASE



5-YEAR UTILITY RATE  
INCREASE STARTING  
JANUARY 2021

# C-5 Budgeting – Combating the Coronavirus



## Conservative Budget

- Revenues and spending conservative to allow for change later depending on status of crisis.



## Continue Projects

- Projects and initiatives begun will continue to move forward.



## Care for Employees

- No new positions; however, provide COLA due to hazardous conditions, low staffing levels.



## Citizens in Mind

- No property tax increase; needed utility rate increase postponed to Jan 2021, keeping in mind impacts of pandemic on community.



## Concern for Safety

- Projects that address safety issues will be preferred over other projects.

# Conservative Budget



1.6% DECREASE  
REVENUES



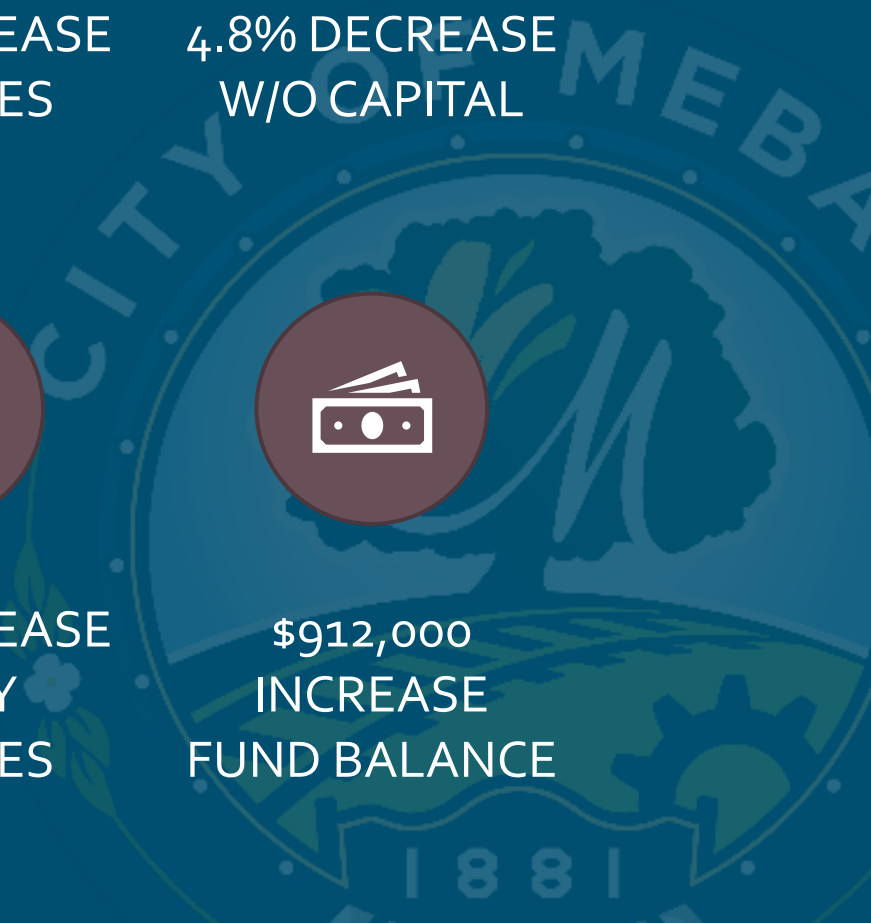
4.8% DECREASE  
W/O CAPITAL



2.3% DECREASE  
UTILITY  
REVENUES



\$912,000  
INCREASE  
FUND BALANCE



# Continue Projects



Greenway – ready for easements; bid by September

Cates Farm ready to bid

Both projects approved by council last year



# Care for Employees

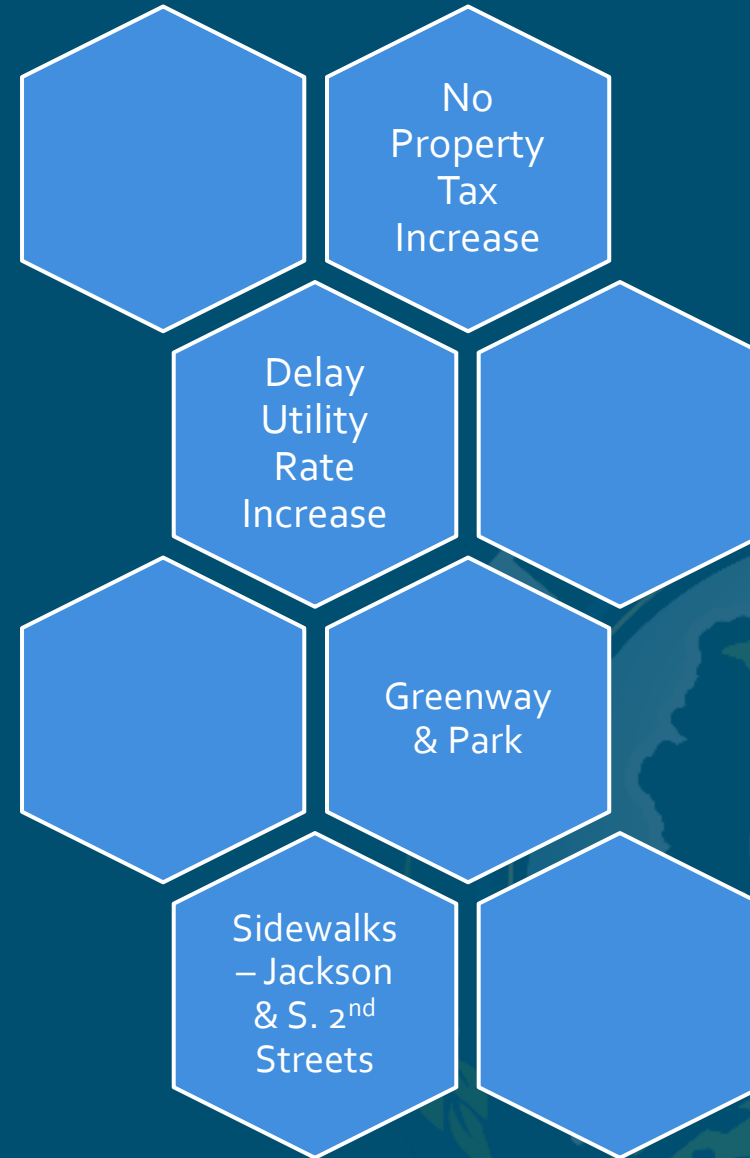


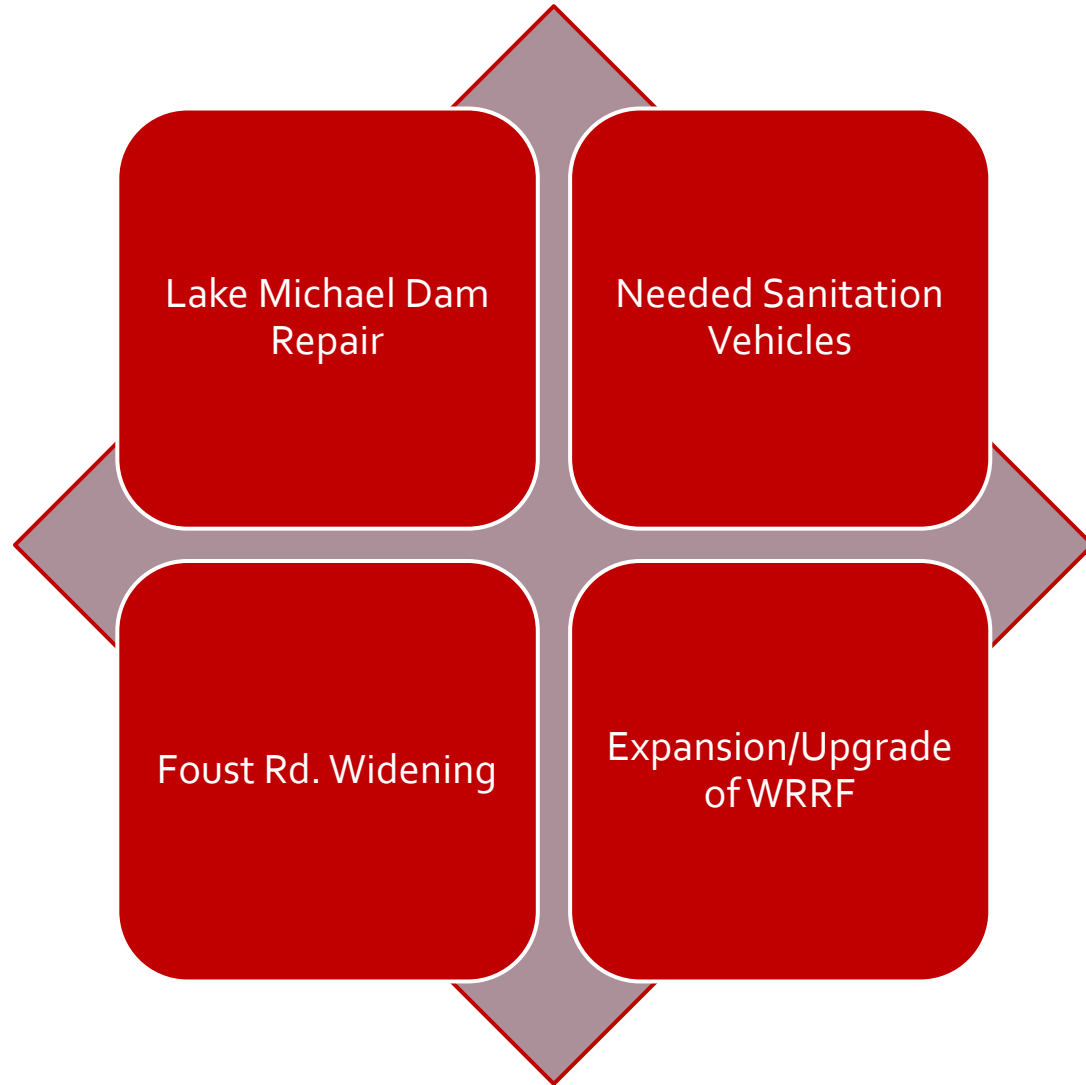
2% COLA

Freeze merit pay

Slight change in health  
benefits

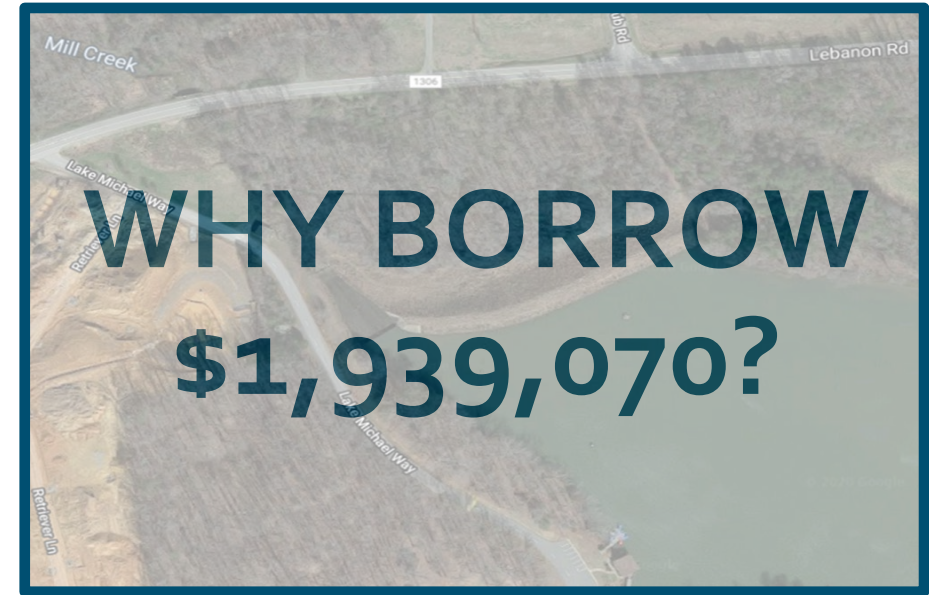
# Citizens in Mind





# Concern for Safety





## 3 Reasons

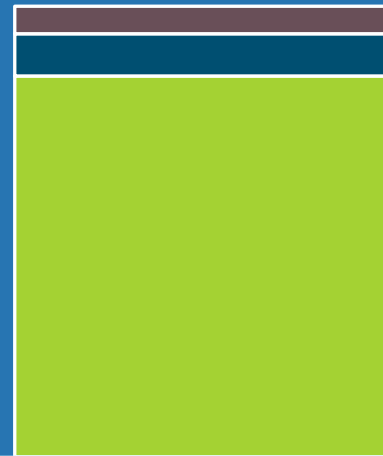
New payments only \$272,000

Current rates very favorable (~2%)

Next slide...

# Debt payments shrinking \$118,806 even with the new debt

COMPARISON  
2020 BUDGETED  
TO  
2021 PROJECTED



	2020 Budget	2021 Projected
Public Works Trucks	\$110,244	\$102,340
Lake Michael Dam & Cates Farm	\$0	\$97,240
MACC to Holt St. Greenway	\$170,684	\$72,100
All Other Debt	\$1,537,541	\$1,427,983

# Necessary Utility Fee Increase Proposed

History	
2018	<ul style="list-style-type: none"> <li>• Utility Rate Analysis</li> <li>• 5-year graduated rate increase</li> </ul>
2019	<ul style="list-style-type: none"> <li>• 5% rate increase</li> </ul>
2020	<ul style="list-style-type: none"> <li>• No rate increase</li> </ul>
2021-2025	<ul style="list-style-type: none"> <li>• Begin 5-Year Rate Increase</li> </ul>

Current Rate Proposed Rate		
In-City Use	Water	Sewer
Effective Jan 2021	\$6.11 \$6.23	\$6.56 \$7.08

