



The Mebane City Council met for its regular monthly meeting at 6:00 p.m., Monday, May 1, 2023 in the Council Chambers of the Glendel Stephenson Municipal Building located at 106 E. Washington Street.

Councilmembers Present:

Mayor Ed Hooks
Mayor Pro-Tem Tim Bradley
Councilmember Katie Burkholder
Councilmember Sean Ewing
Councilmember Montrena Hadley
Councilmember Jonathan White

Also Present:

Chris Rollins, City Manager
Preston Mitchell, Assistant City Manager
Lawson Brown, City Attorney
Stephanie Shaw, City Clerk
Ashely Ownbey, Development Director

Mayor Hooks called the meeting to order and called for a moment of silence.

Mayor Hooks read aloud a proclamation observing May as National Historic Preservation Month.

During the Public Comment Period, Colin Cannell, 717 S. Fifth Street, Mebane, spoke regarding the Transload Facility item on the agenda for Council's consideration. He stated while he is a huge supporter of this idea, he does have some concerns. He said he would like Council to not only be thinking about the risks of failure but also the risks of success. He shared information regarding a similar, yet larger facility, that was built near Rocky Mount in 2021 which has caused traffic blocking issues in that area. He urged the Council to be cautious of the risks involved and to do whatever is necessary to ensure this facility does not become a traffic blocking issue in years to come, like the facility in Rocky Mount.

Also, during the Public Comment Period, Steve Krans, resident of 101 W. Crawford Street, Mebane, as well as, President of Destination Downtown, DMDC Vice President and downtown Mebane restaurant owner, thanked Council and City staff, specifically Recreation and Parks, for their support and collaborative efforts to make this year's Lantern Festival event at Lake Michael a huge success. He also mentioned that at a future meeting, the DMDC hopes to present, for Council's consideration, a social district plan for downtown Mebane.

Mayor Hooks gave an overview of the Consent Agenda as follows:

- a. Approval of Minutes-
 - i. March 30, 2023 Special Meeting- Budget Work Session
 - ii. April 3, 2023 Regular Meeting
- b. Annexation Petition- Hendon Tiller Mebane 3.0, LLC- Tractor Supply
- c. ARP Grant Ordinance Amendment 2
- d. Final Plat- Buckhorn Business Centre, Ph. 2
- e. Fina Plat- Stagecoach, Ph. 2
- f. Reapproval Final Plat- Tupelo Junction, Ph. 2

Mr. Ewing made a motion, seconded by Ms. Hadley, to approve the Consent Agenda as presented. The motion carried unanimously.

Item b.

**RESOLUTION FIXING DATE OF PUBLIC HEARING ON
QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31**

WHEREAS, a petition requesting annexation of the area described herein has been received;
and

WHEREAS, certification by the City Clerk as to the sufficiency of the petition has been made;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mebane, North Carolina that:

Section 1. A public hearing on the question of annexation of the area described herein will be held at the Glendel Stephenson Municipal Building at 6:00 p.m. on June 5, 2023.

Section 2. The area proposed for annexation is described as follows:

BEGINNING AT A 5/8" REBAR IN THE SOUTHEAST INTERSECTION OF THE R/W OF FOREST OAKS LANE (S.R.2210) AND WILSON ROAD;THENCE WITH THE EASTERN R/W OF WILSON ROAD S21°37'12"W A DISTANCE OF 44.99'TO A 5/8"REBAR; THENCE A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 105.66', WITH A RADIUS OF 661.50', WITH A CHORD BEARING OF S 10°04'48" E, WITH A CHORD LENGTH OF 105.55',TO A 5/8"REBAR;THENCE WITH A COMPOUND CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 44.74', WITH A RADIUS OF 170.00', WITH A CHORD BEARING OF S 22°56'01" E, WITH A CHORD LENGTH OF 44.61',TO A 5/8"REBAR; THENCE WITH A REVERSE CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 24.89', WITH A RADIUS OF 230.00', WITH A CHORD BEARING OF S 27°22'21" E, WITH A CHORD LENGTH OF 24.88',TO A 5/8"REBAR;THENCE S 24°16'19" E A DISTANCE OF 166.62'TO A 5/8"REBAR; THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 5.60', WITH A RADIUS OF 170.00', WITH A CHORD BEARING OF S 25°12'56" E, WITH A CHORD LENGTH OF 5.60',TO A POINT;THENCE S 26°09'33" E A DISTANCE OF 146.64'TO A 5/8"REBAR; THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 73.08', WITH A RADIUS OF 270.00', WITH A CHORD BEARING OF S 33°54'46" E, WITH A CHORD LENGTH OF 72.85',TO A 5/8"REBAR IN THE NORTH PROPERTY OF ROGER SHIELDS; THENCE LEAVING SAID R/W OF WILSON ROAD WITH SAID ROGER SHIELDS N 70°32'22" E A DISTANCE OF 389.46'TO A 1/2" EIP IN THE WESTERN LINE OF CHARLES AND HILDA AVERITT; THENCE WITH SAID AVERITT, CHRISTINE S. SHROPSHIRE TRUST, AND JARED ROSS SCHUMANN N 04°00'21" W A DISTANCE OF 496.97'TO A 1/2"EIP IN THE SOUTHERN R/W OF SAID S.R.2210; THENCE WITH SAID S.R.2210 S 82°51'43" W A DISTANCE OF 543.60'TO A 5/8"REBAR; WHICH IS THE POINT OF BEGINNING, HAVING AN AREA OF 6.19 ACRES (0.010 SQ. MILES) AND BEING ALL OF LOTS 4-6 OF MAJOR SUBDIVISION FOR HENDON TILLER MEbane 3.0, LLC ALSO BEING TOTAL ANNEXATION AREA AS SHOWN ON PLAT OF SURVEY ENTITLED "FINAL PLAT: CITY OF MEbane CORPORATE LIMITS EXTENSION CONTIGUOUS VOLUNTARY ANNEXATION" PREPARED BY R.S. JONES & ASSOCIATES, INC. DATED MARCH 27, 2023.

Section 3. Notice of the public hearing shall be published once in the Mebane Enterprise, a newspaper having general circulation in the City of Mebane, at least ten (10) days prior to the date of the public hearing.

Ed Hooks, Mayor

ATTEST:

Stephanie W. Shaw, City Clerk

Item c.

**Grant Project Ordinance for the City of Mebane American Rescue Plan Act of 2021:
Coronavirus State and Local Fiscal Recovery Funds- Amendment 2**

BE IT ORDAINED by the city council of the City of Mebane, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby amended on May 1, 2023:

Section 1: This ordinance is to establish a budget for a project to be funded by the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLFRF). The City of Mebane has received the first tranche in the amount of \$2,591,329 of CSLFRF funds. The total allocation is \$5,182,658, with the remainder to be distributed to the city within 12 months. These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;

2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

Section 2: The City has elected to take the standard allowance, as authorized by 31 CFR Part 35.6(d)(1) and expend all its ARP/CSLFRF funds for the provision of government services.

