

238

**BUDGET WORK SESSION OF THE CHAPEL HILL TOWN COUNCIL  
WEDNESDAY, MARCH 4, 1998 AT 6:00 P.M.**

The Mayor called the meeting to order at 6:07 p.m.

Council Members present were Julie Andresen, Flicka Bateman, Joyce Brown, Joe Capowski, Kevin Foy, Pat Evans, Lee Pavão, and Edith Wiggins. Staff members present were Town Manager Cal Horton, Assistant Town Managers Sonna Loewenthal and Florentine Miller, Town Attorney Ralph Karpinos, Assistant to the Manager Ruffin Hall, Solid Waste Administrator Gayle Wilson, Police Chief Ralph Pendergraph, Public Works Director Bruce Heflin, Solid Waste Planner Blair Pollock, Police Administrative Analyst Jane Cousins, and Deputy Clerk Joyce Smith.

Council Members Julie Andresen and Joe Capowski were absent, excused.

Town Manager Cal Horton announced that the Town had received the 1997 award for excellence in waste reduction and recycling from the North Carolina Recycling Association. Mr. Horton noted this award reflects excellence not only this year but over the last five years, and recognizes the Town for its sustained commitment to solid waste reduction. Mr. Horton congratulated Solid Waste Administrator Gayle Wilson on receiving this award.

Mayor Waldorf requested that a media release be prepared announcing receipt of this award.

Mr. Wilson stated the preliminary budget for the Solid Waste Administration is \$4.6 million for 1998-99 compared to \$6.8 million for the current year. He noted the reason for this 30% budget reduction is due primarily to the \$1.5 million landfill cell construction project that is underway and some significant reductions in professional services due to the elimination of the landfill siting consultant services. Mr. Wilson added noted the preliminary budget also proposes a \$3 increase in the tip fee from \$35 to \$38. Mr. Wilson noted that key policy issues include: reorganization of solid waste management, ownership, and governance; providing C&D disposal capacity within 18 months; assuring long-term disposal capacity by 2005; implementation of the Solid Waste Plan and progressing toward achieving the adopted waste reduction goals of 45% by 2001 and 61% by 2006; providing sources of funding for recycling and waste reduction programs other than the landfill tipping fee; regarding solid waste management as a component of the community's basic infrastructure and not as an optional and discretionary service; and, maintaining honest and open communications with the community on solid waste matters, while attempting to modify community behavior regarding the production of solid waste.

Mr. Wilson stated there are five major components of the landfill fund: revenues, of which 70% generated through materials coming through the scale. He remarked that the four other components are the non-departmental budget, which includes contributions to reserves and insurance; landfill operations, which funds all disposal operations, fuel, salaries, and supplies; curbside recycling, which includes urban and curbside recycling programs only; and, general recycling has everything else.

Mayor Waldorf asked if the difference in capital noted in the preliminary figures also reflects the construction of the landfill site all this year. Mr. Wilson answered yes.

Council Member Foy asked, regarding the issue of funding a recycling program at \$1.8 million, what is the portion of the tipping fee that goes to recycling? Mr. Wilson answered that the estimate is about \$14 of the \$35 tipping fee goes to recycling. Council Member Foy said that figure is significant, that in effect the tipping fee is subsidizing the recycling program. He asked what

impact a reorganization of the solid waste program would have on how we subsidize that recycling program.

Council Member Bateman asked how many personnel were currently in Solid Waste Administration. Mr. Wilson noted currently there are 26 employees in the Department.

Council Member Brown said that the Landfill Owners Group recognized the importance of financing, and the Group has made it a priority and established a committee to look at the financing of solid waste disposal and options available for the future.

Council Member Pavão asked if it is possible to use part of the capped landfill. Mr. Wilson answered it could not be done due to state and federal regulators.

Council Member Evans asked if the buffers could be used. Mr. Wilson stated the buffers were only 100 feet. Mr. Horton said we needed to preserve the buffers to comply with our own ordinances. Pavao stated then the landfill would just sit there forever. Mr. Horton stated that was correct, under current rules.