# Needed 5- Year Rate Increase

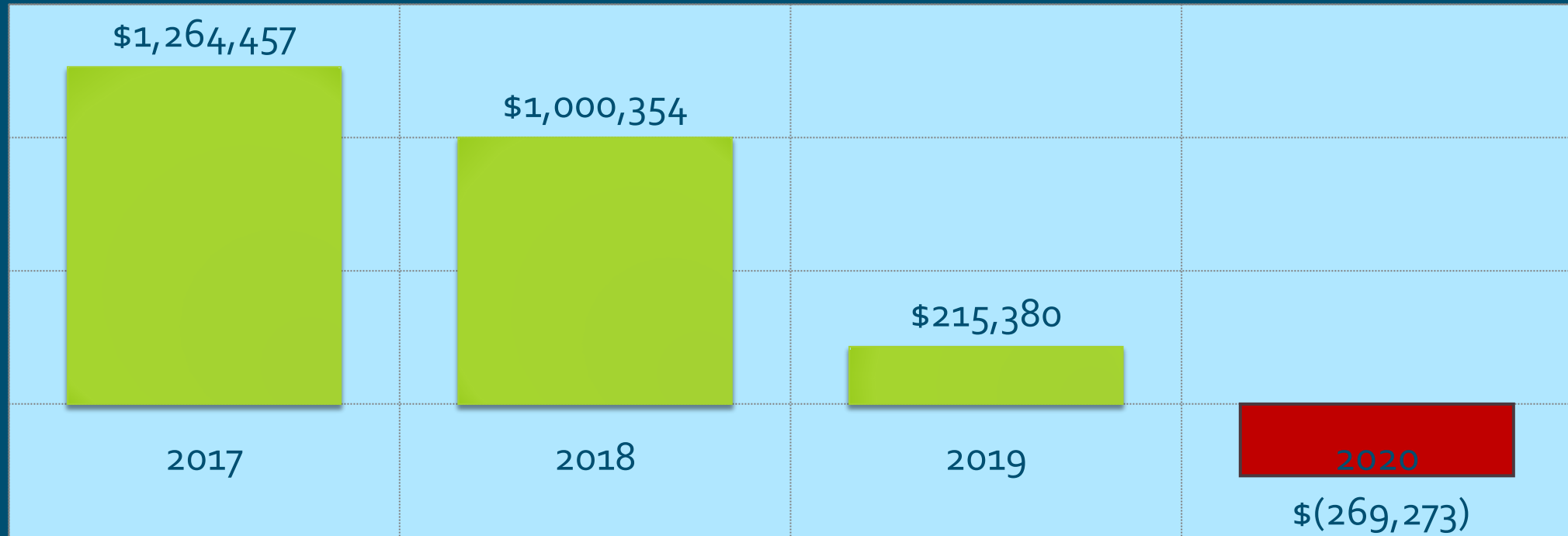
In-City Use	Water (2%/year)	Sewer (8%/year)
2021	\$6.23	\$7.08
2022	\$6.36	\$7.65
2023	\$6.48	\$8.26
2024	\$6.61	\$8.92
2025	\$6.75	\$9.64