Section 3: The following amounts are appropriated for the project and authorized for expenditure:

Internal Project Code	Project	Expenditure Category	Cost Object	Appropriation of CSLFRF Funds
0001	Administration and Metering Services for period of March 3, 2021 through March 31, 2022 (reimbursement)	6.1	Salaries	\$46,973
			Benefits	\$22,565
0002	Utilities Services for period of March 3, 2021 through March 31, 2022 (reimbursement)	6.1	Salaries	\$644,239
			Benefits	\$294,753
0003	Waste Water Treatment Plant Services for period of March 3, 2021 through March 31, 2022 (reimbursement)	6.1	Salaries	\$459,271
			Benefits	\$185,082
0004	Administration and Metering Services for period of April 1, 2022 through December 31, 2024	6.1	Salaries	\$66,674
			Benefits	\$33,954
0005	Utilities Services for period of April 1, 2022 through December 31, 2024	6.1	Salaries	\$1,395,384
			Benefits	\$691,280
0006	Waste Water Treatment Plant Services for period of April 1, 2022 through December 31, 2024	6.1	Salaries	\$923,100
			Benefits	\$419,383
		Total:		\$5,182,658

Section 4: The following revenues are anticipated to be available to complete the project:

CSLFRF Funds:	\$5,182,658
Utility Fund Transfer:	\$0
Total:	\$5,182,658

Section 5: The Finance Director is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements, including payroll documentation and effort certifications, in accordance with 2 CFR 200.430 & 2 CFR 200.431 and the City’s Uniform Guidance Allowable Costs and Cost Principles Policy.

Section 6: The Finance Director is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

Section 7: Copies of this grant project ordinance shall be furnished to the Budget Officer, the Finance Director and to the Clerk to the City Council.

Section 8: This grant project ordinance is effective as of March 3, 2021 and expires on December 31, 2026, or when all the CSLFRF funds have been obligated and expended by the City, whichever occurs sooner

David Putnam, Senior Director of Economic Development, Alamance Chamber, presented a request for approval of financial support from the City of Mebane for the proposed NCIC Transload Rail Facility to be located on Lake Latham Rd. The request is for \$300,843 to support one-half of a project shortfall. \$2,600,000 was appropriated to the City of Mebane in 2021-2022 FY Certified Budget by the Appropriations Committee. Mr. Putnam highlighted the following Transload Rail key points:

- Planning began in 2015
- Managed by a non-profit that will own, operate, and maintain the facility
- Keep costs low to enhance access and utilization
- Add to Mebane & Alamance's competitive advantage for industry growth
- Total Cost: \$3,201,686
 - \$2,600,000 Grant
 - \$300,843* County of Alamance
 - \$300,843* City of Mebane

Mr. Putnam shared a preliminary rendering of the proposed site plan for the facility.

There was discussion regarding the logistics of the project. Mr. Rollins stated that there have been discussions with NCDOT about extending the road that was originally built as a construction entrance for Airgas which would then tie into the cul-de-sac that directly comes off of Hwy 119. Paving that road from corner to corner would improve that intersection and allow the transload traffic to have a direct connection over to Hwy 119 and would avoid truck traffic on Lake Latham Road, Gibson Road and Holt Street.

Mr. Putnam shared a brief overview of the transload process and a list of items that could be transloaded/shipped. Mr. Ewing questioned how the City could ensure that no hazardous materials would be shipped through this facility. Mr. Mitchell said pending approval tonight, the nonprofit organization would have to submit for a Special Use Permit with the City and those types of items would be addressed at that time. Mr. White asked if this property is inside the City limits and if it is not, would they have to be annexed. Mr. Putnam stated it is not in the City and yes, they would need to be annexed. Mr. Putnam shared a few potential industry users of the facility such as Jabil, UPI and Ferraro Foods.

Mr. Brown shared an overview of the agreement. He shared that the Alamance County Commissioners unanimously approved the agreement at its second meeting in April, 2023.

Ms. Schwartz presented a request for approval of a Grant Project Ordinance related to the Transload Facility. She stated that the City has received the \$2,600,000 from the State and Council approval of a Grant Project Ordinance is needed in order to move that amount from the General Fund to the Grant Project Ordinance Fund. Also, approval of a Budget Ordinance Amendment is needed to move the \$300,843 fund balance into the Grant Project Ordinance Fund.

Mr. White made a motion, seconded by Mr. Ewing, to approve the Grant Project Ordinance and related FY22-23 Budget Amendment Ordinance. The motion carried unanimously.

Grant Project Ordinance for the City of Mebane Transload Funds

BE IT ORDAINED by the city council of the City of Mebane, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby created on April 3, 2023:

Section 1: This ordinance is to establish a budget for a project to be funded by the North Carolina Operations Appropriations Act, Session Law (S.L.) 2021-180, as amended by S.L. 2021-189 and by the City of Mebane and Alamance County. The City of Mebane has received the total State allocation of \$2,600,000. The City of Mebane and Alamance County will each contribute \$300,843 to the project. The funds total \$3,201,686 and are to be used for a new transload facility.

Section 2: The City has elected to take the standard allowance, as authorized by 31 CFR Part 35.6(d)(1) and expend all its ARP/CSLFRF funds for the provision of government services.

Section 3: The following amounts are appropriated for the project and authorized for expenditure:

Appropriation	Budget Amount
Professional Services	
<i>Design/Preconstruction Services</i>	\$ 134,314
<i>General Conditions</i>	\$ 165,469
<i>General Requirements</i>	\$ 48,643
<i>Permits</i>	\$ 11,700
Professional Services Total	\$ 360,126
Varied Services	
<i>Plumbing</i>	\$ 1,376
<i>Electrical</i>	\$ 13,764
<i>Earthwork/Grading/Storm Drainage</i>	\$ 836,853
<i>Paving/Curb & Gutter</i>	\$ 528,339
<i>Site Concrete</i>	\$ 62,049
<i>Fencing</i>	\$ 55,949
<i>Landscaping & Irrigation</i>	\$ 42,606
<i>Railroad steel & rail ties</i>	\$ 862,349
<i>Real Estate Acquisition</i>	\$ 438,275
Varied Services Total	\$ 2,841,560
Total Grant Project Budget	\$ 3,201,686

Section 4: The following revenues are anticipated to be available to complete the project:

State Funds:	\$2,600,000
City of Mebane Funds:	300,843
Alamance County Funds:	300,843
Total:	\$3,201,686

Section 5: The Finance Director is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

Section 6: The Finance Director is hereby directed to report the financial status of the project to the governing board on a quarterly basis.

Section 7: Copies of this grant project ordinance shall be furnished to the Budget Officer, the Finance Director and to the Clerk to the City Council.

Section 8: This grant project ordinance is effective as of April 3, 2023 and expires when all the funds have been obligated and expended by the City, whichever occurs sooner.