Council Member Evans said that changing recycling fees would reduce recycling and suggested exploring other sources of funds. Mr. Wilson said you must tailor a fee structure system given the priorities of our jurisdiction. Mr. Horton noted he would recommend the fee be assessed regardless of whether the person participates in the program, so you may see an increase because people would want to participate in what they are paying for.

Council Member Evans noted everyone should have to bear the burden.

Council Member Brown said she recently attended the Emerging Issues Forum and the Green Building Recycling Conference. Council Member Brown noted two issues being pushed by State agencies and the EPA are full cost accounting and pay-as-you-throw, and that the Town should begin to inform themselves about both of these issues.

Council Member Wiggins said she is pleased to see on the additions --- of potential to the landfill fund an on-going mixed collection program. She asked , to what extent program this could extend the paper life of the landfill. Mr. Wilson stated probably just weeks.

Mayor Waldorf asked for a aggregate figure on reserves for future solid waste disposal facility financing. Mr. Wilson said as of June 30, \$738,000, and at the end of next year, \$923,000 is anticipated.

Council Member Foy asked if the mixed paper recycling program was part of the proposed budget. Mr. Wilson stated it is listed as a potential addition if the Council chooses. He noted it would add an additional \$1.40 to the tip fee. Council Member Foy said that means the tip fee increase would be almost \$5 if all programs were included. Mr. Wilson said that was correct.

Mr. Wilson stated our present contractor said he needed a 45% increase in drop-off service, and over as 100% increase in the other programs. Mr. Wilson said we are now rebidding the rural curbside program and hope to receive bids within the next three weeks. He said staff conducted an analysis of the other programs and were surprised that we could run it for much less than what we are currently paying contractors. Mr. Wilson said he looked at taking over the drop sites and the commercial glass recycling, and evaluated the potential add list to see if any other programs could be taken over by the same crews and done in-house. He stated they found that doing the mixed paper and the plastic bottle collection in-house as well would save the Town approximately

\$200,000 over a five year period.

Council Member Bateman asked if that savings would be realized each year after five years. Mr. Wilson replied that figure was the aggregate over five years. He noted there would be some first year start-up costs, but then costs would drop below what we are now paying.

Mayor Waldorf asked if we can do it much cheaper. Mr. Wilson answered that private entities have to charge more for their services than local governments. Mr. Horton added that private entities also have to pay taxes, and the Town does not.

Council Member Wiggins noted that the total operating costs for the landfill are going to go down, but we would have to raise tipping fees in order to cover the cost of the add-ons. Mr. Horton said if expenditures were removed, you would have the real operating budget. Council Member Wiggins stated the decision as to whether or not these add-ons become a part of the budget will be made later. Mr. Horton agreed, and asked for guidance from the Council and from the Landfill Owners Group as to what direction to take at this point.

Council Member Wiggins asked about expenditure reductions other than one-time capital expenses. Mr. Wilson replied that he could bring some options back to the Council for consideration, but it may mean reducing program services.

Council Member Evans said that while she favors recycling, we have to realize that in the long run we would not have the tipping fees to support it. She asked to have figures on the cost of a backyard pay-as-you-throw. Mr. Horton noted this would be a Public Works issue.

Council Member Brown asked for an explanation of how the tipping fee is set. Mr. Horton said that each of the three partners, Chapel Hill, Carrboro and Orange County, must approve the tipping fee. He said the Town Council is designated as the operator and adopts the landfill budget, but has always asked for input from the other governing bodies. Mr. Horton noted the tipping fee could not be changed without agreement from the two other partners.

Council Member Foy asked how the increase in the tipping fee affects the Town's budget. Mr. Horton stated each dollar on the tip fee costs the General Fund \$25,000.

Council Member Foy asked if a solid waste tax was worth exploring. Mr. Horton said it is not unusual for communities to have a tax to pay for solid waste. He added that sometimes a fee is set to cover the full cost of collection and processing after collection, sometimes it is set for only a portion of the cost. He indicated legislation may be needed in order to set up such a fee.