# Why the Fee Increase?

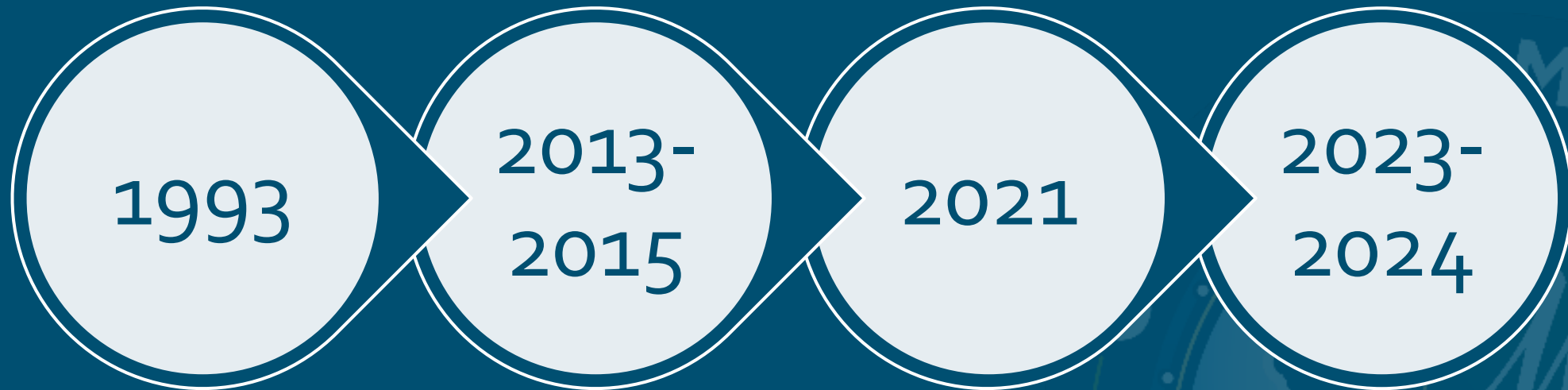
## Declining Financial Position

### Revenues Over Expenses



# Why the Fee Increase?

## Water Resource Recovery Facility



- WRRF last upgraded
- 2.5MGD

- Phase 2