BE IT ORDAINED by the Council of the City of Mebane that the Budget Ordinance for the Fiscal Year beginning July 1 2022 as duly adopted on June 6, 2022, is hereby amended as follows:

ARTICLE I

APPROPRIATIONS	Current Budget	Change	Revised Budget
General Fund - Non-Departmental	\$ 4,293,228	\$ 2,900,843	\$ 7,194,071

ARTICLE II

REVENUES	Current Budget	Change	Revised Budget
General Fund - All Other Revenues	\$ 980,785	\$ 2,600,000	\$ 3,580,785
General Fund - Appropriated Fund Balance	\$ 5,278,608	\$ 300,843	\$ 5,579,451

This the 3rd day of April, 2023.

A Public Hearing was held on a request from the City’s Planning staff to amend portions of Article 6 of the Unified Development Ordinance (UDO). Ms. Ownbey presented the request via PowerPoint. She explained that consideration of the amendments is planned for two City Council meetings. The information is being initially presented at tonight’s meeting, with formal action on the amendments to follow at the June 5, 2023 meeting. The proposed amendments are the second phase of updates to the UDO and focus on minimum parking standards and the sign ordinance. Green Heron Consulting, LLC, assisted staff in updating the sign ordinance. Ms. Ownbey gave an overview of the project’s schedule as follows:

Public Input:

December 2021: Open House & Information Session

January – February 2022: Online surveys

Phase 1:

May 2022: Recommendation by Planning Board

June – July 2022: Mebane City Council Action

Phase 2:

March 2023: Re-engage with an open house; First presentation to Planning Board

April 2023: Recommendation by Planning Board

May – June 2023: Presentation and action by City Council

Phase 3:

To follow Phase 2 with largely minor revisions

Ms. Ownbey continued the presentation with a detailed overview of the proposed Phase 2 amendments, specifically, a new set of sign standards, and new parking and stacking requirements. There was discussion among Council and staff throughout the presentation. Council requested the following revisions:

- Minor change to the definition of “mural.”
- No change to the current parking standard for two-bedroom apartments.
- Revision to only allow freestanding pole signs within 400’ of the interstate.

There was discussion regarding existing signs that would be considered non-conforming if the new sign requirements are adopted. Staff stated that existing signs would be “grand-fathered” in and would not have to meet the requirements unless the signs were significantly altered or if the signs were voluntarily replaced, the signs would then have to meet the new requirements. Mayor Hooks asked if anyone in the audience would like to speak. Mr. Cannell came forward and shared comments regarding apartment parking.

Mr. Boney requested clarification on the “grandfathered in” definition. Ms. Ownbey said a voluntary replacement of an entire pole sign would trigger following the new rules, changing out a sign face would not trigger following the new rules.

Mr. Boney questioned how the portion of the UDO regarding “political signs” complies with the Federal court precedents that has prohibited limitations on political signs. Mr. Brown said he thinks it depends on which court decision you are looking at. He said the City is trying to be reasonable with extending the time period over what is currently in the UDO. Ms. Ownbey said the UDO does not specifically identify the timeframe but staff tends to typically align with State law which is 45 days.

Mayor Hooks said the public hearing needs to be closed. Mr. Brown said the public hearing will be readvertised for the June meeting. Mr. White made a motion, seconded by Mr. Ewing, to close the public hearing. The motion carried unanimously.

A Public Hearing was held on a request from Kirkpatrick & Associates, LLC to adopt an ordinance to extend the corporate limits. Mr. Brown presented the request. He stated that this is a voluntary contiguous annexation of +/- 30.55 acres located on N. NC Hwy 119 in Alamance County, a residential development is planned for this property. At last month’s meeting, the Council accepted the annexation petition and the certificate of sufficiency. No one from the public spoke concerning the request. Mr. Bradley made a motion, seconded by Mr. White, to close the public hearing. Mr. Bradley made a motion, seconded by Mrs. Burkholder, to adopt the ordinance to extend the corporate limits to include the +/- 30.55 acres. The motion carried unanimously.

Mayor Hooks called for a break at 7:42 p.m. He called the meeting back to order at 7:52 p.m.

Mayor Hooks stated that he needed to leave the meeting for medical reasons and requested that Council vote to excuse him from the meeting. Mr. Ewing made a motion, seconded by Mr. White, to excuse Mayor Hooks. The motion carried unanimously.

Mayor Pro-Tem Bradley took over leading the meeting.

Mr. Rollins presented the City Manager’s Recommended Budget FY 2023-24 via the attached PowerPoint.

There was some discussion among Council and staff regarding the proposed Capital Reserve Fund which would set aside and dedicate funds to capital projects, such as the new fire station and new police station. Mr. Rollins said without setting up such a fund, he feels confident a future tax increase would be inevitable. Additional discussions took place regarding the land that was donated to the City for a fire station. Mr. White and Ms. Burkholder pleaded for public feedback on how the City should spend those funds should they be set aside for specific capital projects.

Mr. Rollins concluded the budget presentation.

Mr. Ewing made a motion, seconded by Ms. Burkholder, to set a date of public hearing for the budget for June 5, 2023 at 6:00 p.m. The motion carried unanimously.

Mr. Brown presented a request from Three S Investments, LLC and Marie H. Ray Revocable Trust for closure of Douglas Street. He explained that the two (2) applicants are the only two (2) contiguous property owners on Douglas Street, which is a previously platted but unopened street, shown on a plat recorded in Plat Book 5, Page 31 of the Alamance County Registry, shown as twenty-five feet (25’) in width. Staff recommends that the Council adopt a Resolution of Intent declaring the City’s intention to close Douglas Street and to set a date of public hearing for a hearing for June 5, 2023.

Mr. White made a motion, seconded by Mr. Ewing, to adopt the resolution declaring the City's intention to close Douglas Street as shown on the plat and to set a date of public hearing for June 5, 2023. The motion carried unanimously.

**RESOLUTION OF INTENT BY THE CITY COUNCIL OF THE CITY OF MEBANE, NORTH CAROLINA
PURSUANT TO N.C.G.S. §160A-299 TO PERMANENTLY CLOSE DOUGLAS STREET**

WHEREAS, the City Council of the City of Mebane, North Carolina has been recently requested to permanently close Douglas Street; and

WHEREAS, the City Council of the City of Mebane, North Carolina hereby declares its intent to permanently close Douglas Street; and a public hearing on said matter is to be held on June 5, 2023, at 6:00 p.m. in the council chambers of the Glendel Stephenson Municipal Building, 106 E. Washington Street, Mebane, NC 27302;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mebane as follows:

Section 1. The City Council of the City of Mebane, North Carolina, pursuant to N.C.G.S. §160A-299, does hereby declare its intent to permanently close Douglas Street, the right of way for which is more particularly described as follows:

That certain tract or parcel of land located in Melville Township, Alamance County, North Carolina, adjoining the eastern margin of the 25 foot public right of way of Terrell Street as per Plat Book 5, at Page 31 of the Alamance County Registry, Lots 66, 94, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124 and 125 of the Hawfield Subdivision, a plat of which is recorded in Plat Book 5, at Page 31 of the Alamance County Registry, and the western margin of the 25 foot public right of way of Ward Street, as per plat recorded in Plat Book 5, at page 31 of the Alamance County Registry, and being more particularly described as follows:

BEGINNING at a $\frac{3}{4}$ inch existing iron pipe located at the intersection of the eastern margin of the 25 foot public right of way of Terrell Street with the northern margin of the 25 foot public right of way of Douglas Street, at the southwesternmost corner of the aforesaid Lot 66; running thence from said point of beginning with the southern boundary line of the aforesaid Lot 66, North 78 degrees 01 minute 29 seconds East 525.54 feet to a $\frac{1}{2}$ inch bent existing iron pipe located at the southeasternmost corner of the aforesaid Lot 66 and the southwesternmost corner of the aforesaid Lot 94; running thence with the southern boundary line of the aforesaid Lot 94, North 77 degrees 52 minutes 39 seconds East 324.94 feet to a $1\frac{1}{2}$ inch existing iron pipe located at the intersection of the northern margin of the 25 foot right of way of Douglas Street with the western margin of the 25 foot public right of way of Ward Street and at the southeasternmost corner of the aforesaid Lot 94; running thence with the western margin of the 25 foot public right of way of Ward Street, South 12 degrees 00 minutes 00 seconds East 25.92 feet to a calculated point located in the southern margin of the 25 foot public right of way of Douglas Street and in the northern boundary line of the aforesaid Lot 108; running thence with the northern boundary line of the aforesaid Lot 108, and continuing with the northern boundary lines of the aforesaid Lots 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124 & 125, South 78 degrees 01 minutes 10 seconds West 855.32 feet to a calculated point located in the northern boundary line of the aforesaid Lot 125 and in the eastern margin of the 25 foot public right of way of Terrell Street; running thence with the eastern margin of the 25 foot public right of way of Terrell Street, North 01 degrees 05 minutes 19 seconds West 25.63 feet to the point and place of BEGINNING, and containing 0.50 acres, more or less, and being the 25 foot public right of way of Douglas Street as shown on that certain plat of the Hawfield Subdivision, prepared by R. G. Trogdon, Engineer, dated April 1947, which plat is duly recorded in Plat Book 5, at Page 31 of the Alamance County Registry, and to which plat reference is hereby made for a more complete description.

The above description was taken from a plat of survey prepared by Boswell Surveyors, Inc., J. Eric Miles, Professional Land Surveyor, dated April 5, 2023, entitled "Survey of the Right of Way of Douglas Street for Street Closure," Job No. 23-109-200, which plat is duly recorded in Plat Book _____, at Page _____ of the Alamance County Registry.

Section 2. That the City Clerk shall duly advertise that a public hearing will be held on these matters in the Council Chambers, Mebane, North Carolina on June 5, 2023, at 6:00 p.m.

Ms. Ownbey stated that the City of Mebane Planning Board has one opening for representation of the Orange County Extraterritorial Jurisdiction (ETJ) caused by a term ending June 30, 2023. Any representative of the City's ETJ must be formally appointed by the county in which they reside. Keith Hoover (215 Hoover Road) currently serves as the Orange County ETJ representative on the

Mebane Planning Board and he is seeking reappointment. Staff recommends that the Council make the recommendation for the Orange County ETJ appointment by the Orange County Board of Commissioners at its discretion. Mr. White made a motion, seconded by Ms. Hadley to adopt a resolution requesting the Orange County Commissioners appoint Keith Hoover to the City of Mebane Planning Board representing the Orange County extraterritorial jurisdictional area of the City of Mebane. The motion carried unanimously.

RESOLUTION MAKING A RECOMMENDATION TO THE ORANGE
COUNTY BOARD OF COMMISSIONERS REGARDING THE ETJ SEAT
ON THE CITY OF MEBANE PLANNING BOARD

WHEREAS, per North Carolina General Statute 160D-307, all municipalities of the State of North Carolina must include proportional representation for extraterritorial jurisdiction areas; and

WHEREAS, Orange County has one position representing extraterritorial jurisdictions around the City of Mebane; and

WHEREAS, this position is currently eligible for appointment by Orange County; and

WHEREAS, the City of Mebane staff has reviewed the viable applications and made a recommendation to the City of Mebane Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Mebane that the Council recommends the Orange County Board of Commissioners appoint Keith Hoover to the City of Mebane Planning Board ETJ position.

Adopted this the 1st day of May, 2023.

Attest:

Stephanie W. Shaw
Stephanie Shaw, City Clerk

Tim Bradley
Tim Bradley, Mayor Pro-Tem



There being no further business, the meeting adjourned at 9:02 p.m.

ATTEST:

Stephanie W. Shaw, City Clerk

Ed Hooks, Mayor



Manager's Recommended Budget

FISCAL YEAR 2023-2024

MAY 1, 2023



Economic Factors

- Inflation – 12-month percentage change from February 2022 to February 2023 is 6.4% for the South Atlantic Region
- Supply chain issues
- Federal funding/small pool of contractors
- Rising cost of borrowing



FY23-24 Budget Highlights

Expenditures

General Fund Expenditures	\$33,059,522
Utility Fund Expenditures	<u>\$11,891,019</u>
Total Expenditures	\$44,950,541
Utility Capital Fund Reserve	\$1,673,000
Cost of living increase	6%
Health Insurance increase	0.016%
Retirement Rate increase	
General	0.75%
Law Enforcement	0.94%

Revenues

Property Tax Rate - \$0.38 per \$100 valuation
FY22-23 rate is \$0.47
Revenue neutral rate is \$0.3421
Garbage/Recycling - unchanged at \$8.00 per month per address
Water Rates per 1,000 gallons - 6% increase
Inside City \$7.56
Outside City \$15.12
Sewer Rates per 1,000 gallons – 6% increase
Inside City \$8.12
Outside City \$16.24