Mayor Waldorf noted the counties already have the ability to do this. She added one possible suggestion is that Chapel Hill continue to manage the landfill until it is closed and the County take over solid-waste management soon. She said it seems to her that would not work, and would involve a duplication of staff. Mr. Wilson said there would be some difficulties in that. He noted one question would be the County appropriate monies for additional expenses outside of the landfill fund. Mr. Wilson noted you must take into consideration that you have a staff that has the historical background and expertise to operate the landfill, and the County may not have that ability.

Mayor Waldorf said that leaves unanswered who has responsibility for the life of the landfill. Mr. Horton said the Town would be responsible for that.

Mayor Waldorf asked if the Council wanted to make any particular comments as the add-ons noted

in the preliminary solid waste budget.

Mayor Waldorf asked if it was fair to assume that if the \$281,000 in costs are added, that would become a yearly cost. Mr. Pollock stated the two pages of narrative provided to the Council breaks down each program costs and in many instances are non-recurring costs.

Council Member Bateman asked why it was \$15,000 cheaper in Carrboro to provide a drop-off site. Mr. Pollock answered that the site would be located at an already existing shopping center with little associated costs of clearing and grading.

Council Member Evans said she would be very pleased to find a way to provide glass and plastic bottle recycling without increasing the tipping fee. Mr. Pollock noted it was the staff's intention to provide glass recycling in-house and no longer contract it out.

## **Item 2: Public Works Budget**

Mr. Heflin stated there are issues that affect the current level of service being provided. He stated the first is deteriorating infrastructure, such as street reconstruction and aging buildings. Mr. Heflin noted we have failing streets within the Town and the cost of repairing them is currently over \$250,000. Our annual appropriations for the last five years is \$70,000, so our needs are exceeding our resources. Mr. Heflin said aging buildings need extensive repairs, some now and others within the next five to ten years, adding this represents a significant expense. Mr. Heflin stated a second issue is rising costs in resurfacing and vehicles/equipment replacement.

Mayor Waldorf asked if this meant we were not meeting our resurfacing goal. Mr. Heflin stated that was correct.

Mr. Heflin noted a third issue is workload, including in-fill growth in landscape maintenance, public housing landscape maintenance, and landscape design/horticulture/tree protection. He stated a fourth issue is regulatory, mainly safety and environmental concerns, such as OSHA compliance, training, work zone safety recordkeeping.

Mr. Heflin noted a fifth issue is resource, including aging fleet and turnover/recruitment. He stated the Department suffers a large percentage of down time for repairs in areas such as the street sweeper and bucket trucks. Mr. Heflin noted that Hurricane Fran exacted a large toll in wear and tear on equipment. He added that turnover has been relatively high with long periods before positions are filled, especially in the Landscape Division.

Mr. Heflin stated key program issues related to current levels of service include pavement maintenance, landscape maintenance, and fleet replacement. He indicated the goal is to complete a 12-year cycle of street resurfacing, but the average is now about a 15-year cycle, adding some streets don't need resurfacing that often and others need it more often.

In response to a question, Mr. Heflin said milling is a process of removing asphalt before resurfacing, used most often after several resurfacing have covered the concrete of a street.

Mr. Heflin said they were falling behind in basic duties regarding landscape maintenance, partly due to high turnover rates. He said he believes the department does a good job with what they have, but the Town does have a lot of acreage. Mr. Heflin stated they maintain over 1,000 acres at this time.

Mr. Heflin noted that future service levels will be affected by the Northern Community Park, Hargraves Gymnasium, Streetscape, Bolin Creek Greenway, Phase II, and the Lloyd property. Mr. Heflin indicated new service demands will also come from future annexations, regulatory requirements, and possible solid waste changes such as mandatory recycling/waste bans and service level requirements. Mr. Heflin stated additions to the level of service would mean additions to the work force.

Council Member Evans asked whether we looked into using minimum security inmates as a labor resource. Mr. Heflin answered we have used community service workers, JOCCA crews and some prison inmates for one week a quarter, which is the maximum we can have the inmates.