- \$2,257,000

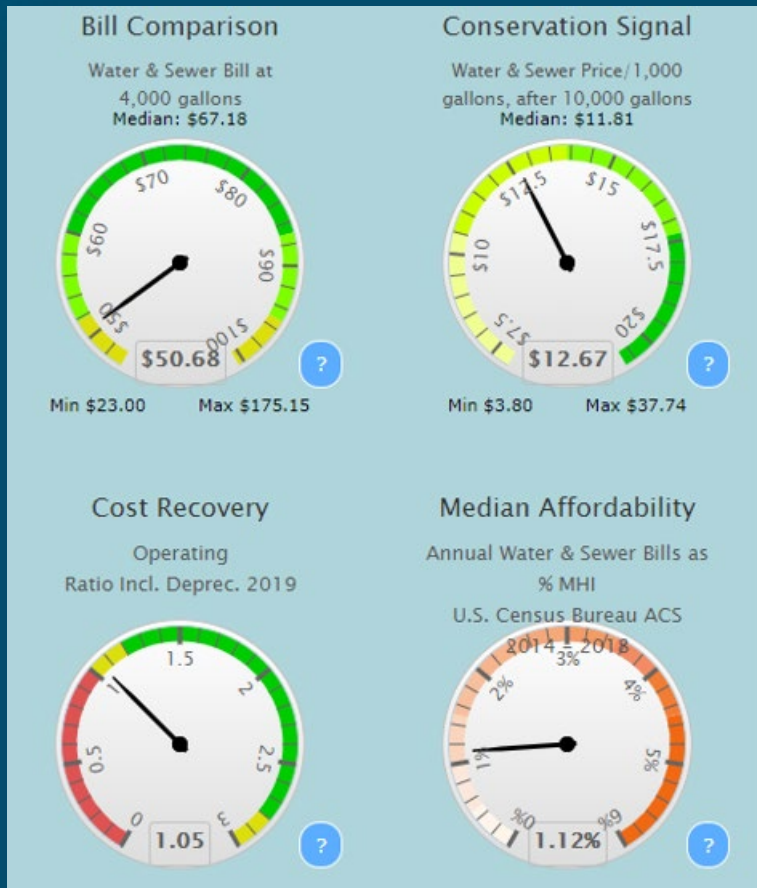
- Phases 1 & 3
- \$6,200,000
- Increase to 3MGD

- Future upgrade
- > \$6,100,000
- Add 1.6MGD

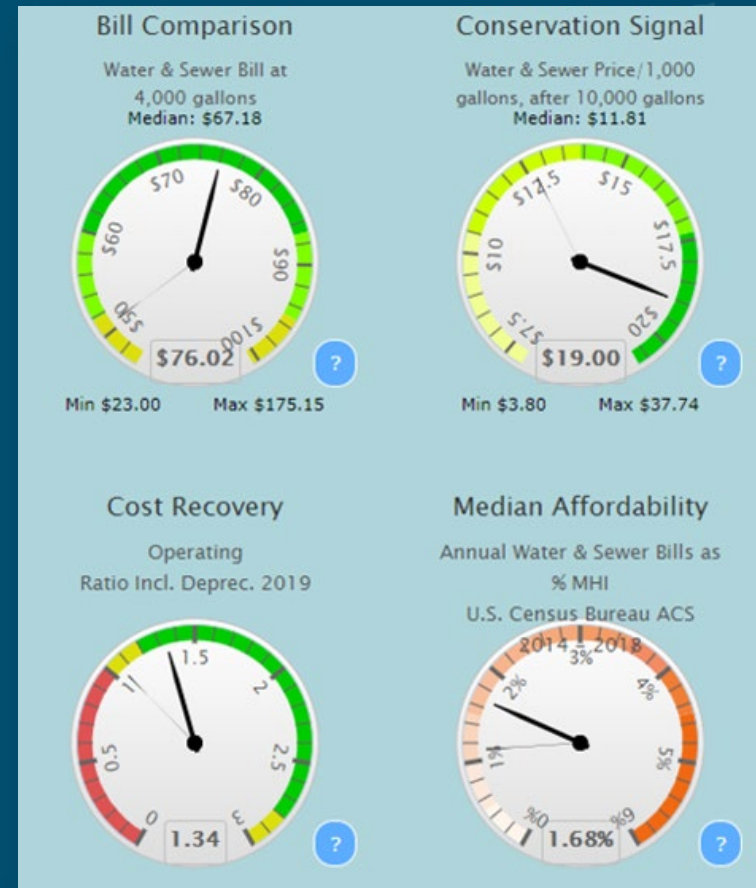
# NC Water and Wastewater Rates Dashboard