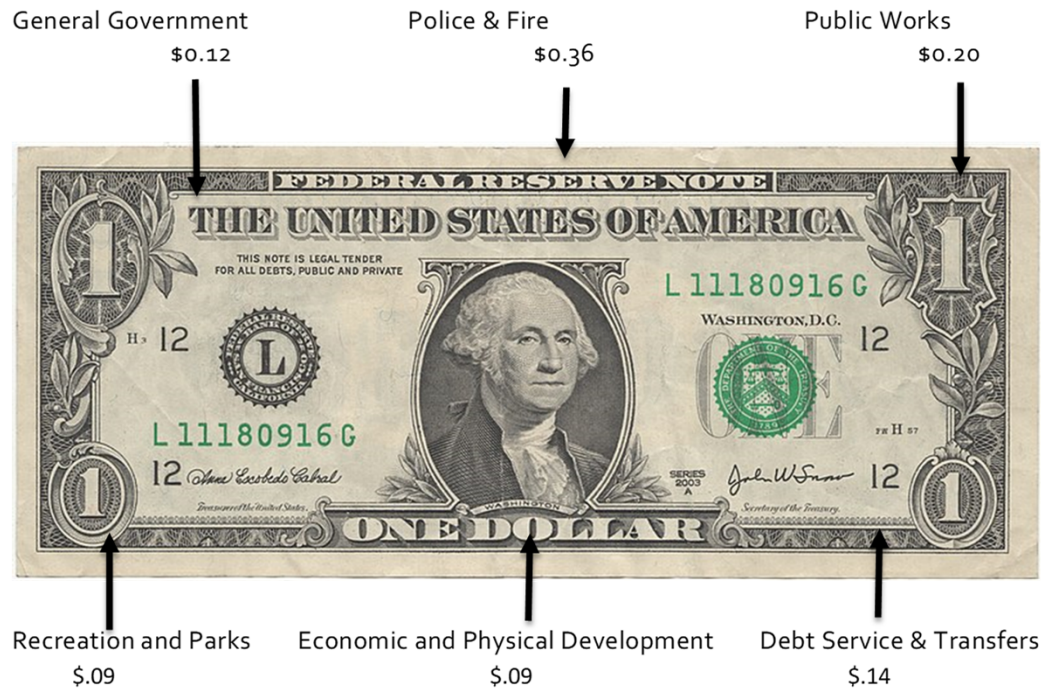


General Fund Recommended Budget

FY23-24



General Fund Function Per Dollar





GENERAL FUND EXPENDITURES

BY TYPE

General Fund Expenditures by Type					
Type	FY 2021-2022 Actual	FY 2022-2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change	FY22-23 Variance
Personnel	\$10,654,813	\$14,034,974	\$16,413,723	16.9%	\$2,378,749
Operating	\$6,680,927	\$12,370,614	\$10,448,222	(15.5%)	(\$1,922,392)
Capital	\$2,467,577	\$4,018,046	\$4,347,060	8.2%	\$329,014
Debt Service	\$1,594,324	\$1,807,707	\$1,850,517	2.4%	\$42,810
Total	\$21,397,641	\$32,231,341	\$33,059,522	2.6%	\$828,181

BY DEPARTMENT

General Fund Department Budgets					
Department	FY 2021-2022 Actual	FY 2022-2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change	FY22-23 Variance
Council*	\$67,853	\$88,237	\$71,870	(18.5%)	(\$16,367)
Administration	\$931,899	\$1,249,653	\$1,426,869	14.2%	\$177,216
Finance	\$608,309	\$706,471	\$748,626	6.0%	\$42,155
IT**	\$628,711	\$1,059,288	\$1,663,401	57.0%	\$604,113
Economic Development	\$755,349	\$1,169,421	\$900,214	(23.0%)	(\$269,207)
Police	\$4,715,161	\$5,784,853	\$6,878,989	18.9%	\$1,094,136
Fire	\$3,104,123	\$5,567,664	\$4,971,465	(10.7%)	(\$596,199)
Planning	\$452,133	\$651,537	\$597,343	(8.3%)	(\$54,194)
Main Street Program*	\$65,195	\$221,535	\$0	(100.0%)	(\$221,535)
Inspections	\$859,380	\$878,139	\$961,283	9.5%	\$83,144
Engineering	\$451,488	\$445,500	\$445,500	0.0%	\$0
Public Works	\$2,438,053	\$3,813,553	\$3,304,438	(13.4%)	(\$509,115)
Public Facilities	\$594,765	\$913,699	\$1,271,578	39.2%	\$357,879
Sanitation	\$1,482,621	\$2,167,748	\$2,178,668	0.5%	\$10,920
Recreation and Parks	\$2,088,479	\$2,668,847	\$3,093,729	15.9%	\$424,882
Non-Departmental	\$2,154,122	\$4,845,197	\$4,545,549	(6.2%)	(\$299,648)
Total	\$21,397,641	\$32,231,341	\$33,059,522	2.6%	\$828,181

*Some or all of the budget was moved to Non-Departmental in FY23-24.

** All citywide IT expenditures were moved to the IT department.



GENERAL FUND CAPITAL HIGHLIGHTS

Woodlawn Entrance Parking Lot at Community Park	\$480,000
Police Vehicles (3 new SRO, 3 replacement)	\$413,058
Lake Michael Connector (along Lebanon Rd.)	\$375,000
Sidearm Garbage Truck (replace 2007 model)	\$363,000
Dump Truck (replace 1993 model)	\$162,150
Sidewalk – Crawford St. from N. First St. to N. 2 nd St.	\$137,000
Service Trucks – 2 replacements	\$130,500
NC 119 Wayfinding and entrance signs	\$100,000
Fiber Installation	<u>\$95,702</u>
Total	\$2,256,410



OUTSIDE AGENCIES

Outside Agencies				
Agency	FY 2021-2022 Actual	FY 2022-2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change
Mebane Historical Museum Subsidy	\$39,700	\$39,700	\$43,700	10%
Tommy Long Train Display	\$8,606	\$10,000	\$10,000	0%
Alamance County Arts Council	\$10,000	\$10,000	\$10,000	0%
ACTA Subsidy	\$6,500	\$6,500	\$6,500	0%
United Way 211	\$5,000	\$5,000	\$5,000	0%
Downtown Mebane Development Corp.	\$100,000	\$100,000	\$100,000	0%
Total	\$169,806	\$171,200	\$175,200	2%

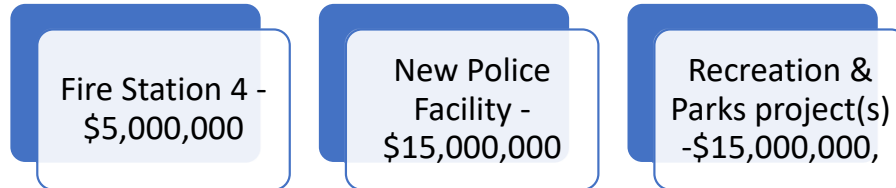


REVENUE NEUTRAL CALCULATION

	Estimates 2022-2023*	Growth	Reval Estimates FY23-24	Estimate with Appeals	Tax Revenue (Real)	Tax Revenue RMV	
Real Property	2,087,988,181	7.5%	2,244,580,761	\$ 3,433,582,498	-1%	3,399,246,673	\$ 13,683,510 \$ 746,395.76
Non-RMV Personal Property	546,738,550	4.7%	572,666,209	\$ 572,666,209	\$ 572,666,209	Coll Rate 99.6%	99.6%
Utility	29,404,917	-3.6%	28,348,569	\$ 28,348,569	\$ 28,348,569	\$ 13,628,776	\$ 743,410.17 14,372,186
RMV Property	200,838,130	8.6%	218,202,651	218,202,651	218,202,651		
Total	2,864,969,778		3,063,798,191	\$ 4,252,799,928	4,218,464,103		
Tax Rate	0.4700				0.3192		
Revenue	\$ 13,465,358			\$ 13,465,358			
* Based on current year estimates			Average Growth Rate	7.16%			
2021-2022 (OC revaluation 1/1/2021)	2,654,716,052		Revenue Neutral Tax Rate	0.3421			
2022-2023	2,864,969,778		Projected Revenue	\$ 14,429,906	\$ 14,372,186		
minus annexations			Additional Dollars from 2022-2023	\$ 964,548			
Parcel 9834445110 6086 West Ten Rd.							
Buckhorn Industrial Park	(1,089,900)						
Parcel 160091 UPS	(472,230)						
Parcel 163553 PIN 9814132469 Bhavans Group LLC	(647,634)						
Parcel 172976 Venn Hillsborough LLC	(470,600)						
Parcel 9825498941 Lebanon Road 3 LLC	(858,005)						
Parcel 9824434841 GG Havenstone Limited Partnership	(189,327)						
Parcel 172714 Chick-Fil-A Supply LLC	(9,901,217)						
Parcel 166704 Land Management 1st Inc	(17,425)						
Parcels Various Buckhorn Industrial II LLC	(4,812,900)						
Parcel 160321 Duke University Health System (tax exemp	(71,250)						
Parcel 168933 (Alamance) 9825381359 (OC)							
9825286476 (OC) 168937 Alamance BC Stagecoach LLC	(377,920.00)						
Parcel 167482 Summit Church	(764,814.00)						
Parcel 9844452283 Sandra Clark	(18,653.00)						
Parcel 9825410961 Espitia Properties	(92,000.00)						
Parcel 160376 160314 and Crow Holdings	(307,756.00)						
Total Annexations	(20,091,631)						
2022-2023 (minus annexations)	2,844,878,147	7.16%					