Council Member Bateman asked if the current turnover rate was atypical. Mr. Heflin stated he could not say it was atypical. Mr. Horton said the Triangle labor market was tight with a great need for labor workers, adding that with a Triangle unemployment rate of 2%, it is difficult for the Town to compete for the small amount of labor available.

Council Member Pavão noted that Parks and Recreation maintenance staff had been transferred to the Public Works Department several years ago, and asked if the change had been successful. Mr. Horton stated he believed economy had been achieved by consolidating the crews. He added that we now have a better understanding of the deficiencies with parks and recreation facilities maintenance that existed before consolidation. Mr. Heflin said they still have a core group that works exclusively in the parks that are supplemented by other resources in the Landscape Division.

Council Member Pavão asked how many personnel work in that program? Mr. Horton said he believes about a dozen. He noted the Council has several years ago had begun setting aside an amount of money for small park projects which has been a tremendous help.

Council Member Brown noted someone had suggested that one way to cut expenses would be to have areas bordered by commercial areas maintained by simply adding our maintenance needs to the contractor supplying services to the abutting commercial property. Mr. Heflin said he believed the savings would be minimal. He stated most emphasis is not near commercial areas, and that it is not the largest component of the landscaping budget.

Council Member Brown asked why we are waiting so many years to explore the use of alternative fuel vehicles, noting we could at least begin to gather information. Mr. Horton said if directed by the Council we could bring forward a proposal and would be glad to seek a partnership with the University, the County, and others. He stated electric vehicles would certainly be worth experimenting with. Council Member Brown stated she would like to move forward with this if the Council agrees. Mr. Horton asked if she was talking about solar recharging stations for electric vehicles. Council Member Brown answered yes.

Council Member Evans suggested we also add the school system to the list of potential partners.

Council Member Brown stated she was aware that some students are already working on projects involving the use of electric vehicles.

Mr. Horton stated that if the Council desired, information could be obtained from staff persons of the Public Service Gas Company and the Alternative Energy Corporation.

Council Member Brown stated Madison County had a pay-as-you-throw program and stated she would like to obtain some information on there program.

Mayor Waldorf stated that Athens/Clark County, Georgia has several programs in progress that she believes the Council may be interested in, one being a backyard pay-as-you-throw.

Council Member Foy asked if any funds were dedicated to depreciation or replacement of capital items. Council Member Foy asked if money's being set aside each year in order to replace equipment when needed, such as a replacement for the street sweeper.. Mr. Horton said no, but Mr. Heflin has been asked to set up a schedule for budgeting funds for replacement of vehicles.

Council Member Bateman asked if 12 positions were now dedicated to parks and recreation maintenance. Mr. Heflin said that was correct. Council Member Bateman asked why another position was needed to maintain the Northern Community Park. Mr. Horton said all personnel were consumed, with no extra personnel time available. He noted that the park was large and one additional person would be needed. Mr. Horton said mowing would be required for 10 months out of the year, as well as standard maintenance such as mulching, weeding, and cleaning.

Council Member Evans said she believed the entire community was grateful for the care given to maintaining Fordham Boulevard. She asked whether staff had explored using volunteers to maintain entranceways. Mr. Heflin said there are plans for a Community Clean-Up Day focused on the University, particularly volunteers from fraternities and sororities, to perform a general clean-up in Town. He added the Sanitation Superintendent has been asked to formulate a local adopt-a-street program, similar to the highway program.

Council Member Wiggins asked about initiatives regarding litter collection, not in high profile areas but in places such as dead end streets. Mr. Heflin said they did not have a formal litter collection program, but that litter is one of their most important problems. He said they frequently work with neighborhoods who have their own clean-up days. Mr. Heflin noted they need to develop resources, because the Sanitation crews are fully committed elsewhere. He added that community service crews or volunteers have been used almost exclusively for the last several years. Council Member Wiggins stated it seems that fewer and fewer volunteers are available.