Rates as of January 1, 2020  
Last updated: March 4, 2020

## Current Rates



## Projected Rates - 2025





# **CAPITAL IMPROVEMENT PLAN**

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# Capital Improvement Plan - 2021

Department Requests

\$19.6M

Manager Recommend

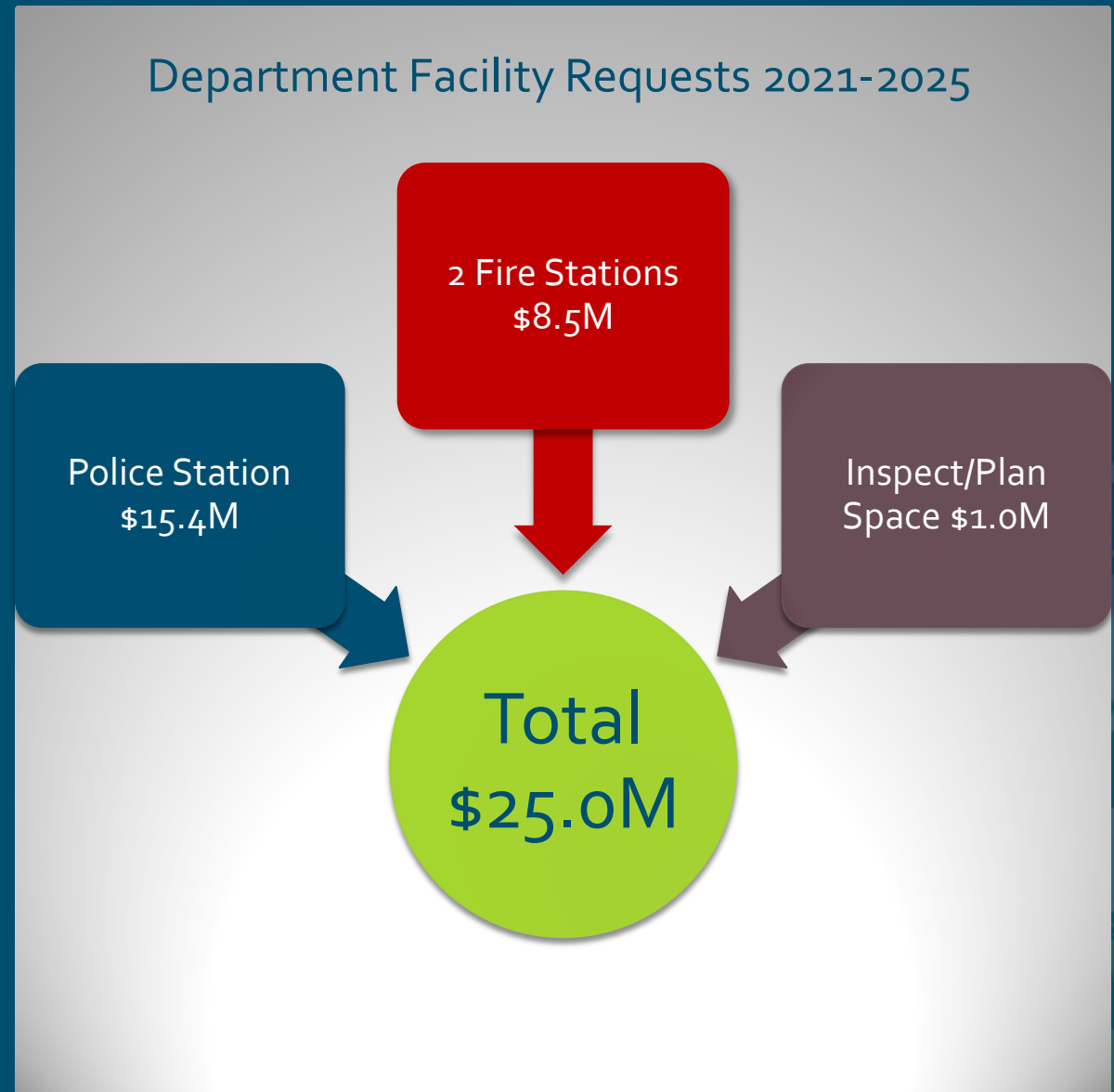
\$2.3M

2021 Projects

Jackson & S. 2nd SW Improve.  
Street Resurfacing  
Foust Road Widening  
Swaploader/ Leaf Truck  
Brush Truck  
Lake Michael Dam Repairs  
Cates Farm Park  
Grass Tractor

# Space & Personnel Study

1. Identify and assess current space
2. Current space, space needs, & deficits
3. Assess demographic projections
4. Determine workforce needs
5. Prioritize needs based on
  - a. identified space deficit
  - b. the greatest need
  - c. functionality, responsibilities, efficiency
6. Recommend 10-year plan of action
7. Estimate probable costs





# QUESTIONS

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**VOTE**  
**JUNE 3,**  
**2020,**  
**6:00 PM**



Fee Schedule

Effective July 1, 2020

Schedule Subject to Change Upon Approval by City Council

Development Fees

Engineering Construction Plan Review and Inspection Fees

Public/Private Streets & Alleys		Public/Private Storm Sewer Lines	
Review/Inspection/Certifying acceptance of street - per lineal-centerline foot of street	\$2 \$3	Review/Inspect/Certify per centerline foot in public right of way/easement <del>Inspecting backfill, trench compaction per lf of sewer line</del>	<del>\$1</del> \$2