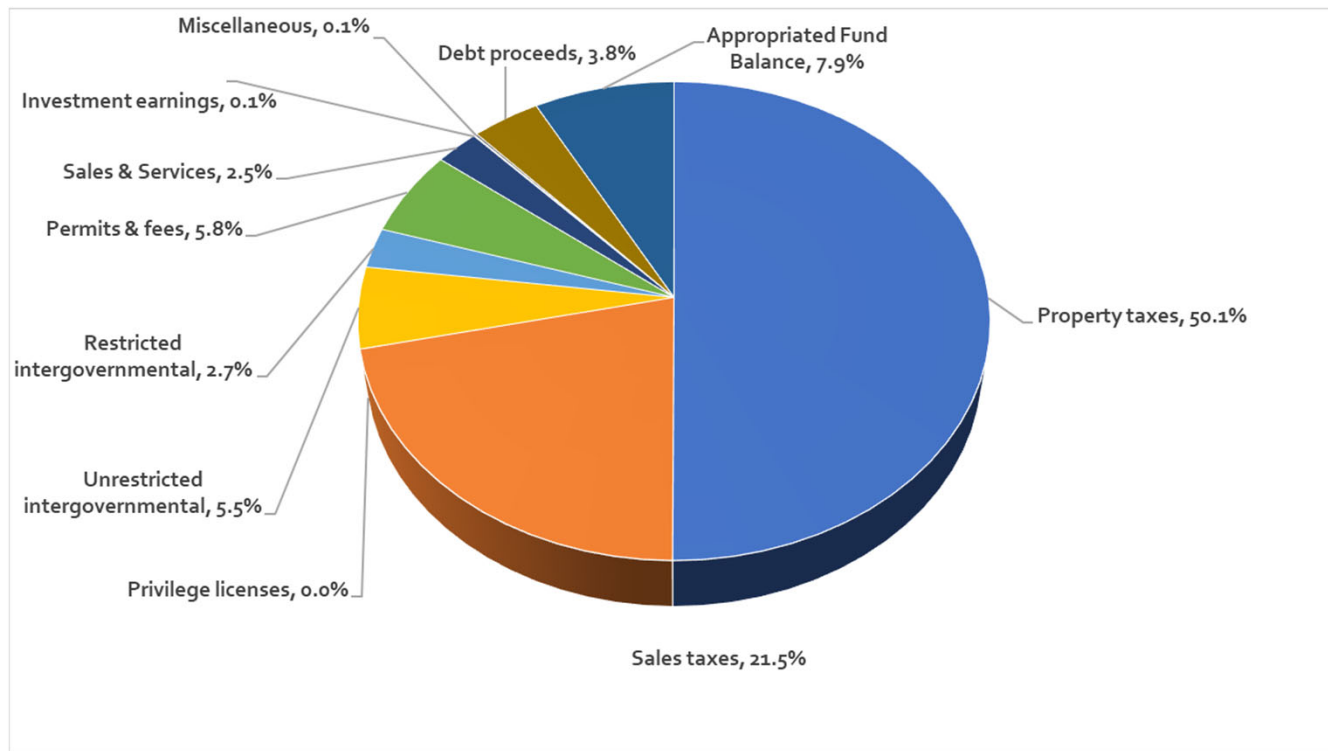
Proposed Tax Rate



- \$0.38 per \$100 of assessed property valuation
- \$0.03 cents for restricted - \$1,260,477
- Restricted Capital Reserve Fund
- Limit future borrowing = cost savings



GENERAL FUND REVENUES BY SOURCE





GENERAL FUND REVENUES AND OTHER FINANCING SOURCES

General Fund Revenues and Other Funding Sources					
	FY 2021- 2022 Actual	FY 2022- 2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change	FY22-23 Variance
Revenues					
Property taxes	\$12,631,940	\$13,663,270	\$16,550,844	21.1%	2,887,574
Sales taxes	\$5,781,791	\$5,585,356	\$7,107,700	27.3%	1,522,344
Privilege licenses	\$805	\$1,000	\$900	(10.0%)	(100)
Unrestricted intergovernmental	\$1,901,684	\$1,750,005	\$1,822,100	4.1%	72,095
Restricted intergovernmental	\$1,231,498	\$880,273	\$891,450	1.3%	11,177
Permits & fees	\$1,388,813	\$1,259,760	\$1,919,910	52.4%	660,150
Sales & Services	\$701,267	\$722,094	\$816,388	13.1%	94,294
Investment earnings	\$9,809	\$20,000	\$20,000	0.0%	0
Miscellaneous	\$955,798	\$53,000	\$48,000	(9.4%)	(5,000)
Total revenues	\$24,603,405	\$23,934,758	\$29,177,292	21.9%	5,242,534
Other financing sources					
Transfers in	\$566,851	\$0	\$0	N/A	0
Transfers out	(\$129,423)				
Debt proceeds	\$1,365,000	\$2,466,006	\$1,270,062	(48.5%)	(1,195,944)
Appropriated Fund Balance	\$0	\$5,830,577	\$2,612,168	(55.2%)	(3,218,409)
Total other financing sources	\$1,802,428	\$8,296,583	\$3,882,230	(53.2%)	(4,414,353)
Total revenues & other financing sources	\$26,405,833	\$32,231,341	\$33,059,522	2.6%	828,181



GENERAL FUND DEBT

DEBT PROCEEDS

John Deere Gator with Spray tank	\$30,500
ATV Rescue Vehicle	\$30,654
Fire Prevention Vehicle	\$50,000
CAT 304 Mini Hydraulic Excavator	\$90,200
Service truck (2 replacements)	\$130,500
Dump Truck - 4x2 (single axle)	\$162,150
Sidearm Garbage Truck	\$363,000
Police vehicles	\$413,058
Total New Debt	\$1,270,062

PROPOSED DEBT PAYMENTS

- Estimated 5% interest over 5 years, payments will be \$293,353 per year.
- \$101,965 of debt is retiring in FY23-24
- Debt schedules are in the Budget Summary section of the budget packet.