Mayor Waldorf asked if the Council had any direction to the staff regarding the points made tonight? She agreed that more money needed to be budgeted for street repair and reconstruction.

Council Member Pavão asked for Mr. Heflin's best estimate as to what is needed at this time. Mr. Heflin stated he would produce a working paper for the Council's consideration. Mr. Horton stated he had asked the staff to bring to the Council a proposal that would in essence say that x% of our streets are in condition a, b, or c, with a description of what a, b, and c were. He stated then we would suggest to you how many dollars it would take to bring all streets up to a level, or to b level. Mr. Horton stated we would then be able to say we can maintain the streets in a specific condition for x amount of dollars.

Council Member Pavão asked what the State's participation was in the maintenance of Fordham Boulevard. Mr. Horton said generally \$2,000 per year, but those funds have not always been available from the State.

Mr. Horton said he does not believe he can bring before the Council a budget with no tax increase because of just the kinds of needs expressed here tonight.

Council Member Bateman asked if needs would be listed in a priority order. Mr. Horton said yes.

Council Member Pavão asked if OWASA is responsible for repairing a street it digs up. Mr. Heflin said many times the Town does the repairs and OWASA bears the expense.

Mayor Waldorf stated that she believed that because the Post Office/Court Building is used almost entirely by the County, she would encourage the County to provide some funds for its upkeep. Mr. Horton said a court fee is provided to the Town, but it does not meet the current needs.

### Item 3: Police Budget

Police Chief Pendergraph noted there are three divisions within the Police Department. He noted that Support Services, includes crime analysis and planning, the crisis unit, youth service, crime division, legal services and human services. Chief Pendergraph noted key objectives in this area include increasing the number of Community Watch groups, upgrading and expanding the Department's computer system, and implementing with the Patrol Division a citizen patrol program in high crime neighborhoods.

Chief Pendergraph stated that in the Patrol Division, services include uniform patrol, traffic enforcement, the canine unit, special emergency response team, civilian monitors, school crossing guards, and special event planning and management. Key objectives are to coordinate enforcement of alcohol laws and street crimes with State and local public safety agencies; increase traffic enforcement and traffic safety programs in residential neighborhoods; and, school zones, and enhance the uniformed presence in Community Policing neighborhoods.

Chief Pendergraph said regarding the Investigations Division's services include the sexual assault investigations unit, major crimes unit, community policing investigations unit, juvenile services unit, narcotics enforcement unit, evidence and investigation unit, and the mobile crime lab. He noted key objectives include working in conjunction with the Patrol Division's community policing unit, focusing enforcement initiatives on street-level drug activities and maintaining regular citizen contracts in areas in which such activities occur, providing four hours of training to each officer on the management of juvenile crimes and related prevention techniques, and maintaining a cooperative working relationship with other local public safety agencies, with emphasis on sharing intelligence information and resources in order to limit the crimes committed by habitual offenders.

Chief Pendergraph called the Council's attention to the add list: \$25,000 for a Crisis Counselor position dedicated to the development and implementation of a domestic violence response and prevention program. He noted a State grant would provide an additional 25% to this amount. He noted that \$9,200 was needed to increase the Police Attorney position to full-time, and \$3,000 was needed to upgrade the Crime Prevention Officer position to a Sergeant position due to expanding workload and responsibilities.

Chief Pendergraph stated the add list included \$34,000 to add one Police Officer position to handle the dozen requests received each month from citizens to review the actions and behavior of

employees. He remarked that in order to ensure consistency and fairness in the management of these reviews, one officer has been assigned as the Department's Professional Standards Officer, and manages all employment background investigations conducted by the Department. Chief Pendergraph said the workload for this position indicates a need for it to remain as a full-time assignment.