Driveway inspection within the street right-of-way per driveway	<del>\$50</del> \$100	Review/Inspection per centerline foot in private drainage easement (residential)	\$1
Sidewalks			
Sidewalk Inspection/Certifying in street right of way (when installed with driveway)	\$100	Review/Inspection/Certifying of public sidewalk/multi-usepath/in street right of way or easement per centerline foot	\$1
Water and Sewer Lines Requiring Permit		Water & Sewer Services	
Review/Inspection/Permitting/Certifying per centerline foot of water acceptance of street - per lineal-centerline foot of street	<del>\$1.50</del> \$2.50	Main line tap inspection to the right of way for single family property line	<del>\$50</del> \$100 water, \$100 sewer
Review/Inspection/Permitting/Certifying per centerline foot of sewer	<del>\$1.50</del> \$2.50	Main line tap inspection to the building for multi-family/commercial/industrial	\$500 water \$500 sewer
Sewer Pump Stations requiring Permits		Stormwater Management	
Plan Review	\$5,000	Overall plan review for compliance	\$2,500
Inspection	\$5,000	Review/inspection per device	\$1,500
Driveway Pipe Installation			
		12-inch RCP	\$15 per lf
		15-inch RCP	\$18 per lf
		18-inch RCP	\$22 per lf

# Proposed Fee Increase – Development Fees

- Engineering costs increasing
- Almost doubles the fees
- Increases revenues to offset fund balance
  - General Fund \$101,491
  - Utility Fund \$96,949
- Increases engineering budget \$70,000
- Within the norm of our peers