Utility Fund Recommended Budget

FY23-24



UTILITY FUND EXPENDITURES

BY TYPE

Utility Fund Expenditures by Type					
	FY 2021-2022 Actual	FY 2022-2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change	FY22-23 Variance
Personnel	\$2,434,184	\$3,094,556	\$3,752,757	21.3%	\$658,201
Operating	\$3,223,240	\$4,873,043	\$5,069,014	4.0%	\$195,971
Capital	\$1,702,527	\$4,019,515	\$1,577,880	(60.7%)	(\$2,441,635)
Debt Service	\$3,632,095	\$1,502,821	\$1,491,368	(0.8%)	(\$11,453)
Total	\$10,992,046	\$13,489,935	\$11,891,019	(11.9%)	(\$1,598,916)

BY DEPARTMENT

Utility Fund Department Budgets					
	FY 2021-2022 Actual	FY 2022-2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change	FY22-23 Variance
Admin, Billing & Meters	\$1,617,816	\$1,439,936	\$1,613,720	12.1%	\$173,784
Operations & Maintenance	\$3,568,536	\$5,663,169	\$5,854,953	3.4%	\$191,784
Engineering	\$306,902	\$298,098	\$285,000	(4.4%)	(\$13,098)
Water Resource Recovery	\$1,802,512	\$2,242,698	\$2,633,578	17.4%	\$390,880
Non-Departmental	\$3,696,280	\$3,846,034	\$1,503,768	(60.9%)	(\$2,342,266)
Total	\$10,992,046	\$13,489,935	\$11,891,019	(11.9%)	(\$1,598,916)



UTILITY FUND PERSONNEL & CAPITAL HIGHLIGHTS

PERSONNEL

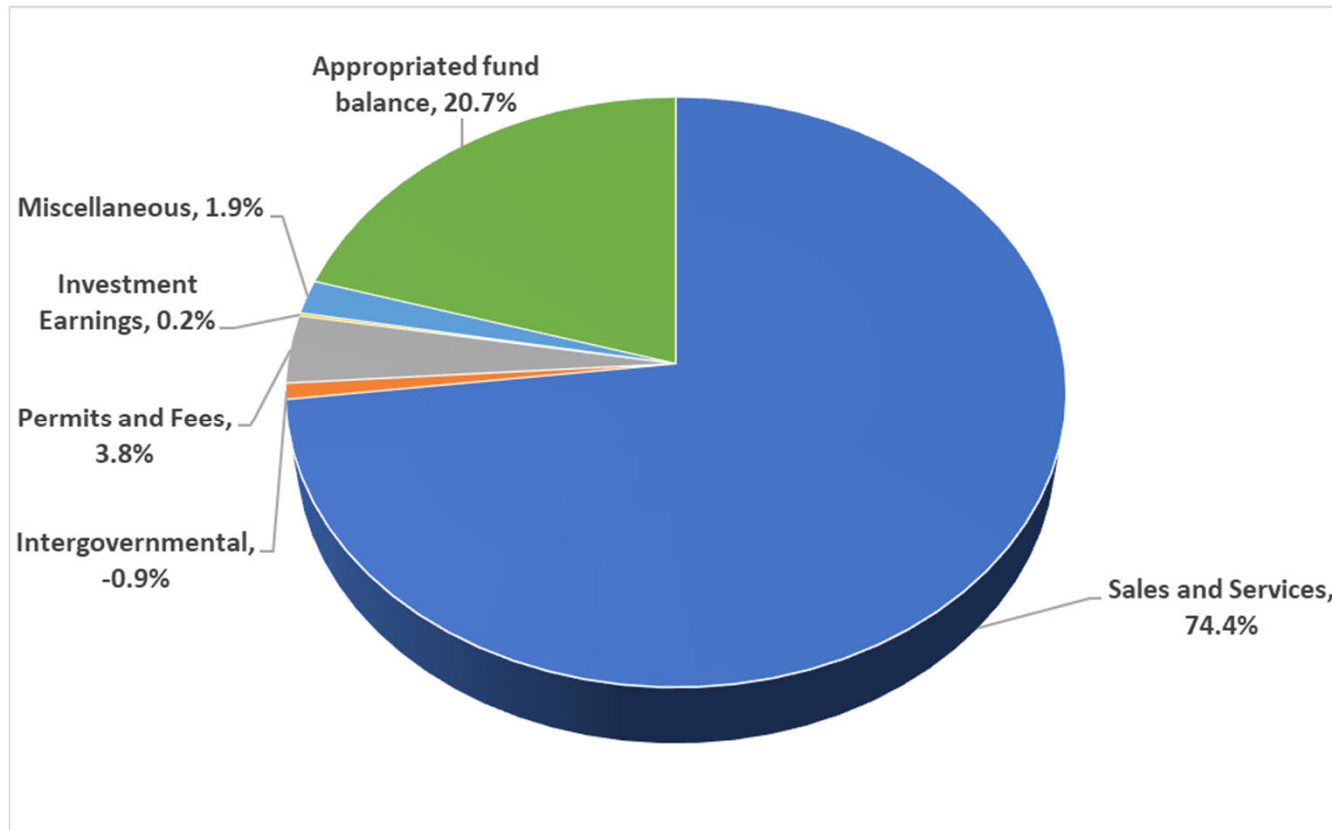
- One new full-time Meter & Sampling Supervisor with benefits - \$111,172
- One new Water Resource Recovery Facility employee (Laboratory Technician or Wastewater Treatment Plant Operator) - \$85,850

CAPITAL ITEMS OVER \$100,000

- Water Plant Capital - \$375,000
- Rock Quarry Rd. Loop - \$329,875
- Meters - \$180,000
- Utility Oversizing - \$150,000
- Sewer Jetter - \$136,818