Chief Pendergraph commented that \$10,000 was needed to add a minimum of seven security monitors that would provide the staffing necessary to implement the citizen patrol programs in selected community policing neighborhoods, adding these monitors would accompany citizens on foot patrols in neighborhoods. He said \$87,350 was necessary to fund a match for a Technology Grant, adding the Department submitted a grant application to the Governor's Crime Commission requesting \$263,000 to purchase a comprehensive radio communications system. Chief Pendergraph noted this system would provide mobile data terminals in all first-line vehicles along with the necessary hardware and software to connect officers in the field with the Department's records management system, with State systems such as the Criminal Information Network, and with Orange County 911. He noted this grant requires a 25% match of \$87,350.

Chief Pendergraph noted the overall crime rate has dropped by 2%. He indicated a marked increase in drug arrests, due to an increased effort in drug enforcement. He noted that traffic citations and DWI arrests have significantly increased from the last two fiscal years. Chief Pendergraph said this is not indicative of a larger problem, rather of better enforcement. He noted a decrease in violations of Town ordinances governing alcohol possession and consumption, adding the Town's open beverage container ordinance has greatly improved the atmosphere of the downtown area.

Chief Pendergraph noted that in a recent survey, 92% of those answering the survey requested that Community Policing continue in their neighborhoods.

Council Member Foy said regarding the funding for the mobile communications grant, is there a way to figure out the savings that may be realized. Chief Pendergraph answered this issue deals with efficiency as well as the safety of the officer and the communication it takes to get an officer from point A to point B in an emergency. Chief Pendergraph stated it would be difficult to pinpoint a dollar figure. Mr. Horton added there would be occasions the officers could run checks that they would not normally run because the communications system is tied up. He said it would allow officers access to databases that they do not have access to now because radio traffic is too heavy.

Mayor Waldorf asked if this system would allow for secure transmissions. Mr. Horton stated this was correct.

Council Member Evans stated she supported the upgrade in technology. She noted this would eliminate persons listening to police scanners for illegal purposes. Council Member Evans noted she often hears from citizens requesting more traffic enforcement, adding she would support any technology that would free up officers' time to dedicate to traffic enforcement. Mr. Horton noted the last grant received would allow the Town to increase from 4 to 6 the number of traffic officers, a 50% increase.

Council Member Wiggins asked some examples of complaints against officers and how they are investigated. Chief Pendergraph stated a process was used to handle these complaints. He said examples are an error in the way a report was prepared, persons who feel they were arrested for no reason, police brutality, traffic citations, and the like. Chief Pendergraph stated the investigation includes a statement being filed by the complainant, and an investigation including an interview with the officer involved. He also reviews each investigation.



Council Member Bateman asked if the idea of putting a **substation** at the Hargraves Community Center still being discussed. Chief Pendergraph stated one **problem** associated with that is that no secure area is available for computer terminals, files, and **the like**. He noted the idea is still being discussed.

Council Member Bateman asked if the DARE officers **were** provided to the schools. Chief Pendergraph noted these officers were now known as **Resource** Officers, but we no longer fund them for the schools. Council Member Bateman asked if the **Council** would be willing to approach the school system to set some groundwork for help in **funding** of such items as the school crossing guards, batting cages, and the like. Council Member **Bateman** asked the Mayor to approach the school system regarding this idea.

Council Member Foy asked if we provide significant **services** to Carrboro. Mr. Horton stated yes, that Chapel Hill works very well with Carrboro especially **with** fire and police services. He noted this system has worked very well. Chief Pendergraph noted there has been a joint task force on drug enforcement with Carrboro which has been operating **for** the last month, and has been very successful.

Mayor Waldorf asked if the 5 and one half percent increase **included** pay increases. Mr. Horton replied no. Chief Pendergraph stated the percentage **increase** includes over \$400,000 in grant funds.

Mayor Waldorf asked what on the add one list would be **the highest** priority. Chief Pendergraph noted the Police Attorney position and the new technology **were** the most important.

Mayor Waldorf stated her support for anything that would **improve** officer safety.

Council Wiggins asked if the new technology was a one time **investment**. Mr. Horton said it would increase the operating costs in the Police Department, but **would** greatly enhance enforcement. Mr. Horton noted this type of system has been available for a **number** of years, and he believes the Town is way behind.

The meeting was adjourned at 9:05 p.m.