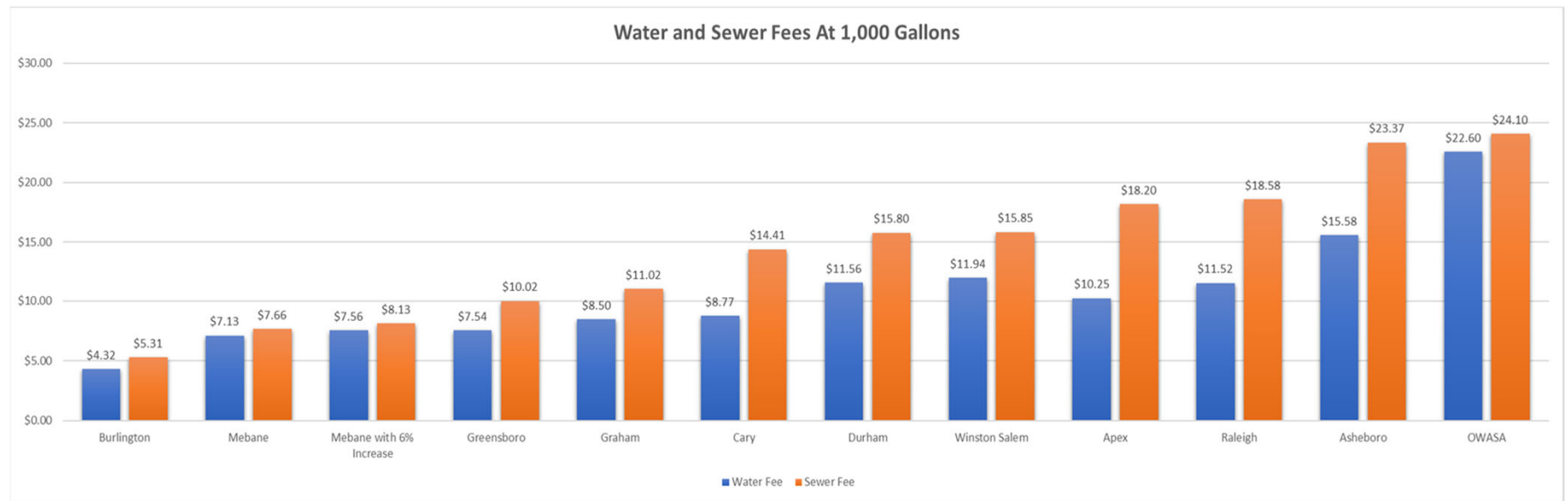


UTILITY FUND REVENUES BY SOURCE





RATE COMPARISONS





WATER AND SEWER RATES

Water and Sewer Rates					
Fiscal Year	Inside Water	Outside Water	Inside Sewer	Outside Sewer	Increase
FY 22-23	\$7.13	\$14.26	\$7.66	\$15.30	6%
FY 23-24	\$7.56	\$15.12	\$8.12	\$16.24	6%



UTILITY FUND REVENUES AND OTHER FUNDING SOURCES

Utility Fund Revenues and Other Funding Sources					
	FY 2021-2022 Actual	FY 2022-2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change	FY22-23 Variance
Revenues					
Sales and Services	\$8,014,130	\$8,444,216	\$8,844,194	4.7%	\$399,978
Intergovernmental	(\$55,461)	(\$106,000)	(\$106,000)	0.0%	\$0
Permits and Fees	\$199,129	\$304,875	\$449,400	47.4%	\$144,525
Investment Earnings	\$4,548	\$20,000	\$20,000	0.0%	\$0
Miscellaneous	\$166,352	\$510,500	\$222,500	(56.4%)	(\$288,000)
Total revenues	\$8,328,698	\$9,173,591	\$9,430,094	2.8%	\$256,503
Other financing sources					\$0
Transfers in	\$2,008,316	\$0	\$0	N/A	\$0
Debt proceeds	\$4,794,058	\$0	\$0	N/A	\$0
Appropriated fund balance	\$0	\$4,316,344	\$2,460,925	(43.0%)	(\$1,855,419)
Total revenues & other financing sources	\$15,131,072	\$13,489,935	\$11,891,019	(11.9%)	(\$1,598,916)



Capital Reserve Fund Recommended Budget

FY23-24

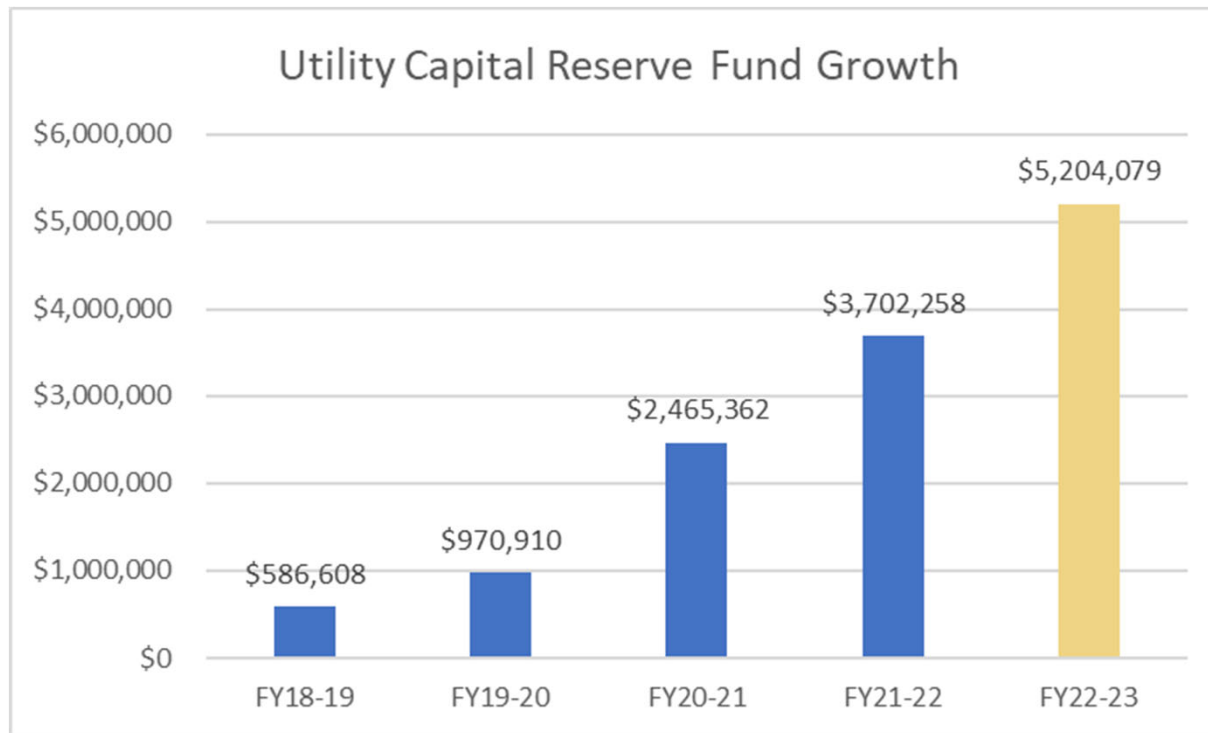


UTILITY CAPITAL RESERVE FUND REVENUES

Capital Reserve Fund Revenues and Other Financing Sources					
	FY 2021- 2022 Actual	FY 2022- 2023 Amended Budget	FY 2023-2024 Recommended Budget	Percent Change	FY22-23 Variance
System Development Fees	\$1,434,780	\$1,598,000	\$1,670,000	4.5%	\$72,000
Interest Earnings	\$1,293	\$3,000	\$3,000	0.0%	\$0
Total revenues	\$1,436,073	\$1,601,000	\$1,673,000	44.3%	\$491,500
Other financing sources					
Transfers out	(\$199,177)	\$0	\$0	N/A	\$0
Total revenues & other financing sources	\$912,222	\$1,601,000	\$1,673,000	22.3%	\$72,000



UTILITY CAPITAL RESERVE FUND GROWTH



FY22-23 is as of 4/26/23.



Questions?